PUBLIC NOTICE:

Home Forward
BOARD OF COMMISSIONERS
will meet on
Tuesday, March 16, 2021
At 5:15 pm
Zoom Register here:
https://homeforward.zoom.us/webinar/register/WN_3ZRXiHmXR-CZ-XzplDDOHQ

hope. access. potential.

MEMORANDUM

To:	Community Partners	Date:	March 11, 2021
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 16, 2021 at 5:15 PM virtually using the Zoom platform. The meeting will be accessible to the public via phone and electronic device.

If you would like to provide public testimony or view the meeting, please use this link to sign up https://homeforward.zoom.us/webinar/register/WN_3ZRXiHmXR-CZ-XzplDDOHQ

The commission meeting is open to the public.

135 SW Ash Street, Portland, Oregon 97204 TEL 503.802.8300 TTY 503.802.8554 homeforward.org

AGENDA

BOARD OF COMMISSIONERS MEETING

HOME FORWARD
135 SW ASH STREET
PORTLAND, OREGON

VIA ZOOM
https://homeforward.zoom.us/webinar/register/WN_3ZRXiHmXR-CZ-XzplDDOHQ

MARCH 16, 2021 5:15 PM
AGENDA

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 16, 2021 Board of Commissioner Conference Call Meeting

MISSION MOMENT

Topic	Presenter
Central City Concern Onsite Hep C Clinic at Bud Clark Commons	Jessica Karam, Program Supervisor Anna Geduldig, Hep C Screening & Linkage Specialist Anthony Traver, Clinical Supervisor Central City Concern

CONSENT CALENDAR

Following Reports and Resolutions:			
21-03	Topic	Presenter/POC	Phone #
02	Authorize 2021 Restated Bylaws Amendment	Ian Davie	503.802.8565
03	Authorization of Rent Assistance Administrative Plan change revising preference to reflect recent award of Mainstream Vouchers	Ian Slingerland Dena Ford-Avery	503.802.8370 503.802.8568

RESOLUTIONS/REPORTS

Following Reports and Resolutions:			
21-03	Topic	Presenter/POC	Phone #
04	Authorization to Submit Moving to Work Twenty First-Year Annual Report	Taylor Smiley Wolfe	503.802.8506
05	Authorize Alternative Procurement Findings for Grace Peck Apartments	Celeste King Jonathan Trutt	503.802.8541 503.802.8507
06	Authorize Execution of Purchase and Sale Agreement for 4720 N. Maryland Avenue	Jonathan Trutt	503.802.8507
07	Authorize 85 Stories Group 7 Omnibus Financing	Jonathan Trutt Theresa Auld	503.802.8507 503.802.8319
08	Authorize Amendments to the Design/Build Contracts for Construction Services with Walsh Construction and LMC Construction Co. for 85 Stories, Group 7 Properties	April Berg Michael Fu Lewis Lyles	503.802.8326 503.802.8499 503.802.8484

THE NEXT MEETING OF THE BOARD OF COMMISSIONERS

Home Forward is currently operating in a state of emergency. We will continue to conduct board-related business as it is currently scheduled but will update the public on the venue or forum by which it occurs as we assess the situation.

The next Board Work Session will be on Wednesday, April 3, 2021 at 5:30 PM. The next Board of Commissioners meeting will be Tuesday, April 20, 2021 at 5:15 PM.

EXECUTIVE SESSION

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

ADJOURN

MINUTES

BOARD OF COMMISSIONERS MEETING
HOME FORWARD
CONFERENCE CALL
135 SW Ash Street Portland, OR 97204
February 16, 2021

COMMISSIONERS PRESENT

Chair Damien Hall, Vice Chair Matthew Gebhardt, Treasurer Jenny Kim, Chair Emeritus Miki Herman, Commissioners Richard Anderson, TomiRene Hettman, Vivian Satterfield, Rakeem Washington and David Widmark

STAFF PRESENT

Elise Anderson, April Berg, Peter Beyer, Michael Buonocore, Ian Davie, Dena Ford-Avery, Monica Foucher, Carolina Gomez, Donna Kelley, Julie Livingston, Kitty Miller, Amanda Saul, Hannah Schmalz, Shannon Schmidt, Ian Slingerland, Taylor Smiley Wolfe, Aimee Smith, Celia Strauss, Jonathan Trutt, Frank Tworek-Hofstetter

COUNSEL PRESENT

Sarah Stauffer Curtiss

Chair Damien Hall convened the meeting at 5:15 PM.

PUBLIC COMMENT

Neil Goodman presented saying he has been a resident at Hollywood East for the past 15years. During this time, he has seen many things. He is active in the community as precinct committee person and a member of the Hollywood neighborhood association. Residents share their complaints with him and most recently an ongoing concern centered on the buildup of trash. He also brought to the Board's attention that Trimet is rerouting bus line 77 and removing the bus stop in front of Hollywood East. It is a lifeline for residents, especially those with mobility issues that use public transportation. For now, the line is still operating, but he would like to see Home Forward advocate for maintaining this critical bus stop. Home Forward's involvement will make a statement for the need and continue to give the residents the option to leave the premises. Goodman also addressed issues of being battered by a resident also experienced by other residents. He noted that this person has been evicted but raises this as a safety concern. Goodman shared a story of helping a fellow resident contemplating suicide, the success in talking her down and security not willing to report the incident to the police, which he did. He expressed his frustration with what appears to be an Airbnb style of traffic on the premises along with prostitution and drug selling. He asked about the delivery of packages and why the office will no longer receive them. In closing, Goodman encouraged more transparency to know what is being done behind closed doors.

Chair Hall thanked Mr. Goodman and said we appreciate his time to inform us of the situation at Hollywood East. He asked that staff reach out to Goodman regarding his concerns.

Commissioner TomiRene Hettman thanked Mr. Goodman for speaking and would also welcome connecting in the next few days if willing.

Diane Drum, Dahlke neighbor shared some of things she has recently heard. First, she thanked Mr. Goodman for testifying. She had a conversation with a Dahlke resident who began using an inhaler after experiencing the fumes from smokers on his floor. This person was not comfortable saying something to staff based on an experience they had a few years ago. Drum went on to say that when you have people like Neil Goodman, Cathy Millis and Robert Seals who are willing to speak, it is a fabulous resource to Home Forward. It's not complaining.

Drum shared examples of how these resources look. Millis finds ways to appreciate situations such as recognizing a resident death with flowers, providing hand sanitizers, face masks and warm food to those among her. Robert Seals has assisted a disabled neighbor recoup funds from a towing situation; enabled a resident with hearing issues feel less isolated by helping him get hearing aids. Drum said it is important to hear the good stuff in the context of how hard it is to be that way. Mr. Goodman is an example and by speaking out could be assaulted. Drum recognizes it is a balance for both sides and we must continue to think of the common good in the role of affordable housing.

She also wanted to recognize Robert Seals, sharing information that he agreed she could. Seals is of the Sioux tribe in Montana, formerly on the street, and the fact he does the things he does, as well as Cathy Millis given all they have been through is truly remarkable.

Chair Hall said we hear you loud and clear and we are aware of the valiant efforts and the amazing kindness that exists among Home Forward residents. The vast majority of interactions are positive even in these trying times. We appreciate your advocacy on behalf of Dahlke Manor as a neighbor to our residents there. You are doing it justice and shining light on the humanity of the situation.

Robert Seals was the last to speak regarding people who have been excluded at Dahlke. It appears their exclusion has been lifted and they are now back in the building. These said individuals are known for doing unscrupulous things in and around the building. Seals doesn't understand how they are back and doing the same things. He would like an explanation and an understanding how these decisions are made.

Seals welcomes the added security at Dahlke, but said this current company is not dependable. They are hard to find when scheduled to be on the premises and has suggested management look at the security cameras to substantiate his claims. In one situation, he understood the guard was found sleeping in the back office. Another issue to address is that the residents can only reach the security company when on site, not after hours. Recently there was no security for two scheduled days that could have been weather related. Seals would like to understand how the company is doing any good for the benefit of the building. Chair Hall thanked Mr. Seals for sharing his concerns and asked staff to follow up with him.

MEETING MINUTES

Minutes of the January 6, 2021 and January 19, 2021 Board of Commissioners Conference Call Meetings

Chair Damien Hall requested a motion authorizing approval of the minutes to the January 6, 2021 and January 19, 2021 Board of Commissioners meetings.

There being no discussion, Chair Emeritus Miki Herman moved to approve a motion for approval, and Commissioner Richard Anderson seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Chair Emeritus Miki Herman—Aye
Commissioner Richard Anderson—Aye
Commissioner TomiRene Hettman—Aye

Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Absent for the vote
Commissioner David Widmark—Aye

MISSION MOMENT – COVID Rent Relief Program – Expanded Partners

Hannah Schmalz, Short Term Rent Assistance (STRA) Supervisor opened the Mission Moment. The collaborative effort over the past three months represented $6 million in rent relief. This effort found Home Forward working with new partners and a new mode for providing rent assistance. Schmalz explained the difference with the STRA program. In this model Home Forward took on the role of rent payments to landlords with the goal of getting funding out quickly. She called out Frank Tworek-Hofstetter who worked very hard in achieving this goal to get all the rent payments out and meet the deadline.

In a power point presentation, Schmalz showed the funding from the Federal CARES Act and how this flowed through the City and County and the additional funding for COVID assistance for STRA groups. Now, more than ever racial equity was prioritized.

Schmalz introduce Matthew Tschabold, Policy and Planning Manager with the Portland Housing Bureau. Tschabold was filling in for Jennifer Chang and wanted to acknowledge her good work along with Jamila Dozier. Tschabold talked to the City's response to this effort and the Council's view through an equitable lens. Four PHB programs were identified looking at who was impacted the most by this pandemic and disproportionately served. As the pandemic unfolded it was clear which communities were impacted.

As the work got underway PHB was working with Home Forward partners networks, but felt more needed to be done. With the compiled information PHB put together a work group and expanded partnership viewing this through a racial equity lens. Tschabold acknowledged Home Forward as a partner on the vanguard in creating a new partner network. He recognized Home Forward's staff for their willingness and support of a new delivery network. The expanded community partners strongly showed the impact in accomplishing our goals. He shared a map by zip code showing who is being served by the expanded partner network.

Pastor Mark Jackson, Oasis of Praise/Bridge and expanded partner thanked everyone for the opportunity. Pastor Jackson shared one of their families' success story. The assistance afforded the family to pay off debt, affording more dollars for groceries, bringing utility payments current, boosting their credit score, and ability to build a savings account.

Jackson emphasized the importance of humanizing this process. The family saw this assistance as a lifeline. There are many families facing these issues and many turn to their house of worship. They are strong ties to the community and because of the relationship and trust, the family's dignity is maintained.

He applauded PHB for seeing this connection. He also thanked Frank, a modern-day hero who masterfully engineered an avalanche of interest and stress in a short window of time. Frank, you served our community and thank you for your leadership, accessibility, and perseverance. Jackson expressed appreciation to everyone who were able to move these resources quickly and for all the work to build these partnerships helping people to be able to continue to stay afloat. Pastor Jackson was hopeful we recognized the value of the faith community partnership.

Chair Hall thanked the presenters for the great success enabled by the work to build a quality infrastructure. It will be valuable if we need to repeat this in the future, especially as people continue to struggle in this current pandemic.

RESOLUTION 21-02-02 Authorize Renaming of the Building at 1115 SW 11th Avenue, Portland, Oregon, in Honor of Katherine Gray

Donna Kelley, Asset Manager for the property currently known as the Martha Washington presented the resolution. Following the murder of George Floyd, Central City Concern (CCC) reached out to Home Forward, as our long-term partner on this project. Several residents shared concerns about the current building name. As discussion ensued there was agreement it was the right moment to rename the property. CCC is expected to own the building at the conclusion of the tax credit partnership. It was clear they would lead the charge to change the name.

E.V. Armitage, Executive Coordinator at Central City Concern explained the process and why the change. For the past 24 years there has been interest in the naming processes. There was much enthusiasm for the process at CCC and with the research of Katherine Gray. Last summer a CCC team was assembled and after several meetings, a frontline staff suggested Katherine Gray as possible option. Through their internal investigation they landed on an agreement that a woman of color, leader in the Portland community would be in the consideration. Armitage noted that the Martha Washington building's history has women as central elements and it was important to preserve this. They welcomed an opportunity to recognize a lesser known civic leader who was a person of color who worked to improve their community. Outreach took place to stakeholders that included historians, civic leaders that were knowledgeable of Portland's history, particularly black women. Following the research and discussions it was a unanimous decision to name the building after Katherine Gray. The choice was amplified that she was a black woman leader who lived, worked, and was involved in organizations that supported the struggle for women's suffrage. As a pioneering African-American woman, Gray is one of many voices in Portland's history. Their research shows that other black leaders have been recognized, there was nothing named after Katherine Gray.

Chair Hall thanked the presenters and for the history of Katherine Gray. Commissioner Vivian Satterfield thanked Armitage for the wonderful information. She was curious if any remaining descendants of Gray have been found. Armitage said there were attempts to research living descendants using preliminary genealogical resources, local historians and did not come up with a definite connection. Given the resources available to CCC, she noted that it's possible someone who does this professionally may have better luck. Satterfield recognized the challenge, suggesting putting this on social media and potentially drawing the attention of an amateur sleuth. It's a rich history to read and she was fascinated with the local connection to activist Hattie Redmond.

Commissioner Hettman enjoyed reading her story. She shared attending meetings in the building with a positive vibe and looked forward to putting her vote on this one.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 21-02-02. Commissioner TomiRene Hettman moved to adopt resolution 21-02-02. Commissioner David Widmark seconded the motion.

The vote was as follows:

- Chair Damien Hall—Aye
- Vice Chair Matthew Gebhardt—Aye
- Treasurer Jenny Kim—Aye
- Chair Emeritus Miki Herman—Aye
- Commissioner Richard Anderson—Aye
- Commissioner TomiRene Hettman—Aye
- Commissioner Vivian Satterfield—Aye
- Commissioner Rakeem Washington—Aye
- Commissioner David Widmark—Aye

RESOLUTION 21-02-03 Authorize Execution of Site Control Documentation for Portland Community College/Killingsworth

Development Director Jonathan Trutt shared a rendering of the proposed building. This has been a collaboration with Portland Community College (PCC) over the past 18 months. Trutt described the current site. PCC plans to build a state-of-the-art facility for their existing workforce program. As PCC planned for their building, they recognized a need for housing. The property can accommodate the proposed 84-unit affordable housing development. The rendering is an example of how the housing can fit and is not the final look for the building. Trutt went onto described the units, ground floor commercial space, noting there are discussions with NAYA as a tenant, as well as exploring a Head Start program. We are focused on family unification program vouchers to be used. These would include youth phasing out of foster care and families needing stable housing to either avoid foster care placement of to reunite with children placed in foster care.

We anticipate two years while PCC builds their building before moving towards demolition of the existing structure. Trutt said the funding pursuit is never too early. We plan to apply to OHCS for local initiative fast track funds and are currently working on the application. In order to apply we need to show site control. PCC will provide Home Forward the site control required in the application through an option for a long-term ground lease for one dollar a year. By authorizing this resolution, it allows us to enter the ground lease with PCC.

Commissioner Satterfield having been stationed in the Cully neighborhood said seeing this development is a wonderful thing for the community.

Guest, Mr. Goodman asked how Trutt fits into the organization and how the monies will flow. Chair Hall said he is the director of development for Home Forward and that we will have someone follow up with the financial information.

Commissioner Rakeem Washington said it is uplifting to see Home Forward in a space where there is a confluence of several different institutions that include the thought of housing for former foster youth aging out of care. He appreciates the focus not solely on the housing component, but how it interacts with other agencies. He welcomed the forward thinking.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 21-02-03. Commissioner Richard Anderson moved to adopt resolution 21-02-03. Treasurer Jenny Kim seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Chair Emeritus Miki Herman—Aye
Commissioner Richard Anderson—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye
Commissioner David Widmark—Aye

ADJOURN

There being no further business, Chair Damien Hall adjourned the meeting at 6:17 PM.

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

ADOPTED: MARCH 16, 2021

Attest:	Home Forward:
Michael Buonocore, Secretary	Damien R. Hall, Chair

CONSENT CALENDAR

MEMORANDUM

To:	Board of Commissioners	Date:	March 16, 2021
From:	Ian Davie Chief Operating Officer 503.802.8565	Subject:	Authorize the Amendment of the Home Forward Restated Bylaws Resolution 21-03-02

After a review at the March 2021 work session, the Board of Commissioners is requested to to approve a resolution that amends the Home Forward bylaws based upon suggested edits related to the creation of a Committee for the Advancement of Racial Justice and emergency meeting protocols.

This action supports the Strategic Plan One Community focus by advancing racial equity as well as the One Portfolio focus by improving our emergency and disaster preparedness.

BACKGROUND

Bylaws serve a vital purpose of establishing basic powers and high-level functioning of the agency while guiding many of the actions of Home Forward's Board of Commissioners. Bylaws provide a degree of decision-making authority and flexibility to a Board Chair to ensure that she or he can manage the Board of Commissioners and any attendant issues. However, it's worth mentioning that bylaws can also be clunky given that they are a legal document based on state law, in this case Oregon's Housing Authorities Law, codified at Oregon Revised Statutes (ORS) 456. Thus, a periodic review can often help clarify bylaws and ensure that they are compliant with state law, but also provide and maintain the flexibility necessary to manage an agency like Home Forward.

In May 2019, the Board of Commissioners adopted amended bylaws which primarily established protocols relating to Attendance and Leave of Absence, addressed Board of Commissioners officer eligibility, and cleaned up other prior drafting errors.

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OVERVIEW

In 2020, the Board of Commissioners moved forward on the development of a Committee for Advancing Racial Justice. Meanwhile, in the midst of the COVID-19 pandemic, Chair Hall requested a review of emergency meetings procedures. These additions have been incorporated into the bylaws attached to this memorandum, in particular:

- Article IV, Sections 1-4 include references to meetings by telephone or other electronic means and expressly add the ability to call an emergency meeting by the Chair, Vice Chair, Secretary, or upon the written request of two Commissioners.
    - Section 4 includes specific language regarding the regular expectation of 48 hours' notice (regular meetings), 24 hours' notice (special meetings), and less notice (emergency meetings).
    - Section 8 includes specific language establishing additional expectations for minutes related to emergency meetings.
- Article V, Section 2.5 establishes a Committee for Advancing Racial Justice.

Suggested changes have been reviewed by the Home Forward Executive Team, The Executive Committee of the Board of Commissioners, Home Forward General Counsel Stoel Rives, and the full Board of Commissioners at the March 2021 work session.

CONCLUSION

This proposal has been reviewed by the Executive Committee of the Board of Commissioners and the full Board of Commissioners. Staff requests approval of a resolution amending these bylaws in the form annexed to this memorandum and resolution.

ATTACHMENTS

Annexed to this memorandum and resolution is a draft of the by-laws which contains red-lined suggested edits.

RESOLUTION 21-03-02

RESOLUTION 21-03-02 AUTHORIZES THE AMENDMENT, APPROVAL, AND ADOPTION OF HOME FORWARD BYLAWS ENTITLED “2021 RESTATED BYLAWS OF HOME FORWARD”

WHEREAS, Home Forward, a housing authority and a public body corporate and politic of the State of Oregon, operates pursuant to certain corporate bylaws; and

WHEREAS, Home Forward’s bylaws are consistent with the Housing Authorities Law, codified at Oregon Revised Statutes (ORS) 456.

WHEREAS, Bylaws serve a vital purpose of establishing basic powers and high-level functioning of the agency while guiding many of the actions of Home Forward’s Board of Commissioners; and

WHEREAS, a periodic review of corporate bylaws can help clarify bylaws and ensure that they are compliant with state law, but also provide and maintain the flexibility necessary to manage an agency like Home Forward; and

WHEREAS, in 2020 the Chair of the Home Forward Board of Commissioners identified and proposed protocols relating to the use of emergency meetings; and

WHEREAS, in 2020 the full Board moved forward the creation of a Committee for Advancing Racial Justice; and

WHEREAS, suggested changes have been reviewed by the Chief Operating Officer, the Home Forward Executive Team, the Executive Committee of the Board of Commissioners, the full Board of Commissioners at the March 2021 work session, and Home Forward General Counsel Stoel Rives, NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby amends, approves and adopts the bylaws entitled “2021 RESTATED BYLAWS OF HOME FORWARD” which is annexed hereto.

ADOPTED: MARCH 16, 2021

Attest:	Home Forward:
______________________________	______________________________
Michael Buonocore, Secretary	Damien R. Hall, Chair

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2021~~19~~ RESTATED BYLAWS

OF

HOME FORWARD

ARTICLE I
THE AUTHORITY

Section 1. **Name of Authority**. The name of the Authority shall be "Home Forward".

Section 2. **Legal Status.** Home Forward (the "Authority") is a public corporation created under the Oregon Housing Authorities Law (ORS 456.055 to 456.235) and shall be subject to the terms of the Housing Authorities Law as in effect from time to time. In the event of any apparent conflict between the provisions of the Housing Authorities Law and these Bylaws, the provisions of the Housing Authorities Law shall prevail.

Section 3. **Seal of Authority**. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority.

Section 4. **Powers of the Authority**. The powers of the Authority shall be vested in the Commissioners thereof in office from time to time.

Section 5. **Office of the Authority**. The offices of the Authority shall be at such location in the City of Portland, State of Oregon, as the Commissioners may from time to time determine, but the Authority may transact its business at such other places as the Commissioners may designate from time to time.

ARTICLE II
COMMISSIONERS

Section 1. **Powers.** All corporate powers shall be exercised by or under the authority of, and the affairs of the Authority managed under the direction of, a commission appointed in accordance with the provisions of ORS 456.095.

Section 2. **Term of Office.** Commissioners shall be appointed for a term of office of four years, except that all vacancies shall be filled for the unexpired term. Commissioners may, if reappointed at the discretion of the governing body, serve any number of consecutive terms.

Section 3. **Standard of Care.** A Commissioner shall discharge the Commissioner's duty with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character.

Section 3.1 **Attendance.** A Commissioner who has three or more unexcused absences during a rolling twelve month period must meet with the Chair upon the Chair's request. If further unexcused absences occur within the subsequent rolling twelve month period, the Chair and Vice Chair may arrange a meeting to discuss with the designated governing body or appointing authority the possibility of removal due to neglect of duty under Article II, Section 6. An absence is deemed excused where a Commissioner calls, texts, or emails notice of the absence to a designated Home Forward staff member.

Section 3.2 **Leave of Absence.** In the event that a Commissioner intends to be away from Multnomah County and will be unable to attend regular meetings, or will be otherwise unable to attend regular meetings and work sessions of the Board of Commissioners, for a term of three or more months, the Commissioner must provide notice by letter to the Chair informing of the reason and duration. A copy of the letter shall be sent, or forwarded, to the appointing authority as well. Whether such extended absence constitutes neglect of duty pursuant to Article II, Section 6 is to be determined according to the individual circumstances of the Commissioner's extended absence.

Section 4. **Vacancies.** A vacancy in the commission shall exist upon the death, resignation, or removal of any Commissioner. The vacancy in the commission shall be filled in the same manner as the original appointment of a Commissioner who has died, resigned, or been removed. All vacancies shall be filled for the unexpired term of a Commissioner who has died, resigned, or been removed.

Section 5. **Resignation.** A Commissioner may resign at any time by delivering written notice to the chairperson of the commission. A resignation is effective when delivered unless the notice specifies a later effective date. Once delivered, the notice of resignation is irrevocable unless revocation is permitted by the commission.

Section 6. **Removal.** A Commissioner may be removed by the appointing authority for the Commissioner for inefficiency or neglect of duty or misconduct in office. The Commissioner shall not be removed until after the Commissioner has been given a copy of the charges against the Commissioner at least 10 days prior to the hearing thereon and had an opportunity to be heard in person or by counsel. In the event of the removal of any Commissioner, a record of the proceedings, together with the charges and findings thereon, shall be filed in the Office of the Clerk for each city and county in the Authority.

Section 7. **Compensation.** A Commissioner shall receive no compensation for services, but shall be entitled to the payment or reimbursement of expenses, including travel expenses, in the discharge of the duties of the Commissioner, in accordance with standards and procedures adopted from time to time by the Authority.

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ARTICLE III
OFFICERS

Section 1. **Officers**. The officers of the Authority shall be a chairperson (hereinafter the "Chair"), one or two vice-chairs provided in Section 3. below (hereinafter the "Vice-Chair" or "Vice-Chairs"), a Secretary, a Treasurer, and, from time to time, a Chair Emeritus.

Section 2. **Chair**.

2.1 The Chair is empowered and shall (1) preside at all meetings of the Commissioners; (2) preserve order; (3) decide all questions of order according to parliamentary rules; (4) appoint all committees.; (5) except as otherwise authorized or directed by the Commissioners, sign all contracts, deeds, and other instruments made by the Authority; (6) submit such recommendations and information as may be considered pertinent to the Commissioners for consideration; and (7) serve as a spokesperson on behalf of the Authority.

2.2 The chair shall exercise general supervision over the Executive Director; negotiate terms of an employment agreement; act on behalf of the Authority in enforcing terms and conditions of the agreement; review and evaluate the employment-related performance of the Executive Director; and negotiate any changes in length of service, compensation or other contract matters. In carrying out this sub-section, the chair will consult with the Executive Committee in the absence of exigent circumstances. The chair will provide a briefing to the Executive Committee after any negotiation, enforcement, review, evaluation, or contractual change under this sub-section.

Section 3. **Vice-Chairs**.

3.1 One Vice-Chair shall be elected annually in accordance with Section 8 below. The Commissioners may determine, at any time, to create a second office of Vice-Chair and elect a Commissioner to that position. The Commissioners may refer the election of a second Vice-Chair to the procedures for nomination set forth in Section 3.3 of Article V. Unless otherwise established by the Commissioners, there will be no distinction in rank or position between two Co-Vice-Chairs.

3.2 At any time that only one Vice-Chair is serving as such, that individual shall perform the duties of the Chair in the absence or incapacity of the Chair and in the case of the resignation or death of the Chair, the Vice-Chair shall perform such duties as are imposed on the Chair until such time as the Authority shall select a new Chair.

3.3 In the event there are two Vice-Chairs, the Chair may, verbally or by written designation, appoint a Vice-Chair to act on his or her behalf in the absence of the Chair and the Chair may, in his or her absence, divide the Chair's duties between the Vice-Chairs. In the absence of such designation, it shall be made by the Commissioners. In the case of the resignation or death of the Chair, either Vice-Chair may perform such duties as are imposed on the Chair until such time as the Authority shall select a new Chair.

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Section 4. **<u>Secretary (Executive Director)</u>**. The Executive Director shall be the Secretary of the Authority. As Secretary, he/she shall be responsible for keeping correct records of the meetings of the Commissioners; supervise the preservation of all records of the Authority; and be responsible for all funds of the Authority.

Section 5. **<u>Treasurer</u>**. The Treasurer shall consult with the Executive Director on financial matters pertaining to the Authority and the administration of its funds; shall serve as the direct liaison between the Commissioners and the Executive Director on financial issues; shall review and assist in presentations to the Commissioners concerning the financial aspects of the Authority; and shall cause reports to be made to the Commissioners at the times and in the form determined by the Commissioners. The Treasurer shall not, personally, audit, or be responsible for, or in any manner supervise any certified audit of the Authority which will be conducted not less often than annually in accordance with Section 3 of Article VII. The Treasurer may rely on all reports and computations presented to him/her and will not be responsible for any investigation thereof. The Commissioner elected to the position of Treasurer shall have no greater fiduciary duty to the Authority than any other Commissioner, and the Board shall limit his/her duties accordingly. In accordance with Article V, Section 2.2 of these Bylaws, the Treasurer shall be the presiding officer of the Audit and Finance Committee.

Section 6. **<u>Chair Emeritus</u>**. The immediate past Chair of the Authority shall be the Chair Emeritus. In the event the immediate past chair does not remain on the Board, or does not wish to hold the title of Chair Emeritus, a past Chair who remains on the Board of Commissioners may hold the title of Chair Emeritus at the Chair's full discretion. The Chair Emeritus shall provide guidance to the Chair, Executive Committee, and Commissioners, as appropriate. The Chair Emeritus will be a voting member of the Board unless his/her appointment as a Commissioner has expired.

Section 7. **<u>Additional Duties</u>**. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Commissioners or by the Bylaws or rules and regulations of the Authority.

Section 8. **<u>Election, Appointment, and Term</u>**. The Chair, not less than one Vice-Chair, and Treasurer shall be elected, on a biennial basis, by the Commissioners from among their members at their first regular meeting in October of each year. They shall assume office on January 1 of the next following year and shall hold office for two years or until their successors are elected and qualified.

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8.1 Except for the Treasurer, no elected officer may serve for more than four consecutive years in the position to which he/she is elected. After having served in one elected position, a Commissioner may not be re-elected to that position without respect to whether he/she has held the position for four consecutive years. The Treasurer may serve as such for six consecutive years. The Chair Emeritus shall serve for one year and, upon agreement with the Chair pursuant to the requirements set forth in Article III, Section 6, for additional one-year increments not to exceed a total of four consecutive years.

Section 9. **Vacancies**. Should the offices of Chair, Vice-Chair, or Treasurer become vacant, the Commissioners shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of said office. When the office of Secretary becomes vacant, the Commissioners shall appoint a successor.

Section 10. **Assistant Officers**. The Commissioners may, by resolution, authorize from among the personnel or Commissioners such deputy or assistant officers as they deem to be in the best interest of the Authority, with such terms and duties as the Commissioners may prescribe.

ARTICLE IV
MEETINGS

Section 1. **Annual Meeting**. The Annual Meeting of the Authority shall be held on the third Tuesday in January of each year at 6:15 p.m., at the regular meeting place of the Authority, or at any other such place as may be designated by the Chair or Secretary, including by telephone or other electronic means, in accordance with ORS 192.630 and ORS 192.670. In the event such date shall fall on a legal holiday, the Annual Meeting shall be held on the next succeeding day.

Section 2. **Regular Meetings**. The regular meetings of the Commissioners shall be held on the third Tuesday of each month at the hour of 6:15 p.m., at the principal offices of the Authority, 135 SW Ash Street, Portland, Oregon, or at such other place as may be designated by the Chair or the Secretary, including by telephone or other electronic means; provided, however, that in the event the Chair determines that the business of the Authority may best be accomplished at a special meeting or meetings, or must be addressed at an emergency meeting, he/she may cancel any regular meeting. No notice of cancellation of a regular meeting is required unless notice of its being held has been given.

Section 3. **Special Meetings**. The Chair, either Vice-Chair, or Secretary may, when any of them deem it expedient, and shall upon the written request of two Commissioners, call a special meeting of the Commissioners to be held at such time and place, including by telephone or ~~electronically~~ other electronic means as the person or persons calling the meeting shall appoint for the purpose of transacting any business designated. The Chair, either Vice Chair, or Secretary, may call an emergency meeting of the Commissioners or, upon the written request of two Commissioners, shall call an

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emergency meeting of the Commissioners in the event of an actual emergency necessitating immediate action, to be held at such time and place, including by telephone or other electronic means, as the person calling the meeting shall appoint for the limited purpose of addressing the emergency.

Section 4. **Notice**. The Secretary, or such other person as the Chair may appoint, shall give notice in writing of all Annual and Regular meetings, by delivering a copy of the notice to each Commissioner, by emailing the notice to each Commissioner at the email address each of them has designated, or by mailing such notice to each Commissioner at the Commissioner's business or home address, at least 48 hours prior to such meeting except in cases of Special Meetings, when notice shall be provided at least 24 hours prior to such meetings, or in cases of actual emergency, when notice shall be in such time and manner as is appropriate to the circumstances, typically by telephonic notice. The notice shall state generally the nature of the business intended to be considered through the publication of an agenda or similarly; provided however, that any business may be considered at any duly called meeting notwithstanding the lack of notice of such business. Any person or organization (including, but not limited to, the public media), who desires to be notified of the meetings of the Authority may register with the Secretary who shall provide notices to such individuals and organizations in the manner and time provided for notice to the Commissioners. The Secretary may, from time to time, at his or her discretion, require the re-registration of any such persons desiring notice.

Section 5. **Quorum**. A majority of the then-appointed Commissioners of the Authority shall constitute a quorum for the purpose of conducting the business and exercising the powers of the Authority and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained. When a quorum is in attendance, action may be taken by the Commissioners upon a vote of a majority of the Commissioners present.

Section 6. **Manner of Voting**. The voting on all questions coming before the Board of Commissioners shall be by voice vote. All action of the Commissioners shall be deemed to have been taken unanimously by all Commissioners present unless a Commissioner notes that he/she is abstaining or voting in opposition to the majority as determined by the presiding officer, in which event the ayes and nays shall be entered upon the minutes of such meeting with respect to such matter.

Section 7. **Authority Business**. All business of the Authority shall be conducted by the adoption of a resolution, the approval of a staff or Commissioner report, or passage of a motion of a Commissioner. All resolutions and reports shall be in writing and a copy of each report and resolution must be submitted prior to adoption or approval to each of the Commissioners present at the meeting considering adoption or approval. Adopted reports and resolutions shall be included in the minutes of the Authority. Meetings will be conducted in accordance with "Roberts Rules of Order" as modified by the Commissioners.

Section 8. Minutes. The Secretary shall be responsible for the taking of written minutes of all meetings of the Commissioners. Neither a full transcript nor a recording of the meeting is required, but the written minutes must give a true reflection of the matters discussed at the meeting and the views of the participants. All minutes shall be available to the public upon request within a reasonable time after the meeting, and shall include at least the following information:

8.1 All Commissioners present;

8.2 All motions and resolutions proposed and their disposition;

8.3 The results of all votes and the vote of each Commissioner by name;

8.4 A summary of any discussion on any matter; and

8.5 Except as permitted by law, a reference to any document discussed at the meeting.

The Secretary shall, in addition, for all emergency meetings, include the time and manner of notice given, a description of the actual emergency, and the reason why the meeting could not be delayed to allow 24 hours' notice.

Section 9. Public Meetings Law. All meetings of the commission shall be open to the public in the manner and to the extent provided in the Oregon Public Meetings Law (ORS 192.610 to 192.690) as in effect from time to time. Executive sessions may be held for the purposes and subject to the procedures set forth in the Oregon Public Meetings Law. Minutes of meetings and executive sessions shall be kept in compliance with the provisions of the Oregon Public Meetings Law.

Section 10. Telephonic or Electronic Meetings. Any action required to be taken at a meeting of the Commissioners, or any action which may be held through the use of telephone or other electronic ~~communication~~ means, must otherwise be convened and conducted in accordance with these Bylaws. Each participant must be able to simultaneously communicate with each other participant.

ARTICLE V
COMMITTEES

Section 1. Designation and Limitations. The Chair may designate committees of the Authority and, subject to the provisions of this Article V, shall designate the size, composition, duties, organization, administration, and duration of such committees. Any committee may be composed of Commissioners, staff, or any other persons. In the event a committee is authorized to act on behalf of the Board of Commissioners, the committee shall so act only if a majority of the Commissioners so appointed approve such action. No committee shall exercise the power of the Authority

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to amend or repeal the Bylaws, rules, or regulations of this Authority; or to select the Chair, Vice-Chairs, or Executive Director of the Authority.

Section 2. **Standing Committees**. The Authority shall have the following standing committees:

2.1 **Executive Committee**. The Executive Committee shall be composed of the elected Officers of the Authority. When only one Vice-Chair is serving, the Chair shall appoint a fourth Commissioner to the Executive Committee. The Chair Emeritus may be selected as the fourth member of the Executive Committee. The Committee will be the primary liaison between the Board and the Executive Director. The Executive Committee will review matters that the Executive Director intends to present or have presented to the meetings of the Board. The Executive Committee shall consult with other committees with respect to their recommendations to the Board. Unless specifically authorized by the Board, the Executive Committee will take no action that is binding upon the Authority. The Chair of the Authority shall be the presiding officer of the Executive Committee.

2.2 **Audit and Finance Committee**. The Audit and Finance Committee shall, on a regular basis, review the operating statements of the Authority and make recommendations to the Board and the Executive Director with respect to the financial operations of the Authority. The Committee shall appoint an outside firm to perform the annual audit of the Authority and shall receive the annual certified audit of the Authority's operations prior to its presentation to the Board. The Audit and Finance Committee may require, and shall review, the Authority's internal audits. The Audit and Finance Committee shall be composed of not fewer than three Commissioners, including the Treasurer who shall be its presiding officer. The Chair may appoint additional members from Home Forward's staff, with the approval of the Executive Director, and volunteers from the community with financial experience.

2.3 **Nominating Committee**. The Executive Committee shall serve as the Nominating Committee.

2.4 **The Real Estate and Development Committee**. The Chair shall, annually, appoint one Commissioner to preside and no fewer than two additional Commissioners to serve on the Real Estate and Development Committee. The Chair may also appoint one community member to serve on the Real Estate and Development Committee. The Real Estate and Development Committee shall review and recommend to the Board the approval of proposals of the officers and staff of the Authority for acquisition, disposition, rental, construction, rehabilitation, maintenance and management of the housing developments and facilities of the Authority.

2.5 **The Committee for Advancing Racial Justice**. The Committee for Advancing Racial Justice shall further diversity, equity, and inclusion in the governance of the Authority, including by initiating, reviewing, and recommending anti-racist policies, procedures, approaches, and initiatives. The Chair shall be a member of the Committee for Advancing Racial Justice and shall annually appoint no fewer than two additional

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Commissioners as members of the Committee for Advancing Racial Justice. The Chair may also appoint Agency staff and residents and any other persons as additional members. The Committee for Advancing Racial Justice is authorized to change its title without amendment of these Bylaws.

ARTICLE VI
INDEMNIFICATION OF COMMISSIONERS, OFFICERS, EMPLOYEES, AND AGENTS

Section 1. Authority to Indemnify Representatives.

1.1 Except as provided in Paragraph 1.3, the Authority may indemnify an individual made a party to a proceeding because the individual is or was a Commissioner, officer, employee, or agent of the Authority (a "Representative") against liability incurred in the proceeding unless:

1.1.1 The conduct of the Representative was outside the scope of his/her official duties;

1.1.2 The Representative's conduct constituted malfeasance in office; or

1.1.3 The Representative's conduct constituted a willful or wanton neglect of duty.

1.2 The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the Representative did not meet the standard of conduct described in this section.

1.3 The Authority may not indemnify a Representative under this section:

1.3.1 In connection with a proceeding by or in the right of the Authority in which the Representative was adjudged liable to the Authority; or

1.3.2 In connection with any other proceeding charging improper personal benefit to the Representative in which the Representative was adjudged liable on the basis that personal benefit was improperly received by the Representative.

1.4 Indemnification permitted under this Section in connection with a proceeding by or in the right of the Authority is limited to reasonable expenses incurred in connection with the proceeding.

Section 2. Mandatory Indemnification. The Authority shall indemnify a Representative who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the Representative was a party because of being a

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Representative of the Authority against reasonable expenses incurred by the Representative in connection with the proceeding.

Section 3. Advance for Expenses.

3.1 The Authority may pay for or reimburse the reasonable expenses incurred by a Representative who is a party to a proceeding in advance of final disposition of the proceeding if:

3.1.1 The Representative furnishes the Authority a written affirmation of the Commissioner's, officer's, employee's, or agent's good faith belief that the Representative has met the standard of conduct described in Section 1; and

3.1.2 The Representative furnishes the Authority a written undertaking, executed personally or on the Representative's behalf, to repay the advance if it is ultimately determined that the Representative did not meet the standard of conduct.

3.2 The undertaking required by Paragraph 3.1.2 must be an unlimited general obligation of the Representative but need not be secured and may be accepted without reference to financial ability to make repayment.

3.3 Any authorization of payments under this Section may be made by resolution of the Commissioners or by contract.

Section 4. Determination and Authority of Indemnification.

4.1 The Authority may not indemnify a Representative under Section 1 unless authorized in the specific case after a determination has been made that indemnification of the Representative is permissible in the circumstances because the Representative has met the standard of conduct set forth in Section 1.

4.2 A determination that indemnification of a Representative is permissible shall be made:

4.2.1 By the Commissioners by majority vote of a quorum consisting of Commissioners not at the time parties to the proceeding;

4.2.2 If a quorum cannot be obtained under Paragraph 4.2.1, by a majority vote of a committee duly designated by the Commissioners consisting solely of two or more Commissioners not at the time parties to the proceeding. However, Commissioners who are parties to the proceeding may participate in designation of the committee;

4.2.3 By special legal counsel selected by the Commissioners or their committee in the manner prescribed in Paragraphs 4.2.1 or 4.2.2 or, if a quorum of the Commissioners cannot be obtained under Paragraph 4.2.1 and a committee cannot be designated

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under Paragraph 4.2.2, the special legal counsel shall be selected by a majority vote of the Commissioners, including Commissioners who are parties to the proceeding.

4.3 Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under Paragraph 4.2.3 to select counsel.

Section 5. **Insurance**. The Authority may purchase and maintain insurance on behalf of a Representative against liability asserted against or incurred by the Representative who is or was a Representative of the Authority or who, while a Representative, is or was serving at the request of the Authority as a director, officer, partner, trustee, employee, or agent of a partnership, joint venture, employee benefit plan, or other enterprise. The Authority may purchase and maintain the insurance even if the Authority has no power to indemnify the Representative against the same liability under Section 1.

Section 6. **Application of Article VI**.

6.1 The indemnification and provisions for advancement of expenses provided by this Article VI shall not be deemed exclusive of any other rights to which Representatives may be entitled under any agreement, general or specific action of its Commissioners, or otherwise, and shall continue as to a person who has ceased to be a Representative and shall inure to the benefit of the heirs, executors, and administrators of such a person. Specifically and not by way of limitation, the Authority shall have the power to make or agree to make any further indemnification, including advancement of expenses, of:

6.1.1 Any Representative whose agreement for such was approved, adopted, or ratified, before or after such indemnification or agreement is made; and

6.1.2 Any officer, employee, or agent who is not an officer, employee, or agent as authorized by general or specific action of the Commissioners or by agreement.

6.2 This article does not limit the Authority's power to pay or reimburse expenses incurred by a Commissioner in connection with the Commissioner's appearance as a witness in a proceeding at the time when the Commissioner has not been made a named defendant or respondent to a proceeding.

ARTICLE VII
MANAGEMENT

Section 1. **Fiscal Year**. The fiscal year of the Authority shall begin on the first day of January of every year. The commencement date of the fiscal year herein established shall be subject to change by the Commissioners.

Section 2. **Books and Accounts**. Books and accounts of the Authority shall be kept under the direction of the Secretary and in accordance with systems approved by the Commissioners.

Section 3. **Auditing**. At the close of each fiscal year, the books and records of the Authority shall be audited by a certified public accountant selected by the Commissioners whose report will be prepared and certified.

Section 4. **Execution of Corporate Documents**. The Chair and the Secretary (the latter acting in his capacity as Executive Director), are authorized to execute all notes and contracts authorized by the Board of Commissioners. With the prior authorization of the Commissioners, notes, checks, and contracts may be executed by other designated persons.

Section 5. **Personnel**. The Authority may, from time to time, employ and compensate such personnel as the Commissioners deem necessary to exercise their powers, duties, and functions as prescribed by the Housing Authorities Law and all other laws of the State of Oregon and the United States applicable thereto. Except for the Executive Director, the selection of all personnel shall be the responsibility of the Executive Director.

ARTICLE VIII
CONFLICT OF INTEREST

Section 1. **Contracts**.

1.1 Neither the Authority nor any of its contractors or their subcontractors may enter into any contract, subcontract, or arrangement in connection with any project of this Authority in which any of the following classes of people has an interest, direct or indirect, during his or her tenure or for one year thereafter:

1.1.1 Any present or former Commissioner, or any member of the Commissioner's immediate family. There shall be excepted from this prohibition any present or former tenant Commissioner who does not serve on the governing body of a resident corporation, and who otherwise does not occupy a policy-making position with a resident corporation, the Authority or a business entity.

1.1.2 Any employee or agent of the Authority who formulates policy or who influences decisions with respect to the project(s), or any member of the employee's or agent's immediate family, or the employee's or agent's partner.

1.1.3 Any public official, member of the Portland, Gresham, or Multnomah County governing bodies or Oregon State legislator, or any member of such individuals' immediate family, who exercises functions or responsibilities with respect to any project(s) or the Authority.

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1.2 Any member of these classes of persons must disclose the member's interest or prospective interest to the Authority and, as to federally funded projects, the Department of Housing and Urban Development.

1.3 The requirements of Paragraph 1.1 may be waived by the Department of Housing and Urban Development for good cause. No person for whom a waiver is requested may exercise responsibilities or functions with respect to the contract to which the waiver pertains.

1.4 The provisions of this Section 1. shall not apply to the General. Depository Agreement entered into with an institution regulated by a Federal agency, or to utility service for which the rates are fixed or controlled by the State or local agency.

1.5 Nothing in this section shall prohibit a tenant of the Authority from serving as a Commissioner.

Section 2. <u>Employment</u>.

2.1 The Authority may not hire an employee if the prospective employee is an immediate family member of any person belonging to one of the following classes:

2.1.1 Any present or former Commissioner. There shall be excepted from this prohibition any former tenant Commissioner who does not serve on the governing body of a resident corporation, and who otherwise does not occupy a policy-making position with the Authority.

2.1.2 Any employee of the Authority who formulates policy or who influences decisions with respect to project(s).

2.1.3 Any public official, member of the Portland, Gresham, or Multnomah County governing body, or Oregon State legislator who exercises functions or responsibilities with respect to any project(s) or the Authority.

2.2 The prohibition referred to in Paragraph 2.1 shall remain in effect throughout the class member's tenure and for one year thereafter.

2.3 The class member shall disclose to the Authority and as to federally funded projects, the Department of Housing and Urban Development, the member's familial relationship to the prospective employee.

2.4 The requirements of this subsection 2 may be waived by the Commissioners for good cause.

Section 3. <u>Definitions</u>. For purposes of Sections 1 and 2, the term "immediate family member" means the spouse, mother, father, brother, sister, or child of a covered class member (whether related as a full blood relative, or as a "half" or "step" relative, e.g., a half-brother of stepchild).

Section 4. **Impartiality**. No Commissioner, officer, employee, or agent ("Representative") shall grant or make available to any person any consideration, treatment, advantage, or favor beyond that which it is the general practice to grant or make available to all members of the public similarly entitled thereto.

Section 5. **Use of Public Property**. No Representative shall request, use, or permit the use of any publicly owned or publicly supplied property, vehicles, equipment, material, labor, or service for the personal convenience or the private advantage of himself/herself or of any other person. This provision shall not be deemed to prohibit any Representative from requesting, using, or permitting the use of such publicly owned and publicly supplied property, vehicles, equipment, material, labor, and service which it is the general practice to make available to the public at large or which are provided as a matter of stated public policy for the use of Representatives in the conduct of official business.

Section 6. **Personal Privilege**. No Representative shall request or use any privilege or advantage derived from his employment by, or appointment to, the Authority that has not been authorized, specifically or by reasonable implication, by the Commissioners. Any question respecting such authorization shall be determined by the Commissioners prior to the exercise of such privilege or advantage.

Section 7. **Representation of Private Persons**. No Representative shall appear on behalf of any private person other than himself or herself before the Authority.

Section 8. **Gifts and Favors**. No Representative shall give or accept any gift whether in the form of money, thing, favor, loan, or promise, that would not be offered or given to or by him/her, if he/she were not a Representative. Excepted are gifts of nominal value given or received as tokens of appreciation and gifts to officers or employees (other than Commissioners) conferred by the Commissioners.

Section 9. **Confidential Information**.

9.1 No Representative shall, except in the ordinary course of his/her assigned duties, or without prior formal authorization, disclose any confidential information concerning any other Representative, any tenant, lessor, contractor, or any other person, or any property or affairs of the Authority unless otherwise required by law.

9.2 Whether or not it shall involve disclosure, no Representative shall use or permit the use of any such confidential information to advance the financial or personal interest of himself or herself or any other person.

Section 10. **Determination of Conflict of Interest**.

10.1 A determination that a conflict of interest exists shall be made:

10.1.1 By the Commissioners by majority vote of a quorum consisting of Commissioners not at the time parties to the proceeding;

10.1.2 If a quorum cannot be obtained under paragraph 10.1.1, by a majority vote of a committee duly designated by the Commissioners consisting solely of two or more Commissioners not at the time parties to the proceeding. However, Commissioners who are parties to the proceeding may participate in designation of the committee;

10.1.3 By special legal counsel selected by the Commissioners or its committee in the manner prescribed in Paragraphs 10.1.1 or 10.1.2 or, if a quorum of the Commissioners cannot be obtained under Paragraph 10.1.1 and a committee cannot be designated under Paragraph 10.1.2, the special legal counsel shall be selected by a majority vote of the Commissioners, including Commissioners who are parties to the proceeding.

Section 11. Advisory Opinions. Upon the written request of the Representative concerned, the Commissioners or specially appointed legal counsel shall render a written advisory opinion based upon the provisions of this Article.

Section 12. Sanctions. In the event that the Commissioners or specially appointed legal counsel shall make a determination that the conduct of any Representative was improper, the Commissioners may, based upon their written findings, conclusions, and determinations, institute appropriate action for censure, suspension, or, in the case of a Commissioner, recommendation to the Mayor of the City of Portland for the removal from office of the Commissioner. Additionally, should the Commissioners feel such action is necessary, they may turn the matter over to appropriate counsel for legal action.

ARTICLE IX
AMENDMENTS

The Bylaws of the Authority shall be amended only with the approval of a majority of the Commissioners at a regular or a special meeting, but no such amendment shall be adopted unless at least seven days' written notice thereof has been previously given to Commissioners.

ARTICLE X
NONDISCRIMINATION

The Authority shall not discriminate in providing services, hiring employees, or otherwise, upon the basis of gender, race, creed, marital status, sexual orientation, religion, color, age, or national origin.

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homeforward

hope. access. potential.

MEMORANDUM

To:	Board of Commissioners	Date:	March 16, 2021
From:	Ian Slingerland, Director of Homeless Initiatives and Supportive Housing 503.802.8370 Dena Ford Avery, Director of Housing Choice Vouchers 503.802.8568	Subject:	Authorization of Rent Assistance Administrative Plan change revising preference to reflect recent award of Mainstream Vouchers Resolutions 21-03-03

The Board of Commissioners is asked to approve resolution 21-03-03 authorizing change to Rent Assistance Administrative Plan revising a preference to reflect recent award of 100 Mainstream Vouchers

This action supports the One System section of the Strategic Plan, specifically: We leverage our role as the largest provider of affordable housing in Oregon to improve collaboration and efficacy between systems impacting people in poverty.

BACKGROUND

Mainstream Vouchers are special purpose Housing Choice Vouchers. Mainstream Vouchers serve households that include a non-elderly person(s) with disabilities, defined as any family that includes a person with disabilities who is at least 18 years old and not yet 62 years old at the effective date of the initial Housing Assistance Payment (HAP) Contract.

Home Forward applied for and received an allocation of 100 additional Mainstream

Vouchers. This builds on previous allocations of 99 and 30 vouchers and increases Home Forward's total Mainstream Voucher allocation to 229.

OVERVIEW

In October 2020, Home Forward adopted a preference associated with 30 Mainstream Vouchers for families (can be individuals) with a non-elderly (age 18 - 61) person with disabilities, as defined in 24 CFR 5.403, who is experiencing homelessness and is referred to Home Forward from Multnomah County's Coordinated Access system managed by the City of Portland / Multnomah County Joint Office of Homeless Services. We are seeking to revise this preference to be for 130 Mainstream vouchers. The proposed revision to the Administrative Plan is attached.

The most recent award of 100 Mainstream Vouchers was made available to Home Forward through a non-competitive application process designed to assist Public Housing Authorities to prevent, prepare for and respond to COVID-19 in our communities.

Through our application for these vouchers, in order to support our community's COVID-19 response, we indicated our intention to adopt an HCV waitlist preference for Mainstream eligible individuals and families experiencing homelessness who are referred from Multnomah County's Coordinated Access System. At the time of application, Our Coordinated Access list included 2,553 mainstream eligible adults and 438 mainstream eligible families. We know people experiencing homelessness are at high COVID risk—those experiencing unsheltered homelessness are at increased risk because they lack access to basic health, safety, nutrition resources to protect from COVID-19 transmission and to support recovery, and shelter services are often offered in high-risk congregate & semi-congregate environments. Multnomah County has opened five new shelters as part of its COVID response, and at the time of application these shelters had served 176 people who are Mainstream eligible. Multnomah County also established COVID Voluntary Isolation Motels (VIMOs) for people experiencing COVID symptoms or who are COVID-positive and do not have other options for isolation. These VIMOs have served more than 250 individuals who are Mainstream eligible.

CONCLUSION

We are asking the Board of Commissioners to approve resolution 21-03-03 authorizing change to Rent Assistance Administrative Plan adopting a preference for our recent award of thirty Mainstream Vouchers for mainstream eligible families experiencing homelessness who are referred from Multnomah County's Coordinated Access system.

ATTACHMENTS

Administrative Plan Mainstream Voucher preference language

RESOLUTION 21-03-03

RESOLUTION 21-03-03 AUTHORIZES HOME FORWARD TO AMEND LANGUAGE IN THE ADMINSTRATIVE PLAN WHICH GOVERNS PROCESSES AND PROCEDURES IN THE HOUSING CHOICE VOUCHER PROGRAM

WHEREAS, Home Forward seeks leverage our role as the largest provider of affordable housing in Oregon to improve collaboration and efficacy between systems impacting people in poverty; and

WHEREAS, Home Forward is committed to continuing to provide leadership within A Home for Everyone, a community-wide effort to better assist people experiencing homelessness in Portland; and

WHEREAS, Home Forward is engaged in ongoing work with the City of Portland / Multnomah County Joint Office of Homeless Services to align permanent housing assistance with supportive services utilizing the Coordinated Access system when appropriate; and

WHEREAS, Multnomah County's Coordinated Access lists include hundreds of Mainstream Eligible individuals and families; and

WHEREAS, people experiencing homelessness are at high COVID risk—those experiencing unsheltered homelessness are at increased risk because they lack access to basic health, safety, nutrition resources to protect from COVID-19 transmission and to support recovery, and shelter services are often offered in high-risk congregate & semi-congregate environments; and

WHEREAS, Home Forward received an allocation of an additional 100 Mainstream vouchers;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward authorizes and directs the Executive Director to amend the Administrative Plan to increase the preference for Mainstream Voucher eligible families who are experiencing homelessness and referred from Multnomah County's Coordinated Access System.

ADOPTED: MARCH 16, 2021

Attest:

Michael Buonocore, Secretary

Home Forward:

Damien R. Hall, Chair

Rent Assistance Administrative Plan Revisions 3.16.21

The following language will be added to Chapter 4.III.C “Selection Method”

Page 4-22. Highlighted language will be added.

The following preferences will be ranked #2:

- Families with a non-elderly (age 18 - 61) person with disabilities, as defined in 24 CFR 5.403, who is transitioning out of institutional or other segregated settings. The PHA will limit the number of vouchers set aside for this preference to 99. Families will be selected utilizing this preference only upon availability of a mainstream voucher for up to 99 vouchers.

  Institutional or other segregated settings include, but are not limited to:

  - Congregate settings populated exclusively or primarily with individuals with disabilities;
  - Congregate settings characterized by regimentation in daily activities, lack of privacy or autonomy, policies limiting visitors, or limits on individuals’ ability to engage freely in community activities and to manage their own activities of daily living; or
  - Settings that provide for daytime activities primarily with other individuals with disabilities.

  Transitioning is defined as having a plan for exiting institutional or other segregated settings within three months.

- Families with a non-elderly (age 18 - 61) person with disabilities, as defined in 24 CFR 5.403, who is experiencing homelessness and was referred to Home Forward from Multnomah County’s Coordinated Access system managed by the City of Portland / Multnomah County Joint Office of Homeless Services. The PHA will limit the number of vouchers set aside for this preference to 130. Families will be selected utilizing this preference only upon availability of a mainstream voucher for up to 130 vouchers.

The PHA must receive a written referral from the City of Portland / Multnomah

County Joint Office of Homeless Services, including a certification that the family is experiencing homelessness and is being referred from Multnomah County's Coordinated Access system

Experiencing homelessness is defined as:

An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; or

- An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low- income individuals); or

- An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

OR,

Any individual or family who:

- Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; and

- Has no other residence; and

- Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing

RESOLUTIONS

MEMORANDUM

To:	Board of Commissioners	Date:	March 16, 2021
From:	Taylor Smiley Wolfe, Director of Policy and Planning 503.802.8506	Subject:	Authorization to Submit Moving to Work Twenty First-Year Annual Report Resolution 21-03-04

The Board of Commissioners is requested to authorize Home Forward to submit the Moving to Work (MTW) Twenty First-Year Annual Report to the Department of Housing and Urban Development (HUD).

OVERVIEW

As a housing authority with MTW designation, Home Forward is obligated to submit an annual report detailing its progress toward objectives proposed in its prior year's annual MTW plan. This year's report corresponds to Home Forward's fiscal year 2020 (January 1, 2019 – December 31, 2020). The report demonstrates that Home Forward continues to utilize its MTW flexibilities to reduce costs, increase housing choices for low-income families, and help move households toward self-sufficiency.

As prescribed by HUD Form 50900, the report includes certifications that Home Froward serves primarily the same population as it would absent the MTW flexibility. These certifications are included in the report and are incorporated into the resolution.

ATTACHMENT

FY2020 Annual Moving to Work Report

RESOLUTION 21-03-04

RESOLUTION 21-03-04 AUTHORIZES HOME FORWARD STAFF TO SUBMIT THE MOVING TO WORK TWENTY FIRST -YEAR ANNUAL REPORT, WITH CERTIFICATIONS, TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

WHEREAS, Home Forward is obligated by its Moving to Work (MTW) agreement with HUD to submit an annual report detailing its progress toward objectives proposed in its prior year's annual MTW plan; and

WHEREAS, as part of its MTW reporting obligation, Home Forward certifies that more than 75% of families assisted by the Agency are very low-income families; that it continues to assist substantially the same total number of eligible low-income households as would have been served without MTW authority; and that it maintains a comparable mix of households as would have been served had the agency not participated in the MTW demonstration.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Home Forward that staff is directed to submit this approved Moving to Work Twenty First Year Annual Report to the Department of Housing and Urban Development.

ADOPTED: MARCH 16, 2021

Attest:	Home Forward:
Michael Buonocore, Secretary	Damien R. Hall, Chair

homeforward

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YEAR 21

Moving to Work

ANNUAL REPORT

Original Submission:

March 31, 2021

HUD Approval Received:

TBD

Home Forward Board of Commissioners

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Matthew Gebhardt, Vice Chair
Miki Herman, Chair Emeritus
Jenny Kim, Treasurer
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Jonathan Trutt, Director, Development and Community Revitalization
Taylor Smiley Wolfe, Director of Policy and Planning
Tonya Evans, Director, Asset Management
Kandy Sage, Controller

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YEAR 21

FY2020 Moving to Work

ANNUAL REPORT

January 1, 2020 – December 31, 2020

Table of Contents

Section I. Introduction

Moving to Work (MTW) is a demonstration program that offers public housing authorities (PHAs) the opportunity to design and test innovative, locally designed housing and self-sufficiency strategies for low income families by allowing exemptions from existing public housing and tenant-based Housing Choice Voucher rules. The program also permits PHAs to combine operating, capital, and tenant-based assistance funds into a single agency-wide funding source, as approved by the U.S. Department of Housing and Urban Development (HUD). The purposes of the MTW program are to give PHAs and HUD the flexibility to design and test various approaches for providing and administering housing assistance that accomplish three primary goals:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
- Increase housing choices for families earning low incomes.

Home Forward has been designated an MTW agency since 1998. In 2016, we signed a new agreement with HUD that will ensure our participation in the program until 2028, providing a long horizon to implement, test, and assess new initiatives and approaches to our work in support of the MTW program's goals.

Our Fiscal Year 2020 Moving to Work Report details how Home Forward has used this Moving to Work flexibility to achieve these goals and allowing us to respond quickly and specifically to the needs of our community.

Overview of the Agency's Long-Term MTW Goals and Objectives

Home Forward's mission is to assure that the people of the community are sheltered. Home Forward continues to promote, operate, and develop affordable housing that engenders stability, self-sufficiency, self-respect, and pride in its residents and represents a long-term community asset.

Our Moving to Work designation, permitting regulatory flexibility, is the foundation to providing efficient and collaborative means to successfully house people of our community.

Home Forward has adopted a strategic plan to guide our work through 2020. The development of the strategic plan included input from staff, the board of directors, our Resident Advisory Committee, and community partners. Our strategic plan works towards our mission while our MTW status helps us meet these long-term goals. Home Forward had planned to initiate strategic planning in 2019 before the onset of the COVID-19 public health emergency. As a result of the emergency, Home Forward prioritized all available capacity to respond and delayed the initiation of our strategic planning work. When the COVID-19 public health emergency subsides, Home Forward plans to reinitiate our Strategic planning work.

One Portfolio: Our real estate is stable for generations to come and meets the needs of the people and the neighborhoods it serves.

One Resource: There are deeper connections and continuity between the types of housing assistance we provide that allow us to meet the evolving needs of the people we serve.

One Agency: We build our skills and work together in ways that help us constantly evolve and improve our ability to serve our community.

One Community: The people we serve, our partners and the public see us as open, supportive, and responsive to their needs, even when our resources are constrained.

One System: We leverage our role as the largest provider of affordable housing in Oregon to improve collaboration and efficacy between systems impacting people in poverty.

While Home Forward works towards housing our community with MTW flexibility, we also strive to hold ourselves accountable to our community, partners, and funders. Our goals reflect the significance and importance of serving our community, currently and for generations to come.

Overview of the Agency's MTW Goals and Objectives for the Year

Of the seventeen ongoing activities included in Home Forward's 2020 MTW Report, all have been implemented.

Home Forward's ongoing MTW activities continue to increase housing choice in our challenging rental market. The vacancy rate in the Portland metro region is up around 5.0% after hovering between 1-2% for several years while private market rents increase, on average, by 4.0%[1]. Our broader payment standard range allows us to tailor payment standards more closely to the reality of the market in different neighborhoods. The number of families in FY2020 living in high opportunity neighborhoods increased by over 1,400 households from FY2016.

[1] Fall 2020 The Apartment Report published by MultiFamily NW, The Association Promoting Quality Rental Housing, reporting period Spring 2020-Fall 2020

Based in part on Home Forward's MTW status and the flexibility it provides, A Home For Everyone, a regional coalition of jurisdictional and community partners that we are a part of, received certification from the U.S. Interagency Council on Homelessness' of meeting the White House Mayors Challenge to End Veterans Homelessness[2]. We were the first west coast community to receive this certification.

To help voucher holders find homes during our community's declared housing crisis, we committed funds through our Moving to Work single-fund flexibility that was matched by the City of Portland to help new voucher holders with housing search expenses. The Voucher Success Fund's two pilot programs, the Security & Success Loan and Housing Search Advocates, have decreased average lease-up time from 77 to 52 days and have increased lease up for participants to over 90%, compared to around 78% for general voucher holders.

Using single-fund flexibility, Home Forward continues to partner with a local non-profit, Metropolitan Public Defenders, to provide legal consulting to participants and residents. The Record Relief and Expungement program helps reduce barriers for communities that are historically and currently disproportionately affected by the criminal justice system. This Home Forward pilot project is now being replicated locally and recognized nationally.

Our Alternative Initial Housing Assistance Payment (HAP) Policy was never implemented. The policy was designed to attract new landlords to the program by making the lease up process easier but once we began vetting the activity for implementation, it became clear that it would be too administratively burdensome and confusing for participants and landlords to administer. This activity is now considered closed.

[2] The challenge asks communities to get to "functional zero" which means veterans experiencing homelessness are housed within 90 days of identification, no veterans are searching for housing in a 90-day period, and that the number of veterans entering housing exceeds the number becoming homeless.

Overview of Home Forward's MTW Activities

Overview of Non-MTW Activities

Home Forward's goals and objectives for FY2020 also included several activities that do not require MTW flexibility but are key to continuing to be innovative in the ways we serve our community.

Regional Efforts

Home Forward worked closely with our three neighboring housing authorities, as well as with the three local Workforce Investment Boards. The goal was to identify and pursue strategies that are regional in nature and increase residents' abilities to view the Portland Metro area as a single region with respect to housing, jobs, and education. We have several activities under this umbrella:

- Mobility Counseling and Transportation Toolkit – In 2013, Home Forward was awarded a grant from Metro, a regional governmental planning agency, to work collaboratively with the three metro-area housing authorities to develop tools to provide mobility counseling to Housing Choice Voucher participants. The goal is to help reduce participants' combined housing and transportation costs and assist them in identifying housing locations with affordable transit options to further Fair Housing goals. Since April 2014, each housing authority introduced the transportation toolkit to participants as a part of transfer briefings or attend the initial program orientation.

- Expanding employment and training for housing authority residents – Home Forward, in partnership with the three other local housing authorities and the three local Workforce Investment Boards in our region, received a $5.5 million, multi-year Workforce Innovation Fund grant from the Department of Labor in 2012 to provide training and employment opportunities to housing authority residents. This grant built upon a model that Home Forward and Worksystems, Inc. had been operating for several years. Home Forward received $1.1 million to fund case management staff to support 270 residents as they accessed training and employment opportunities through the local WorkSource system in high demand occupations. Funds were also available to provide employment supports (such as assistance with transportation and childcare) for participating families. This grant funded project ended in April 2016.

We will continue to consider ways to partner and collaborate with our regional housing authorities and other community providers to maximize resources and efficiency in programs to help our residents and participants increase opportunity in housing, jobs, and education.

A Home for Every Veteran

In January 2015, the Executive Committee of a Home for Everyone adopted a plan (A Home for Every Veteran) that aimed to achieve the goal of functionally ending veteran homelessness. This plan was rooted in a belief that local initiative coupled with a meaningful increase in federal supports for affordable housing can result in a system that has the capacity to ensure that when veterans in our community experience homelessness it is rare, brief and one-time. On December 9th, 2016, the United States Interagency Council on Homelessness

(USICH) together with the US Department of Housing and Urban Development and the Department of Veteran Affairs confirmed the City of Portland and Multnomah County were the first community on the west coast to meet the USICH criteria and benchmarks for functionally ending Veteran homelessness. While this certification does not mean there are no Veterans experiencing homelessness in our community, it does mean that we have a system with 1) the capacity to quickly identify and engage Veterans experiencing homelessness; 2) the ability to ensure that every newly discovered veteran living on the streets is offered immediate access to shelter and crisis services, while permanent stable housing and appropriate supports are being secured; and 3) the ongoing capacity to place Veterans into permanent housing at a faster pace than new Veterans are becoming homeless in our community.

Home Forward, across departments, committed to working with our jurisdictional and community partners to achieve the goal of A Home for Every Veteran:

- Increased supply and utilization of Veterans Affairs Supportive Housing Vouchers (VASH): Home Forward started with 70 VASH vouchers in 2009. This number has steadily increased since our initial award. With the addition this year of 115 additional tenant-based VASH, we now have 970 authorized VASH vouchers, including 61 project-based VASH. Our average utilization for the year for VASH is 67%. Our utilization of VASH started the year at 71% but dropped with the addition of VASH vouchers in May. Our ability to aggressively utilize VASH vouchers in the face of increasingly challenging market conditions is the result of significant effort, investment, and coordination amongst our jurisdictional and community partners. Home Forward continues to provide security deposit assistance, and Multnomah County funds additional flexible placement and retention assistance which can be used for any costs related to removing barriers related to lease-up, such as application fees, utility and housing debt, and transportation costs associated with housing search.

- Access to Units in our Affordable Housing Portfolio for Veterans with Tenant-Based Subsidies: The bulk of new housing resources in our community for Veterans have been in the form of tenant-based subsidies that require Veterans to find units where they can utilize the assistance. In response to A Home for Every Veteran, Home Forward committed to provide priority access to 50 units within our affordable housing portfolio, as they became vacant, for veterans with VASH vouchers or other veteran assistance, such as Supportive Services for Veteran Families. We surpassed our initial commitment, opening nearly 100 units to Veterans through this effort.

- Prioritized Access to Low-Barrier Permanent Supportive Housing: Home Forward created prioritized access for five units at the Apartments at Bud Clark Commons. These units provide a necessary resource for highly vulnerable Veterans experiencing homelessness who would be unlikely to find success in less supported housing environments.

- Permanent Housing Assistance for Veterans ineligible for VASH: Home Forward implemented a limited preference for our Housing Choice Voucher program for veteran households ineligible for VA health care. This preference for fifty households is matched with resources from the City of Portland to provide supportive services for the assisted Veterans.

General Obligation (GO) Bonds – City of Portland and Metro Regional Government

City of Portland GO Bond: In November 2016, Portland voters passed the city's first housing bond, dedicating $258.4 million to create 1,300 units of permanently affordable homes. In early 2017, the Portland Housing Bureau began acquiring properties to transform into affordable homes for Portlanders. 2019 saw the most progress under the Bond so far, with nine new projects announced, another moving into predevelopment, and two more that are already providing hundreds of homes for Portlanders.

Over the next several years the Portland Bond will meet the following goals: 1424 new units, 600 units for households at or below 30% of Area Median Income (AMI), 658 family sized units, 313 Permeant Supportive Housing units. Most of the 400 vouchers Home Forward has dedicated to Bond funded units have been allocated to projects.

Home Forward is participating in the Portland GO Bond in two ways:

1) Asset Management – Home Forward's asset management team is overseeing third-party property management on behalf of the City of Portland. As of December 2019, four properties have been included in Home Forward's asset management portfolio:

    a) Ellington – 263 units

    b) 105th & Burnside – 51 units

    c) Westwind – 70 SRO units

    d) Prescott – vacant house and land

2) Pre-Development Assistance – Home Forward's development and financing staff have contracted with a design firm to provide analysis of options for development of this site.

    a) SE 30th and SE Powell – between 180 - 210 units of new construction anticipated.

Metro Regional GO Bond: Voters in the three-county area (including Multnomah County which is served by Home Forward) approved an affordable housing bond in November 2018. The Metro GO Bond plans to create 3,900 affordable unites with 1,600 of these homes deeply affordable to households at or below 30% AMI. Half of the homes created will have two or more bedrooms to ensure access by families.

As of December 2018, it is anticipated that Home Forward will receive allocations in two areas:

1) Phase I project within the City of Portland – Recognizing Home Forward's role as the Housing Authority representing Multnomah County, Metro requested Home Forward staff to prepare a proposal known as a "Phase I" project that would be ready to go early in the bond funding process. Home Forward selected Dekum Court as the site for major redevelopment which leverages the Section 18 disposition which HUD approved for the site. During Summer 2019, outreach updates to residents began and a design team was selected during Fall 2019. It is anticipated that construction of Phase 1 (the first forty replacement units) will occur during Summer 2022. After completion of Phase 1 construction, existing residents will move into their new units by Summer2022. Demolition of the former Dekum Court will begin Fall 20222 and the construction of 160 units during Phase 2 will follow with an anticipated completion date of Spring 2024.

2) Eastern Multnomah County projects – Due to smaller population sizes, the three cities in eastern Multnomah County did not qualify for individual allocations of bond funding. Instead, Multnomah County and Metro have designated Home Forward as the jurisdictional partner to receive the bond allocation to cover approximately 111 units of affordable housing in this area. As of December 2018, Home Forward anticipates up to two properties will be developed - either new construction and/or acquisition of an existing property.) Initial community engagement to inform an implementation strategy was held during Spring 2019 and the Local Implementation Strategy was approved by the Metro Council during Fall 2019.

Block 45/NE Grand Development: The Louisa Flowers

Home Forward's development team successfully competed in a City of Portland Notice of Funding Availability process to acquire property in NE Portland known as "Block 45". 240 new apartments are now located in a transit-oriented location in the central city. A groundbreaking event in January 2017 marked the beginning of construction. A grand opening celebration was held in Fall 2019 with lease up underway. The name of the building (The Louisa Flowers) honors an early African American woman and her family who were Oregon Black Pioneers and lived approximately 10 blocks away from the new apartment building.

Rents are affordable in the following income ranges:

- 217 homes for households with incomes at or below 60% Median Family Income (MFI), and
- 23 homes for households with incomes at or below 50% MFI.

Of the 240 total, 20 homes have been assigned Section 8 project-based vouchers to assist with rental subsidy for those recovering from domestic violence. An enhanced outreach process during lease up has included an "equity navigator" position staffed by the third-party property management company who has been assisting with the application process.

Public Housing Strategy

Home Forward operates 644 apartment homes as public housing, a specific subset of affordable housing that receives federal operating subsidy and capital funding. The buildings, and the deep rent subsidies they provide, are an important resource for Home Forward and the people we serve. Unfortunately, given waning federal support, mounting capital needs, and growing demand for affordable housing, the public housing program itself severely limits our ability to reinvest in these homes and meet the preservation challenges each apartment community faces. The reality is that the ongoing viability of this community resource is in jeopardy.

It is in the best interests of our residents, and the properties they call home, for Home Forward to pursue a transition from public housing subsidy to a type of Section 8 rent assistance for all of Home Forward's public housing communities. Section 8 provides more stable operating funding and allows Home Forward to use a conventional real estate model that leverages equity and debt to make vital and significant capital improvements. The process to convert public housing properties to Section 8 began with our **85 Stories** effort to preserve our ten high-rise public housing communities. The ten high-rises provide 1,232 housing units, which account for almost half of Home Forward's total public housing supply. They serve some of our most vulnerable community members: seniors and persons with disabilities. The buildings are well located and worthy of preservation. In May 2012, the critical needs in these ten high-rise buildings totaled $80 million in capital improvements. If these properties were to continue to provide safe, decent, and affordable homes, work needed to begin soon and to continue at an accelerated pace.

Several important policies continue to guide us as we undertake this complex and challenging initiative. We have developed these policies because of our work over the last 15 years, starting with our first HOPE VI redevelopment, to preserve this vital community resource.

Policy Guidelines for Subsidy Conversion

1) Continue to serve very low-income populations in these communities
2) Maintain ownership or control of the properties
3) Improve the physical and financial condition of the properties
4) Partner to optimize public and private resources on behalf of the properties and our residents

Home Forward has formulated a financing strategy for the improvements, grouping the work into multiple phases with the most critical needs addressed first.

Phase 1: HUD approved our proposal to change the operating subsidy at four of the buildings from public housing to project-based Section 8 funding. This subsidy change occurred in September 2013 and transfer to the LIHTC partnership (and the accompanying affordable housing lease up) was completed during FY2015. Construction completed in FY2016 at each of the first four properties: Northwest Tower & Annex, Gallagher Plaza, Hollywood East, and Sellwood Center.

On-going Phases: We are continuing our plans to make the change for the rest of our public housing portfolio. Home Forward is proposing two options to convert the public housing properties to Section 8 rent assistance: HUD's Section 18 demolition and disposition process or the Rental Assistance Demonstration (RAD), which could transition properties to project-based vouchers.

Home Forward submitted RAD applications for six properties (285 units) in May 2015 and received approval for RAD conversion in September 2015. An additional application for 31 properties (1,008 units) was submitted in July 2015 and HUD-issued CHAPs (Commitments to Enter into a Housing Assistance Payment) were received in August and October 2016.

For seven of these 37 total properties, Home Forward also submitted Section 18 requests to the Special Applications Center (SAC). Six of these applications requested disposition approval based on a demonstration of obsolescence; these requests were a key element of plans to preserve the properties as affordable housing with rental subsidy. The seventh requested demolition/disposition approval, also based on a demonstration of obsolescence, to redevelop a site in a conjunction with Metro GO Bond discussed above.

The Special Applications Center (SAC) approved all seven applications in 2018. As of December 31, 2020, Home Forward completed Section 18 dispositions for Tamarack Apartments, Schrunk Riverview Tower, Medallion Apartments and Williams Plaza Apartments. These dispositions, in conjunction with Low Income Housing Tax Credit in which Home Forward serves as the general partner, resulted in the rehabilitation and preservation of 429 units of affordable housing with rental subsidy.

Two of the six properties that received RAD approval in September 2015 are Bud Clark Commons (130 units) and Madrona Place (45 units). We propose to project-base 100% of the units at these properties since the units serve Qualifying Families. Bud Clark Commons provides permanent supportive housing for highly vulnerable, formerly homeless individuals, as screened by four medical clinics using a vulnerability index tool. Services include advocacy and case management; medical, mental health and substance abuse treatment; and vocational, employment, money management and life skills training. Madrona Place is a family property with many Spanish-speaking households that include many children as well as many single parent households. Home Forward provides a .5 FTE Resident and Community Service Coordinator with services focused on housing stability, increasing economic opportunity, and creating a sense of community for the entire family.

Remaining RAD Conversions Schedule

AMP (PH units)	Property Name	Total Public Housing Units in CHAPS	Conversion Post FY19	85 Stories Group
OR002000121	Fir Acres	32	32	Group 7
OR002000122	Townhouse Terrace	32	32	Group 7
OR002000123	Stark Manor	30	30	Group 7
OR002000124	Lexington Court	20	20	Group 8
OR002000125	Eastwood Court	32	32	Group 7
OR002000126	Carlton Court	24	24	Group 7
OR002000131	Slavin Court	24	24	Group 8
OR002000132	Demar Downs	18	18	Group 7
OR002000142	Celilo Court	28	28	Group 7
OR002000336	Cora Park	10	10	Group 8
OR002000436	Chateau Apt.	10	10	Group 8
OR002000705	Scattered East A	7	7	Group 8
OR002000108	Peaceful Villa	70	70	Group 8

Remaining RAD Section 18 Conversions

AMP	Property Name	Total Public Housing ACC Units	Units in Section 18	85 Stories Group
OR002000111	Dekum Court	40	40	Group 9
#N/A	Dekum Addition		20	Group 9
OR002000114	Dahlke Manor	115	115	Group 7
OR002000115	Holgate House	80	80	Group 8
OR002000140	Ruth Haefner Plaza	73	73	Group 8

Section II. General Housing Authority Operating Information

A. Housing Stock Information

i. Actual New Project Based Vouchers

Tenant-based vouchers that the MTW PHA project-based for the first time during the Plan Year. These include only those in which at least an Agreement to enter into a Housing Assistance Payment (AHAP) was in place by the end of the Plan Year. Indicate whether the unit is included in the Rental Assistance Demonstration (RAD).

PROPERTY NAME	NUMBER OF VOUCHERS NEWLY PROJECT-BASED		STATUS AT END OF PLAN YEAR**	RAD?	DESCRIPTION OF PROJECT
	Planned *	Actual			
N/A	0	0	N/A	N/A	N/A
	0	0	**Planned/Actual Total Vouchers Newly Project-Based**		

* Figures in the "Planned" column should match the corresponding Annual MTW Plan. ** Select "Status at the End of Plan Year" from: Committed, Leased/Issued

Please describe differences between the Planned and Actual Number of Vouchers Newly Project-Based:
N/A

ii. Actual Existing Project Based Vouchers

Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP was in place by the beginning of the Plan Year. Indicate whether the unit is included in RAD.

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS		STATUS AT END OF PLAN YEAR**	RAD?	DESCRIPTION OF PROJECT
	Planned*	Actual			
Argyle Gardens (formerly Kenton Project)	18	18	Leased/Issued	No	Project-Based VASH Studio and 1-Bedroom units
Breitung Building (formerly Garfield)	28	28	Leased/Issued	No	Project-Based VASH Studio and 1-Bedroom units
King + Parks (formerly King Park Apartments)	20	20	Leased/Issued	No	1, 2, and 3-Bedroom units for homeless and low-income families
Louisa Flowers (formerly NE Grand)	0	20	Leased/Issued	No	1 and 2-Bedroom units for low-income families
Songbird (formerly North Williams)	40	40	Leased/Issued	No	1, 2, 3, and 4-Bedroom units for formerly homeless families
	106	126	**Planned/Actual Total Existing Project-Based Vouchers**		

* Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

** Select "Status at the End of Plan Year" from: Committed, Leased/Issued

Please describe differences between the Planned and Actual Existing Number of Vouchers Project-Based:

Louisa Flowers came online in 2019 and started leasing project-based vouchers in 2020.

iii. Actual Other Changes to MTW Housing Stock in the Plan Year

Examples of the types of other changes can include (but are not limited to): units held off-line due to relocation or substantial rehabilitation, local, non-traditional units to be acquired/developed, etc.

ACTUAL OTHER CHANGES TO MTW HOUSING STOCK IN THE PLAN YEAR
N/A

iv. General Description of All Actual Capital Expenditures During the Plan Year

Narrative general description of all actual capital expenditures of MTW funds during the Plan Year.

GENERAL DESCRIPTION OF ALL ACTUAL CAPITAL EXPENDITURES DURING THE PLAN YEAR								
Community	**Activity**	**Scattered Sites Sales Proceeds**	**Capital Fund**	**Asset Repositioning Fee**	**MTW Funds**	**% of Cap Fund**	**Total Expended**	**% of Total Expended**
PHA Wide	15% Administrative Allowance		$973,529			10.04%	$973,529	10.04%
Dekum Court	Sewer Line Repairs		$24,501			0.25%	$24,501	0.25%
Dekum Court	Abatement		$10,427			0.11%	$10,427	0.11%
Tamarack	Emergency Sewer Repairs		$34,675			0.36%	$34,675	0.36%
Tamarack	Flooring Abatement		$20,278			0.21%	$20,278	0.21%
Dahlke Manor	Appliances		$20,256			0.21%	$20,256	0.21%
Dahlke Manor	Asbestos Abatement		$8,000			0.08%	$8,000	0.08%
Holgate House	Appliances		$5,507			0.06%	$5,507	0.06%
Holgate House	Door Entry System		$9,000			0.09%	$9,000	0.09%
Schrunk Riverview Tower	Abatement		$14,482			0.15%	$14,482	0.15%
Schrunk Riverview Tower	Elevator Repair		$50,000			0.52%	$50,000	0.52%
Williams Plaza	Flooring Abatement		$10,000			0.10%	$10,000	0.10%
Williams Plaza	Appliances		$16,703			0.17%	$16,703	0.17%
Williams Plaza	Roofing Re-coat		$4,000			0.04%	$4,000	0.04%
Townhouse Terrace	New Fence		$5,000			0.05%	$5,000	0.05%
Lexington Court	New Fence		$6,000			0.06%	$6,000	0.06%
Demar Downs	Garbage Enclosure Repair		$36,196			0.37%	$36,196	0.37%
Medallion	Abatement		$15,722			0.16%	$15,722	0.16%
Medallion	Appliances		$12,639			0.13%	$12,639	0.13%
Ruth Haefner	Flooring and Abatement		$24,000			0.25%	$24,000	0.25%
Ruth Haefner	Roof Repair		$5,000			0.05%	$5,000	0.05%
Ruth Haefner	Door Entry System		$20,000			0.21%	$20,000	0.21%
Celilo Court	Sidewalk Repair		$15,000			0.15%	$15,000	0.15%
Celilo Court	Windows Replacement		$10,280			0.11%	$10,280	0.11%
Celilo Court	Parking Lot Restriping		$5,100			0.05%	$5,100	0.05%
Floresta	Office Furnace Replacement		$6,000			0.06%	$6,000	0.06%
Maple Mallory	Radon Mitigation		$60,000			0.62%	$60,000	0.62%
Maple Mallory	Boiler Replacement		$9,000			0.09%	$9,000	0.09%

Winchell Court	Radon Mitigation		$30,000			0.31%	$30,000	0.31%
Powellhurst	Sewer Line Repairs		$5,000			0.05%	$5,000	0.05%
Camelia Court	Radon Mitigation		$30,000			0.31%	$30,000	0.31%
Various Properties	PH Discretionary Project Funds		$571,405			5.89%	$571,405	5.89%
*Various Properties	Major Systems Upgrades - 85 Stories Projects		$7,626,339			78.67%	$7,626,339	78.67%
	Total Capital Expenditures Budget		***$9,694,039***			***100%***	***$9,694,039***	***100%***

B. LEASING INFORMATION

i. Actual Number of Households Served

Snapshot and unit month information on the number of households the MTW PHA actually served at the end of the Plan Year.

NUMBER OF HOUSEHOLDS SERVED THROUGH:	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS SERVED**	
	Planned^^	**Actual**	**Planned^^**	**Actual**
MTW Public Housing Units Leased	7,584	7,320	632	610
MTW Housing Choice Vouchers (HCV) Utilized	109,154	109,212	9,096	9,101
Local, Non-Traditional: Tenant-Based	1,389	2,280	116	190
Local, Non-Traditional: Property-Based	60	60	5	5
Local, Non-Traditional: Homeownership	0	0	0	0
Planned/Actual Totals	118,187	118,872	9,849	9,906

* "Planned Number of Unit Months Occupied/Leased" is the total number of months the MTW PHA planned to have leased/occupied in each category throughout the full Plan Year (as shown in the Annual MTW Plan).

** "Planned Number of Households to be Served" is calculated by dividing the "Planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year (as shown in the Annual MTW Plan).

^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

Please describe any differences between the planned and actual households served:

Public Housing unit months leased was lower than planned due to unit turnover, Public Housing averaged an occupancy rate of 97% for FY 2020. Housing Choice Vouchers unit months leased was higher than planned due to reduced turnover. Combined with waitlist pulls, the COVID-19 pandemic reduced voucher turnover for FY 2020. In total, 47 vouchers were returned, and 118 new units were leased during the year. Local, Non-Traditional Tenant-Based unit months leased was higher than planned due to increased households assisted with rent arrears payments.

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS TO BE SERVED*	
		Planned^^	Actual	Planned^^	Actual
Tenant-Based	Assistance/14	1,389	1,733	116	191
Property-Based	Assistance/14	60	60	5	5
Homeownership	N/A	N/A	N/A	N/A	N/A
	Planned/Actual Totals	1,449	1,793	121	196

* The sum of the figures provided should match the totals provided for each Local, Non-Traditional category in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.

^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

HOUSEHOLDS RECEIVING LOCAL, NON-TRADITIONAL SERVICES ONLY	AVERAGE NUMBER OF HOUSEHOLDS PER MONTH	TOTAL NUMBER OF HOUSEHOLDS IN THE PLAN YEAR
14 Program Based Assistance / Client Services	Less Than 1	2

ii. Discussion of Any Actual Issues/Solutions Related to Leasing

Discussion of any actual issues and solutions utilized in the MTW housing programs listed.

HOUSING PROGRAM	DESCRIPTION OF ACTUAL LEASING ISSUES AND SOLUTIONS
MTW Public Housing	Due to the shortage of subsidized units throughout the county, we continue to have long waiting lists and subsequently have no issues leasing units. We consistently maintain a 98% occupancy rate.
MTW Housing Choice Voucher	Several years of a tight rental market have made it difficult for voucher holders to find affordable housing. To support voucher holders in their search, we have been offering deposit assistance to participants that complete a tenant education class taught by a community organization. With the current rental market's low vacancy rates, participants continue to face barriers in utilizing their voucher; 89.5% of voucher holders were able to successfully utilize their voucher. Of those successfully able to utilize their voucher, 78.5% were able to do so in the initial 120 days provided by Home Forward. In 2020, HUD adopted new Fair Market Rents that allowed Home Forward to increase payment standards to increase leasing success. Additionally, Home Forward continued two pilot programs to help participants pay for Security Deposits; one program is a tenant

	education class, which provided a one-time payment toward a security deposit, and the other is a loan program available to households making more than 30% AMI.
Local, Non-Traditional	There were no issues utilizing funds in our Local, Non-Traditional Programs. Due to escalating rent increases outpacing income gains, we are seeing households need longer periods of assistance to stabilize resulting in fewer unduplicated households being served.

C. WAITING LIST INFORMATION

i. Actual Waiting List Information

Snapshot information on the actual status of MTW waiting lists at the end of the Plan Year. The "Description" column should detail the structure of the waiting list and the population(s) served.

WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN OR CLOSED	WAS THE WAITING LIST OPENED DURING THE PLAN YEAR
MTW Public Housing	Site-based	12,569	Partially Open*	No
MTW Housing Choice Voucher	Community-Wide	1,135	Partially Open*	No
MTW Housing Choice Voucher	Site-Based	19,499	Partially Open*	No
Traditional MTW Program	Other	0	Closed	No
Traditional MTW Program	Site-Based	0	Closed	No

Please describe any duplication of applicants across waiting lists:

285 households are duplicated across the MTW Public Housing and MTW Housing Choice Voucher (Community-Wide) waitlists. The MTW Housing Choice Voucher (Site-Based) is a Project-Based voucher waitlist (see Activity 10), with waitlists kept by partner agencies administering the PBV contract. Additional households may be duplicated between MTW Public Housing, MTW Housing Choice Voucher (Community-Wide) and MTW Housing Choice Voucher (Site-Based).

ii. Actual Changes to Waiting List in the Plan Year

Please describe any actual changes to the organizational structure or policies of the waiting list(s), including any opening or closing of a waiting list, during the Plan Year.

WAITING LIST NAME	DESCRIPTION OF PLANNED CHANGES TO WAITING LIST
MTW Public Housing	Our MTW Public Housing waiting lists are currently closed except for households needing an ADA accessible unit or applicants who have a documented terminal illness with a life expectancy of less than 12 months. Several waiting lists also include a preference for referrals made by community partners. Another list includes a preference for people experiencing homelessness and a score on the Vulnerability Assessment Tool.
MTW Housing Choice Voucher (Community-Wide)	Our MTW Housing Choice Voucher tenant-based waiting list is community-wide and is closed except for applicants to the Family Unification Program and those who have a documented terminal illness with a life expectancy of less than 12 months.
MTW Housing Choice Voucher (Site-Based)	Our MTW Housing Choice Voucher project-based voucher waiting lists are site-based and are partially open. There are 94 lists in the community, maintained by

	each building with its own preferences. Some of these lists are currently open, some are closed, and some are closed except to applicants needing an ADA accessible unit or who have a documented terminal illness with a life expectancy of less than 12 months.

D. INFORMATION ON STATUTORY OBJECTIVES AND REQUIREMENTS

i. 75% of Families Assisted Are Very Low Income

HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW PHA are very low income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA should provide data for the actual families housed upon admission during the PHA's Plan Year reported in the "Local, Non-Traditional: Tenant-Based"; "Local, Non-Traditional: Property-Based"; and "Local, Non-Traditional: Homeownership" categories. Do not include households reported in the "Local, Non-Traditional Services Only" category.

INCOME LEVEL	NUMBER OF LOCAL, NON-TRADITIONAL HOUSEHOLDS ADMITTED IN THE PLAN YEAR
80%-50% Area Median Income	0
49%-30% Area Median Income	146
Below 30% Area Median Income	0
Total Local, Non-Traditional Households Admitted	**146**

Note: Households are required to be at or below 50% area median income to be eligible to receive assistance through Home Forward's local, non-traditional program. Referrals are made through partner agencies who verify eligibility, but Home Forward doesn't track household income levels and our partner agencies don't provide income data when submitting data for the households they serve as part of these programs.

ii. Maintain Comparable Mix

HUD will verify compliance with the statutory requirement that MTW PHAs continue to serve a comparable mix of families by family size by first assessing a baseline mix of family sizes served by the MTW PHA prior to entry into the MTW demonstration (or the closest date with available data) and compare that to the current mix of family sizes served during the Plan Year.

BASELINE MIX OF FAMILY SIZES SERVED (upon entry to MTW)					
FAMILY SIZE	**OCCUPIED PUBLIC HOUSING UNITS**	**UTILIZED HCVs**	**NON-MTW ADJUSTMENTS***	**BASELINE MIX NUMBER**	**BASELINE MIX PERCENTAGE**
1 Person	**1,411**	**1,964**	**0**	**3,375**	**42.4%**
2 Person	**410**	**1,296**	**0**	**1,706**	**21.4%**

3 Person	**342**	**925**	**0**	**1,267**	**15.9%**
4 Person	**232**	**608**	**0**	**840**	**10.5%**
5 Person	**136**	**292**	**0**	**428**	**5.4%**
6+ Person	**97**	**254**	**0**	**351**	**4.4%**
TOTAL	**2,628**	**5,339**	**0**	**7,967**	**100.0%**

* "Non-MTW Adjustments" are defined as factors that are outside the control of the MTW PHA. An example of an acceptable "Non-MTW Adjustment" would include demographic changes in the community's overall population. If the MTW PHA includes "Non-MTW Adjustments," a thorough justification, including information substantiating the numbers given, should be included below.

Please describe the justification for any "Non-MTW Adjustments" given above:

MIX OF FAMILY SIZES SERVED (in Plan Year)				
FAMILY SIZE	**BASELINE MIX PERCENTAGE****	**NUMBER OF HOUSEHOLDS SERVED IN PLAN YEAR^**	**PERCENTAGE OF HOUSEHOLDS SERVED IN PLAN YEAR^^**	**PERCENTAGE CHANGE FROM BASELINE YEAR TO CURRENT PLAN YEAR**
1 Person	42.4%	5,749	58.0%	36.9%
2 Person	21.4%	1,623	16.4%	-23.4%
3 Person	15.9%	957	9.7%	-39.2%
4 Person	10.5%	705	7.1%	-32.2%
5 Person	5.4%	424	4.3%	-20.7%
6+ Person	4.4%	448	4.5%	2.8%
TOTAL	100%	9,906	100.0%	

** The "Baseline Mix Percentage" figures given in the "Mix of Family Sizes Served (in Plan Year)" table should match those in the column of the same name in the "Baseline Mix of Family Sizes Served (upon entry to MTW)" table.

^ The "Total" in the "Number of Households Served in Plan Year" column should match the "Actual Total" box in the "Actual Number of Households Served in the Plan Year" table in Section II.B.i of this Annual MTW Report.

^^ The percentages in this column should be calculated by dividing the number in the prior column for each family size by the "Total" number of households served in the Plan Year. These percentages will reflect adjustment to the mix of families served that are due to the decisions of the MTW PHA. Justification of percentages in the current Plan Year that vary by more than 5% from the Baseline Year must be provided below.

Please describe the justification for any variances of more than 5% between the Plan Year and Baseline Year:

Several factors have created slight changes to the mixes of family sizes we serve. We increased our project-based vouchers, primarily in partnership with community agencies serving highly vulnerable people. We have also completed RAD conversions on the majority of our existing Single Room Occupancy/Mod Rehab program, which added over 350 1-person households in this plan year.

In addition, Home Forward's demographics relating to family size on the waitlist versus households leaving have changed, and as units turnover, smaller households sizes are selected from the waitlist as they make up a larger majority of waitlist households than in previous years. In 2019, 44% of households that left Home Forward were 1-person households, and 1-person households made up a combined 70% on all waitlists. There continues to be many 6+ person households represented on Public Housing and HCV waitlists that account for the increase in larger family size from the established baseline.

iii. Number of Households Transitioned to Self-Sufficiency in the Plan Year

Number of households, across MTW activities, that were transitioned to the MTW PHA's local definition of self-sufficiency during the Plan Year.

MTW ACTIVITY NAME/NUMBER	NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY*	MTW PHA LOCAL DEFINITION OF SELF SUFFICIENCY
Rent Reform/01	407	Households that has earned or permanent income that results in area median income (AMI) above 50% and/or has voluntarily exited housing assistance
GOALS/02	28	
MOD Rehab RAD/17	23	
	458	**(*Households Duplicated Across MTW Activities*)**
	28	**Total Households Transitioned to Self Sufficiency**

* Figures should match the outcome reported where metric SS#8 is used in Section IV of this Annual MTW Report.

Section III. Proposed MTW Activities

All proposed activities that are granted approval by HUD are reported on in Section IV as “Approved Activities."

Section IV. Approved MTW Activities

A. Implemented Activities

01 RENT REFORM

Approved FY2012, Implemented FY2012, Amended FY2014 & FY2015

In FY2012, Home Forward implemented a large-scale reform of rent calculation methods, applicable to all MTW public housing and Housing Choice voucher households, as well as VASH voucher holders. The simplified method distinguishes between the populations of seniors / people with disabilities and "work-focused" households. The fundamental premise is that deductions are eliminated from the subsidy calculation and the total tenant payment is determined using a percentage of gross income.

In early 2013, the federal government-imposed sequestration: across-the-board reductions in federal funding. In response to these funding cuts, Home Forward amended the activity in FY2014 to increase the percentage of income used to calculate rent. The amended percentages are reflected below.

For **seniors and people with disabilities**, rent is calculated based on 28.5% of gross income. All deductions are eliminated, and this group will have triennial income re-certifications. We define those aged 55 and older as "senior", and households fall into this population category if the head, co-head or spouse listed on the lease is 55 or older or is disabled under the current HUD definition used by Home Forward. This group has a $0 minimum rent and utility reimbursements are allowed.

MTW authorization:

Attachment C, Section B(3) – Definition of Elderly Family

Attachment C, Section D(3)(b) – Eligibility of Participants

Attachment D, Section B(2) – Rent Structure and Rent Reform

Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient

All households that do not fall into the population category above are considered **work-focused households.** All deductions are eliminated, and this group will have biennial income re-certifications. The percentages of income used to calculate the tenant portion of rent are as follows:

- **Years 1 and 2:** rent is based on 29.5% of gross income, with no minimum rent. Utility reimbursements are allowed.

- **Years 3 and 4:** rent is based on 29.5% of gross income or $100 minimum rent, whichever is greater. Utility allowances will be factored in the assistance, but utility reimbursements are not allowed.
- **Years 5 and 6, and biennially thereafter:** rent is based on 31% of gross income or $200 minimum rent, whichever is greater. Utility allowances will be factored in the assistance, but utility reimbursements are not allowed.

The following policies apply to all households:

- Zero-income households meet with their public housing site manager or Housing Choice voucher case manager every six months, so that staff can provide referrals to community service providers and check on progress towards obtaining an income source
- The proration of subsidy for mixed families is simplified so that a flat $1 monthly reduction in assistance is applied to the household, regardless of the number of ineligible members.
- The ceiling rent for public housing is now automatically set to match Housing Choice voucher payment standards. There will be no flat-rent option.
- Home Forward has created a separate "release of information" form to supplement the HUD Form 9886, to obtain a release of information that covers the appropriate biennial or triennial review cycle.
- For Housing Choice voucher households where the gross rent of the unit exceeds the applicable payment standard, Home Forward will approve the tenancy at initial occupancy so long as the household share does not exceed 50 percent of the household's gross income. (FY2017 Modification)
- When a Housing Choice voucher household is approved to move and the identified unit has a gross rent that exceeds the payment standard, Home Forward will use the existing income verification on file to test for affordability. Home Forward will not require a re-examination to verify income for this purpose unless the family requests it.
- When a Housing Choice *voucher household reports a change in family size, if the household has resided in their unit for at least 12 months, Home Forward will require* an interim review. Any changes to voucher size, payment standard and subsidy calculation will be effective 120 days after the interim review. (FY2015 Modification)
- The earned income disallowance is eliminated.
- All Family Self-Sufficiency (FSS) participants are included in the rent reform calculation.

- Home Forward will use actual past income to determine annual income for participant families. (FY2015 Modification)
- All income sources used to determine a household's public housing rent or Housing Choice voucher assistance will be the same as currently defined by HUD, with the following exceptions:
- The value of any asset or the value of any income derived from that asset will not be used in the rent calculation, except when the asset makes regular payments (quarterly or more often) to the resident or participant. However, the value of assets or the value of any income derived from assets will be used to determine initial eligibility. Home Forward will allow households to self-certify assets with a net value of $5,000 or less. (FY2015 Modification)
- All earned income of full-time students age 18 and over will be excluded from the rent calculation, unless they are the head, co-head, or spouse of the household.
- Student financial assistance will be considered only for the purpose of determining eligibility. Student financial assistance will not be used to determine annual income for rent and subsidy calculation.
- All adoption assistance payments will be excluded from the rent calculation.
- Households will have the option to not report income that is not used in the rent calculation, such as foster care payments. However, Home Forward will accept income reporting of such sources for use in determining affordability of a unit. Home Forward permits families to rent units where the family share is up to 50% of their gross income.
- Households may apply for a hardship review if their total monthly shelter costs exceed 50% of the total monthly income used to determine their rent subsidy. Housing Choice voucher participants who choose to rent housing where the total shelter costs exceed 50% of total monthly income at the time of initial lease-up in that unit will not generally qualify for hardship review; however, all households have the right to request a hardship and exceptions may be made. The committee will have a menu of remedies to reduce a qualifying household's burden.
- Home Forward may deny all rent increase requests, or pause the processing of all rent increase requests, from landlords of tenant-based Housing Choice Voucher holders for reasons other than non-compliance with rent reasonableness in rent setting. Home Forward will implement this approach based upon a consideration of the following factors:
    - A consideration of financial and administrative impact on Home Forward;
    - Rent burden on tenants participating in the Housing Choice Voucher program;

- Impact on participating landlords; and
- Other compelling situations which may include the declaration of a state of emergency.

Rent reform has been fully implemented. Currently, all MTW public housing and Housing Choice voucher households, as well as VASH voucher holders, are on the rent reform calculation. The earliest group of work-focused households transitioned to the third level of rent payment beginning in FY2017 and are now subject to the $200 minimum rent payment. Home Forward continues to monitor hardship requests, household and agency financial impacts and staff feedback to prepare for any changes that may need to be made to the activity.

Activity Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	FY2011: $140,228	FY2020: $97,950	$93,669	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2011: 5,340 hours	FY2020: 3,730 hours	3,567	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3) Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity. Through our quality control process, every error that is identified is corrected.				
Average error rate in completing task	FY2015: 7.5%	FY2020: 7.5%	5.4%	Outcome Achieved
Increase in tenant share of rent (Standard Metric: CE#5)				
Total annual tenant share of rent	FY2012: $25,342,942	FY2020: $33,469,988	$39,576,899	Outcome Achieved
Increase in household income (Standard Metric: SS#1)				
Average earned income of households	FY2011: $3,324	FY2020: $3,788	$5,256	Outcome Achieved
Increase in positive outcomes in employment status (Standard Metric: SS#3 Note: Because Home Forward has implemented biennial and triennial review schedules, the number of households who report an increase in earned income each year is reduced.				
Number of heads of households who: 6) Other (defined as having an increase in earned income)	FY2011: 866 heads of households	FY2020: 525 heads of households	757 heads of household	Outcome Achieved

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Percent of work-focused households who: 6) Other (defined as having an increase in earned income)	FY2011: 16% of work-focused households	FY2020: 16% of work-focused households	15% of work-focused households	Outcome Not Achieved
Households Removed from Temporary Assistance for Needy Families (TANF) (Standard Metric: SS#4)				
Number of households receiving TANF assistance	FY2012: 229 households receiving TANF (2.0%)	FY2020: 320 households receiving TANF (2.5%)	1,265 households	Outcome Not Achieved
Reducing the per unit subsidy costs for participating households (Standard Metric: SS#6)				
Average amount of subsidy per household	FY2012: $524 per household	FY2020: $790	$766	Outcome Achieved
Households transitioned to self-sufficiency (Standard Metric: SS#8)				
Number of households transitioned to self- sufficiency (Defined as households that have earned or permanent income that results in area median income (AMI) above 50% and/or that have voluntarily exited housing assistance)	FY2014: 521 households	FY2020: 500 households	407 households	Outcome Not Achieved
Displacement prevention (Standard Metric: HC#4) Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not believe this metric is an accurate measure of this activity, but we have included it at HUD's request.				
Number of households at or below 80% AMI that would lose assistance or need to move	FY2011: 233 households	FY2020: 0 households	0 households	Outcome Achieved
Increase in resident mobility (Standard Metric: HC#5) Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not use rent reform to impact mobility, but we have included it at HUD's request.				
Number of households able to move to a better unit and/or neighborhood of opportunity (defined as low poverty census tracts where poverty is below 17.1%)	FY2013: 3,092 (28.4%) households lived in better neighborhoods	FY2020: 3,073 households	3,250 households	Outcome Acheived

Agency Specific Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Maintain stability for seniors and people with disabilities				
Shelter burden (rent[1] + utility allowance divided by gross income) for seniors and people with disabilities	Before implementation, shelter burden was 27%	FY2020: Shelter burden will remain below 29%	28%	Outcome Achieved
Increased contribution to rent				
Total tenant payment (rent[2] + utility allowance) for work-focused households	Before implementation: Section 8 average - $267 Public housing average - $249	FY2020: Section 8 average - $428 Public housing average - $346	Section 8 average - $570 Public housing average - $478	Outcome Achieved
Increased income in work-focused households				
Average income for work-focused households, as percentage of Median Family Income (MFI)	Before implementation, average income for work-focused households was 16.4% MFI	FY2020:18% MFI	19.5% MFI	Outcome Achieved

Home Forward's Yardi Voyager database continues to serve as the source for household income and total tenant rent payment information. The baseline data for hours required to conduct rent calculation and income reviews was collected through staff interviews and workflow analysis.

Hardship Requests

At the time of implementation, Home Forward offered a "phase-in" hardship for households who had high medical or childcare costs or had many dependents. On an annual basis, those households can apply for an extension to the phase-in hardship, which if approved, reduces their rent portion in proportion to the amount of expenses or the number of dependents. From January 2020 through December 2020

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[1] For purposes of these metrics, Housing Choice Voucher rents are calculated with gross rent capped at payment standard.

(FY2020), 10 households requested an extension of the phase-in hardship, and 10 of those were approved. The annual cost to the agency of the phase-in hardship is approximately $7,200.

Households may apply for a hardship review if their total monthly shelter burden costs exceed 50% of the total monthly income used to determine their rent subsidy. In FY2020, 316 households applied for a hardship review and 228 requests were granted. The annual cost to the agency of these hardship requests is approximately $150,564.

MTW Flexibility:

Home Forward has used our MTW flexibility to structure our rent reform calculation with several aspects that differ from the standard calculation (described above). This includes eliminating deductions, changing the percentage of income used to calculate rent, simplifying the calculation, and moving to triennial reviews save significant staff time. Additionally, Home Forward has exercised its authority to amend the definition of an elderly family to age 55. This supports the statutory objective of creating incentives for self-sufficiency by ensuring that households defined as work-focused can be reasonably expected to increase employment and earnings over time.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward enacted several waivers from PIH Notice 2020-33 (COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2) that impact this activity:

PH and HCV-3: Family Income and Composition: Annual Examination; Income Verification Requirements (April 14, 2020 to June 30, 2021)

PH and HCV-4: Family Income and Composition: Interim Examinations (April 14, 2020 to June 30, 2021)

HCV-2: Information When Family is Selected: PHA Oral Briefing (April 14, 2020 to June 30, 2021)

HCV-3: Term of Voucher: Extensions of Term (April 14, 2020 to June 30, 2021)

HCV-4: PHA Approval of Assisted Tenancy: When HAP Contract is Executed (April 14, 2020 to June 30, 2021)

HCV-5: Absence from Unit (April 14, 2020 to June 30, 2021)

HCV-6: Automatic Termination of HAP Contract (April 14, 2020 to June 30, 2021)

HCV-10: Family Unification Program: FUP Youth Age Eligibility to Enter HAP Contract (December 7, 2020 to June 30, 2021)

HCV-11: Family Unification Program: Length of Assistance for Youth (December 7, 2020 to June 30, 2021)

HCV-12: Family Unification Program: Timeframe for Referral (December 7, 2020 to June 30, 2021)

These waivers enabled households to quickly submit reductions in income resulting from the COVID-19 pandemic and aimed to help assisted households remain in their unit during the public health emergency.

Challenges in Achieving Benchmarks and Possible Strategies

The Portland metro area had an average increase of 8% in rents and a vacancy rate average of 4.4%, with some areas in the metro area experiencing vacancy rates below 3.5% during FY2019. To keep pace with the rental housing market and to ensure our voucher holders can find housing throughout our community, Home Forward raised payment standards twice during 2019. This has raised the average subsidy for our households and is necessary to continue to provide stable housing in this market. At this time, we are not considering a change of strategy, but will continue to maintain our payment standard structure to reflect the market as much as possible.

The COVID-19 pandemic caused significant income loss for households on rent reform. Through December 31, 2020, 758 households reported a loss in income directly due to COVID-19, reporting annual wage losses totaling $14,688,311. Households on unemployment and receiving TANF increased drastically from benchmarks established prior to the pandemic. The increase in temporary assistance as well as the reduction in earned income decreased the number of households able to transition into self-sufficiency.

02 GOALS – HOME FORWARD'S FAMILY SELF-SUFFICIENCY PROGRAM

Approved FY2014, Implemented FY2014

In our FY2014 Plan, Home Forward proposed an activity to align existing self-sufficiency programs into one consolidated program, which we refer to as the GOALS (Greater Opportunities to Advance, Learn and Succeed) program. This program is tailored to meet the needs of our community and be efficient for staff to administer. GOALS program requirements are the same regardless of funding source, program, or property, with a few minor exceptions for site-based programs.

MTW authorization:
Attachment C, Section E – Family Self Sufficiency Programs

Attachment C, Section B(1) – Single Fund Budget with Full Flexibility

Statutory objective:
Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient

The key elements of the GOALS program are as follows:

- The rent reform calculation (Activity 01) is used for all GOALS participants.
- Participants who are engaged in a designated program intended to increase the family's economic independence (such as an employment or training program) will receive a preference on the GOALS waiting list. 100% of the GOALS slots may be filled with participants utilizing this preference.
- Home Forward will allow the GOALS contract to be in the name of any adult member of the household.
- The traditional escrow account used in HUD Family Self-Sufficiency (FSS) programs has been replaced with a managed savings account. Any rent paid by a participant household above $350 (known as the "strike point") will be placed into the managed savings account. The monthly amount placed into a family's managed savings account is limited to the difference between the strike point and the family's ceiling rent (for public housing families) or voucher payment standard (for Section 8 families).
- The length of time on the program will be five years, with the opportunity to extend for an additional two years. Eligibility for the two-year extension follows current policy and HUD guidelines.
- Participants graduate and have access to the funds in their managed savings account when they have completed their training plan and fulfilled the obligations identified in their contract.
- Families who leave the program prior to graduation will forfeit any money accrued in their managed savings account.

- At properties where participation in GOALS was mandatory, the property will continue to utilize a site-based preference on the GOALS waitlist to encourage participation in the family self-sufficiency program at these sites.

- When funding is available, a safety net of $1,500 (either in lump sum or $250/month for six months) will be provided through MTW flexible funds for public housing families graduating from the site-based programs who move to non-subsidized units. The same safety net will be provided for Section 8 participants who give up their voucher prior to reaching zero assistance. Due to sequestration funding cuts, this safety net has not yet been announced or made available to families.

- When a public housing resident reaches ceiling rent, or a housing assistance payment for a voucher participant drops to zero, deposition into the family's managed savings account will cease. Families can continue to participate in the program for an additional six months, but no savings will accrue during this time. If the family is still at ceiling rent or zero assistance after six months, they will graduate from the program. If the family's income decreases to a level that housing assistance is reinstated during that six-month period, they may begin to earn escrow again, and continue participation in the program if the contract determines they are still eligible.

- Staff implementing the GOALS program will be funded by a combination of HUD-funded FSS Coordinator money, grant funding, and agency budgeting. FSS Coordinator funds will be used only for FSS Coordinator salaries, as directed by the respective NOFAs (Notice of Funding Availability).

Activity Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1) Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not save costs through this activity, but we have included it at HUD's request.				
Total cost of task	FY2017: $512,070	FY2020: $769,342	$599,735[1]	Outcome Acheived

[1] Home Forward uses our MTW flexibility to include coordinators at our site-based programs in our overall GOALS FSS program. This is shown here as an increase in staffing costs and hours since we're now able to include these costs under the combined program. In addition to site-based coordinators, there are 8 traditional coordinators supported via HUD-funded FSS coordinator funds.

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Staff time savings (Standard Metric: CE#2) Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not save staff time through this activity, but we have included it at HUD's request.				
Total time to complete task	FY2017: 18,509	FY2020: 18,928	14,356[1]	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3) Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity.				
Average error rate in completing task	FY2017: 2%	FY2020: 2%	2%	Outcome Achieved
Increase in resources leveraged (Standard Metric: CE#4)				
Amount of funds leveraged	FY2017: $190,507	FY2020: $191,500	$218,515[1]	Outcome Achieved
Increase in household income (Standard Metric: SS#1)				
Average earned income of households	FY2017: $12,472	FY2020: $12,750	$22,053	Outcome Achieved
Increase in household savings (Standard Metric: SS#2)				
Average amount of escrow of households	FY2017: $2,295	FY2020: $2,350	$5,691	Outcome Achieved
Increase in positive outcomes in employment status (Standard Metric: SS#3)[1]				
Number of heads of households:	FY2017:	FY2020:	FY2020:	
1) Employed full-time	187	187	192	Outcome Achieved
2) Employed part-time[2]	120	120	102	Outcome Not Achieved
3) Enrolled in an educational program	129	130	61	Outcome Not Achieved
4) Enrolled in a job-training program	81	82	90	Outcome Achieved
5) Unemployed	155	155	147	Outcome Achieved

[1] Households may be counted in more than one category in the employment statuses shown above. For example, a household may be considered unemployed while enrolled in an educational program.
[2] Home Forward did not track full-time vs part-time employment prior to implementation. For the purposes of this baseline metrics, all employed households were counted as employed full-time. We have updated these metrics with the part-time employment statistics.

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
6) Other (defined as having completed an education or job training program)	54	55	107	Outcome Achieved
Increase in positive outcomes in employment status (Standard Metric: SS#3)[1]				
Percentage of work-able households:	FY2017	FY2020	FY2020	
1) Employed full-time	40%	40%	44%	Outcome Achieved
2) Employed part-time[5]	27%	27%	23%	Outcome Not Achieved
3) Enrolled in an educational program	28%	28%	14%	Outcome Not Achieved
4) Enrolled in a job-training program	18%	18%	20%	Outcome Achieved
5) Unemployed	33%	33%	33%	Outcome Achieved
6) Other (defined as having completed an education or job training program)	12%	12%	24%	Outcome Achieved
Households removed from TANF (Standard Metric: SS#4) Note: This metric is measured as a point in time count, which does not account for individual households who give up TANF assistance, graduate from the GOALS program, and are then replaced by income GOALS participants who have not yet given up TANF assistance.				
Number of households receiving TANF assistance	FY2017: 61 households	FY2020: 60 households	54 households	Outcome Achieved
Households assisted by services that increase self-sufficiency (Standard Metric: SS#5)				
Number of households enrolled in GOALS	FY2017: 462 households enrolled	FY2020: 462 households enrolled	441 households enrolled	Outcome Not Achieved
Reducing per unit subsidy costs for participating households (Standard Metric: SS#6)				

[1] Households may be counted in more than one category in the employment statuses shown above. For example, a household may be considered unemployed while enrolled in an educational program.

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Average amount of subsidy per household	FY2017: $671 per household	FY2020: $671 per household	$658 per household	Outcome Achieved
Increase in tenant share of rent (Standard Metric: SS#7)				
Tenant share of rent	FY2017: $1,926,589	FY2020: $1,926,589	$2,617,612	Outcome Achieved
Households transitioned to self-sufficiency (Standard Metric: SS#8)				
Number of households transitioned to self-sufficiency (Defined as households that have earned or permanent income that results in area median income (AMI) above 50% and/or that have voluntarily exited housing assistance)	FY2017: 27 households	FY2020: 28 households	28 households	Outcome Achieved

ADDITIONAL METRICS

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Increase in average savings for exiting participants				
Increase in average participant managed savings account balance at exit from GOALS	FY2017: $2,295	FY2020: $2,350	$2,367	Outcome Achieved
Increase in positive outcomes for exiting participants				
Percentage of households:	For FY2017:	FY2020:	By FY2020:	
1) Employed full-time	40%	40%	54%	Outcome Achieved
2) Employed part-time	27%	27%	24%	Outcome Not Achieved
3) Enrolled in educational program	28%	28%	12%	Outcome Not Achieved
4) Enrolled in job training program	18%	18%	24%	Outcome Achieved
5) Unemployed	33%	33%	22%	Outcome Achieved
6) Other (defined as having completed an educational or job training program)	12%	12%	18%	Outcome Achieved

MTW Flexibility:

Home Forward has used MTW flexibility to create an economic opportunity program that is tailored to serve our community. Aspects that use MTW flexibility are described above, and include use of a strike point escrow system, use of the rent reform calculation for participants, and modifications to the graduation process.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

The overall average enrollment earned income in FY2020 was higher than the previous years, making the difference between an enrollment and exit earned income smaller. Benchmarks for part-time employment and educational programs were not met but exceeded for full-time employment and job-training programs. At this time, we are not considering a change of strategy and remained focused on increasing each family's economic independence

03 LOCAL BLENDED SUBSIDY

Approved FY2012, Implemented FY2012

MTW authorization:

Attachment C, Section B(1) – Single Fund Budget with Full Flexibility

Attachment C, Section C(2) – Local Preferences and Admission and Continued Occupancy Policies and Procedures

Attachment D, Section B(3) – Local Unit Based Subsidy Program

Statutory objective:

Increase housing choice for low-income families

Home Forward has created a local blended subsidy (LBS) program to improve the financial viability of adding "banked" public housing units back into the portfolio. Public housing operating subsidy alone is often insufficient to support bringing these units back to properties. The LBS program uses a blend of MTW Section 8 and public housing operating funds to subsidize units reserved for families earning 80 percent or below of area median income. These units may be new construction, rehabilitated, or existing housing.

The LBS program combines tenant paid rent, Section 8 funds, and public housing funds, resulting in a total per unit rent amount. Rents are set by an internal process to determine the amount of subsidy that will meet property needs and are subject to completion of rent reasonableness tests. Home Forward uses the payment standard as the maximum rent for LBS units, or up to 125% of Fair Market Rents in the case of service-enriched units. This leveraging of resources allows for a more adequate revenue stream and increases the number of households that can be served.

Home Forward has utilized the LBS program for 284 units at three properties. This includes 130 units at Bud Clark Commons, 45 units at Madrona Place, and 109 units at Stephens Creek Crossing. As part of our Public Housing Conversion Strategy, Bud Clark Commons and Madrona Place received RAD (Rental Assistance Demonstration) approval in September 2015. One of the first steps in the RAD conversion process is the Commitment to enter into a Housing Assistance Payment (CHAP), which was completed in October 2015 for these two properties. Stephens Creek Crossing was also included in the July 2015 RAD application and will convert only after HUD has confirmed a feasible conversion plan for Home Forward's entire public housing portfolio.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Additional units of housing made available (Standard Metric: HC#1)				
Number of new housing units made available for households at or below 80% AMI	Before implementation, 0 units made available	FY2020: 239 units made available	239 units made available	Outcome Achieved
Units of housing preserved (Standard Metric: HC#2)				

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Number of housing units preserved for households at or below 80% AMI	Before implementation, 0 units preserved	FY2020: 45 units preserved after full implementation	45 units preserved	Outcome Achieved
Increase in resident mobility (Standard Metric: HC#5)				
Number of households living in better neighborhoods (defined as low poverty census tracts where poverty is below 17%)	Before implementation, 0 households	FY2020: 109 households	109 LBS households located in better neighborhoods	Outcome Achieved
Increase in resources leveraged (Standard Metric: CE#4)				
Amount of funds leveraged	Before implementation, $0	FY2020: $11,145,307	$11,145,307 in leveraged debt, equity and increased services	Outcome Achieved

MTW Flexibility:

This activity uses single fund budget flexibility and authorization to develop a local unit-based subsidy program to create the administrative and funding structure for LBS. This increases housing choice for low-income families by allowing Home Forward to add financially viable, subsidized units back into its portfolio. LBS has allowed Home Forward to leverage debt, equity, and increased services at these three properties. Additionally, the ability to create local preferences, and admission and continued occupancy policies and procedures allows Home Forward to manage the units to provide similar protections as public housing and adapt the rules for efficiency and local needs. This supports the objective to increase efficiencies in Federal expenditures.

Home Forward understands and is committed to our obligation to continue to serve substantially the same number of families as if we had not participated in the MTW demonstration. We are aware of the pressure our LBS activity may place on the agency to continue to meet our baseline households served, and we carefully consider this information before moving forward with implementation strategies. We are continuing to explore and develop alternative options for local rent assistance programs that will serve a significant need in our community and will also support our ability to meet our baseline households served once LBS is fully implemented.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

06 ALTERNATE INSPECTION REQUIREMENTS FOR PARTNER-BASED PROGRAMS

Approved FY2012, Implemented FY2012

Home Forward aligns our housing resources with the services of jurisdictional and community partners to maximize impact and effectiveness. To reduce costs and increase efficiencies, Home Forward uses alternate inspection standards for programs where we contract out resources to be administered by partners. Rather than requiring full Housing Quality Standards (HQS) inspections, Home Forward requires that these units meet the habitability standards, unit inspection requirements, and lead-based paint visual assessment requirements required by the US Department of Housing and Urban Development's Homelessness Prevention and Rapid Re-Housing Program. Staff from jurisdictional and community providers can arrange for and conduct required inspections themselves, in conjunction with other required visits to the assisted units.

MTW authorization:
Attachment C, Section D(5) – Ability to Certify Housing Quality Standards

Statutory objective:
Reduce cost and achieve greater cost effectiveness in Federal expenditures

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	Before implementation, $35,500	FY2020: $0	$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Before implementation, 500 hours	FY2020: 0 hours	0 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3) Note: Because this metric was established after implementation, Home Forward does not anticipate a change in the error rate.				
Average error rate in completing a task	FY2014: 4%	FY2020: Less than 5%	Less than 1%	Outcome Achieved

MTW Flexibility:

Home Forward uses MTW authority to allow alternative inspection requirements for units assisted with rent assistance that we have contracted to community partners. These alternate inspection requirements ensure housing standards while increasing efficiency and cost effectiveness.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

07 LANDLORD SELF-CERTIFICATION OF MINOR REPAIRS

Approved FY2013, Implemented FY2013

In many cases, units may fail an initial or annual inspection due to minor items, such as cracked socket plates or closet doors that are off track. Requiring a Home Forward inspector to make a trip back to a unit to verify such minor repairs is inefficient and costly. Home Forward has implemented a policy that in cases where there are no more than four minor deficiencies, we may accept an owner's certification that required repairs were made. This allowance is made at Home Forward's discretion, and in cases where all deficiencies are minor items as determined by an approved list maintained by Home Forward.

MTW authorization:
Attachment C, Section D(5) – Ability to Certify Housing Quality Standards

Statutory objective:
Reduce cost and achieve greater cost effectiveness in Federal expenditures

In FY2019 inspectors continued to use the option for landlords to self-certify minor repairs rather than completing a reinspection. The option continued to be used at the inspector's discretion. Out of 576 reinspections, 11 were completed with a landlord self-certification for minor repairs.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	Before implementation, $140,092	FY2020: $93,380	Less than $42,470 to complete re-inspections	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Before implementation, 1,326 hours	FY2020: 900 hours	311 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3) Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity.				
Average error rate in completing a task	FY2015: 0%	FY2020: Less than 3%	Less than 1%	Outcome Achieved

MTW Flexibility:

This activity uses alternate criteria – in the form of an owner's written certification – to verify the correction of deficiencies in a unit that failed its initial or annual Housing Quality Standards inspection as a result of four or fewer minor (as defined by Home Forward) deficiencies. This policy increases efficiencies and saves the agency the cost of these re-inspections.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward enacted several waivers from PIH Notice 2020-33 (*COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2*) that impact this activity:

HQS-1: Initial Inspection Requirements (April 14, 2020 to June 30, 2021)

HQS-5: HQS Inspection Requirement: Biennial Inspections (April 14, 2020 to December 21, 2021)

HQS-6: HQS Interim Inspections (April 14, 2020 to June 30, 2021)

HQS-7: PBV Turnover Unit Inspections (April 14, 2020 to June 30, 2021)

HQS-8: PBV HAP Contract: HQS Inspections to Add or Substitute Units (April 14, 2020 to June 30, 2021)

HQS-9: HQS Quality Control Inspections (April 14, 2020 to June 30, 2021)

These waivers significantly reduced the amount of inspections that were completed from April 14, 2020 to December 31, 2020, with deferrals in accordance with the waiver requirements. The use of these waivers reduced the cost to the agency of reinspections (standard metric CE#1), staff time savings (standard metric CE#2) and decrease in the error rate (standard metric CE#3).

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

08 INSPECTIONS AND RENT REASONABLENESS AT HOME FORWARD-OWNED PROPERTIES

Approved FY2013, Implemented FY2013

Home Forward owns over 4,000 units of affordable housing in Multnomah County. Many of these units have project-based Section 8 vouchers attached, and additional units are rented to families that are utilizing tenant-based Section 8 vouchers. In cases where a voucher holder is renting a unit we own, Home Forward utilizes our own staff to perform inspections and determine rent reasonableness.

In cases where Home Forward both owns and manages the unit, we hire a third party to conduct quality control inspections and rent reasonableness testing at a sample of these units. This ensures standards are being met while mitigating any conflict of interest.

MTW authorization:
Attachment C, Section D(5) – Ability to Certify Housing Quality Standards

Attachment C, Section D(2)(c) – Rent Policies and Term Limits

Statutory objective:
Reduce cost and achieve greater cost effectiveness in Federal expenditures

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	Prior to implementation, $17,750	FY2020: $0	$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Prior to implementation, 370 hours	FY2020: 0 hours	0 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3) Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity.				
Average error rate in completing a task	FY2015: 0%	FY2020: Less than 5%	Less than 1%	Outcome Achieved

MTW Flexibility:

Home Forward uses MTW authority to set rent reasonableness and inspect units we own, in place of contracting with a third party to do so. This results in cost savings for the agency.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

09 MEASURES TO IMPROVE THE RATE OF VOUCHER HOLDERS WHO SUCCESSFULLY LEASE-UP

Approved FY2010, Implemented FY2010

Since 2010, Home Forward has implemented a variety of measures to improve landlord acceptance of Housing Choice Vouchers in our community and the ability of voucher holders to successfully lease up. Based on much of Home Forward's work, the Oregon State Legislature passed HB2639 in July 2014. The legislation prohibits landlords from discriminating against renters who have vouchers and offers landlords access to a state-managed Landlord Guarantee Fund for financial damages when a voucher holder vacates a unit.

Home Forward has two additional initiatives focused on improving landlord participation and the leasing success of voucher holders:

- We provide vacancy loss payment to owners through the end of the month after the move-out month when vacancies are unforeseen or unexpected (such as a death or unannounced vacate) and the owners have not received proper notice of the intent to vacate. In FY2020, $13,261 in vacancy loss payments were provided for 25 units. The average payment was $530.
- The Landlord Incentive Payment targets new landlords. Home Forward makes a one-time payment of $200 to new landlords, defined as those who have not worked in partnership with us for the past two years. In FY2020, 170 new landlords received incentive payments, totaling $34,000.

MTW authorization:
Attachment C, Section B(1) –
Single Fund Budget with Full Flexibility

Attachment C, Section D(1)(d) –
Operational Policies and Procedures

Attachment C, Section D(3)(b) –
Eligibility of Participants

Attachment D, Section D(1) –
Establishment of a Local Section 8 / Housing Choice Voucher Program

Statutory objective:
Increase housing choice for low-income families

In the last few years, leasing success rates have fallen because of an extremely tight rental market, rapidly rising rents, and an overall lack of affordable units. Even with the above measures in place and the new legislation preventing discrimination against voucher holders, leasing success rates have fallen below our 2009 baseline. To keep pace with the market and ensure neighborhood choice for voucher holders, Home Forward most recently increased payment standards in December 2020.

We have implemented a variety of policy changes (which do not require MTW flexibility) to make the voucher program more appealing to landlords. These include:

- Allowing flexible lease terms based on an individual landlord's standard practice (including month-to-month)
- Accepting electronic Requests for Tenancy Approval from landlords to speed the process

- Posting tools for landlords on our website so landlords can assess whether their unit is likely to pass rent reasonable and affordability tests

Finally, we are working to provide more support for voucher holders themselves. Our participant orientation places an increased focus on housing search, tenant rights and responsibilities, and opportunity neighborhoods, in hopes of helping voucher holders be better prepared for their housing search.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Households assisted by services that increase housing choice (Standard Metric: HC#7)				
Number of households receiving services aimed at increasing housing choice	Before implementation, 0 households	FY2020: 200 households	170 households	Outcome Not Achieved

Additional Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Improve voucher success rate				
Issued voucher success rate	FY2009: 74%	FY2020: 80%	89%	Outcome Achieved
Decrease in lease-up time				
Average number of days for a voucher holder to lease up	Before implementation, 51 days	FY2020: 50 days	67 days	Outcome Not Achieved

MTW Flexibility:

Home Forward has made changes to operational policies and procedures and funds these activities through our single-fund budget flexibility. This activity works to increase landlord participation in the program, and therefore, increase housing choice for low-income households.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward enacted one waiver from PIH Notice 2020-33 (*COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2*) that impact this activity:

HQS-3: Term of Voucher: Extensions of Term (April 14, 2020 to June 30, 2021)

This waiver allowed extensions beyond the initial 120-day search term and 30-day extension identified in Home Forward's Admin Plan.

Challenges in Achieving Benchmarks and Possible Strategies

During FY2020 the rental market remained extremely competitive. According to MultiFamily NW's Fall 2020 edition of The Apartment Report, the vacancy rate in our jurisdiction at that time was around 5.0% with an annualized 2% increase to rents in the Portland metro area from Fall 2019. Since Home Forward starting tracking metro area rent increases in 2011, rents have increased 70.2% (Spring 2011 – Fall 2020).

The ability of participants to search and find units was severely impacted by the COVID-19 public health crisis, with some apartment buildings suspending the ability to tour units after Oregon declared a public health emergency on March 18, 2020. Other requirements for social distancing and limits on visitors increased the amount of time it takes participants to find a unit, but the total amount of participants successful in utilizing their voucher was significantly above our 2020 benchmark. The decrease in unit transfers and new leasing activity meant less opportunity for new landlords to enter the program and receive the incentive payment – at this time, Home Forward is not considering a change to the landlord incentive program.

To improve the lease-up rate and give participants as much choice as possible in the rental market, the payment standards were increased in December 2020 after a previous payment standard increase in December 2019. Home Forward continues to issue vouchers with an initial 120 days to search, in recognition of the competitive market and the length of time it is taking to lease up.

10 LOCAL PROJECT-BASED VOUCHER PROGRAM

Approved FY2012, Implemented FY2012, Amended FY2015

Home Forward has created a project-based voucher (PBV) program tailored to meet the needs of the local community. We currently administer over 2,400 PBVs in the community via 94 separate contracts. The program continues to represent our focus on coordinating with jurisdictional partners and enhancing the supply of permanent supportive housing for households with barriers to housing.

In FY2015, Home Forward changed the operating subsidy at four of our high-rise buildings from public housing to project-based Section 8 funding, as part of our preservation strategy to renovate ten buildings. These four buildings accounted for 654 units and serve seniors and persons with disabilities. The MTW flexibility to place project-based vouchers at these buildings, as well as through service providers and jurisdictional partners, has ensured that affordable housing remains available to some of the most vulnerable households in our community.

The objective of the project-based voucher program is to provide housing certainty for low-income, high-barrier households who would be unlikely to succeed with a tenant-based voucher. With that in mind, we are focusing project-based vouchers on buildings with on-site services, ideally in opportunity areas, offering tenants affordable rents and access to community resources. Some of the original project-based voucher contracts expired in the past few years, and Home Forward has made it our policy to offer renewals only to owners who have agreed to set waiting list preferences for one or more vulnerable populations, and to make services available to those households. This will result in all project-based voucher buildings offering affordable housing with services to those most in need as contracts are renewed.

MTW authorization:
Attachment C, Section D(7) – Establishment of an Agency MTW Section 8 Project-Based Program

Attachment C, Section D(4) – Waiting List Policies

Attachment C, Section D(2) – Rent Policies and Term Limits

Attachment C, Section D(1)(e) – Operational Policies and Procedures

Statutory objective:
Increase housing choice for low-income families

Reduce cost and achieve greater cost effectiveness in Federal expenditures

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Additional units of housing made available (Standard Metric: HC#1)				
Number of new housing units made available for households at or below 80% AMI	FY2011: 1,100 units	FY2020: 1,685 units made available	1,708 units	Outcome Achieved
Units of housing preserved (Standard Metric: HC#2)				

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Number of units preserved for households at or below 80% AMI that would otherwise not be available	Prior to implementation: 0 units	FY2020: 654 units preserved	654 units preserved	Outcome Achieved
Decrease in wait list time (Standard Metric: HC#3) Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity				
Average applicant time on wait list in months	FY2014: 15 months	FY2020: 28 months	28 months	Outcome Achieved
Displacement prevention (Standard Metric: HC#4) Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity				
Number of households at or below 80% AMI that would lose assistance or need to move	FY2015: 904 households	FY2020: 900 households	1,422 households	Outcome Achieved
Increase in Resident Mobility (Standard Metric: HC#5)				
Number of households able to move to a better unit and/or neighborhood of opportunity (defined as low poverty census tracts where poverty is below 17%)	FY2011: 93 households	FY2020: 400 households	338 households	Outcome Not Achieved
Agency Cost Savings (Standard Metric: CE#1)				
Total cost of task in dollars	Prior to implementation: $30,720	FY2020: $19,064	$9,541	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Prior to implementation, 917 hours	FY2020: 420 hours	233 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3) Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity				

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Average error rate in completing task	FY2015: 2%	FY2020: Less than 5%	Less than 1%	Outcome Achieved
Increase in tenant share of rent (Standard Metric: CE#5) Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity				
Total annual tenant share of rent	FY2014: $3,570,859	FY2020: $6,626,328	$6,319,800	Outcome Not Achieved

MTW Flexibility:

The PBV program increases housing choice and affirmatively furthers fair housing by preserving existing affordable housing and focusing on the needs of populations that tend to be less successful in the tenant-based program, including participants with disabilities, extremely low incomes, or backgrounds that may create high barriers to housing. Most of the PBV buildings offer services for specific populations, which help households not only to obtain suitable housing, but also to access additional services that give the household stability in the community. Below is a list of the ways Home Forward utilizes MTW authority for the local PBV program:

- Home Forward exceeds the traditional 25% limit of PBVs in a single building and allows project-based vouchers to be awarded to more than 25% of units in each complex.
- Home Forward has modified waitlist policies to allow each PBV building to maintain its own site-based waiting list with its own preferences. It would not be practical or cost effective for Home Forward to manage so many separate PBV waiting lists with separate preferences. Multiple waitlists also ensure that there are almost always open waitlists at any point in time.
- Home Forward does not provide a preference on the tenant-based waiting list for PBV residents and requires PBV residents to apply for and remain on the tenant-based waitlist to transfer to a tenant-based voucher unit.
- Home Forward modifies screening and eligibility requirements to differ from the traditional criteria at certain PBV properties which offer supportive services, therefore increasing housing choice for participants who might otherwise be ineligible for Section 8 housing. Home Forward determines an applicant's eligibility for a specific PBV property based on the capacity of the service provider who owns or contracts to manage the property.
- Home Forward has modified owner proposal selection procedures for PBV units to increase Permanent Supportive Housing in our community by awarding PBV units via a local competitive process in collaboration with the City of Portland and Multnomah County. This local process includes issuing a Notice of Funding Availability and accepting proposals from housing developers and owners across the County. This effort ensures that PBVs are aligned with capital and services funding made available from our jurisdictional partners.

- The local competitive process may be waived and PBVs may be awarded based on a formal approval and resolution process by Home Forward's Board of Commissioners when the property is owned directly or indirectly by Home Forward, subject to HUD's requirements regarding subsidy layering. The owned units would not be subject to any required assessments for voluntary conversion.
- Home Forward has adopted the local city and county site selection standards for PBV units to ensure alignment with jurisdictional partners regarding site selection for low-income housing aimed at ending homelessness. Site selection standards are designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations of 20% or less.
- Home Forward has modified subsidy standards regarding under- and over-housing to ensure full utilization of PBV units. Subsidy standards are the same for PBVs as those used for tenant-based vouchers, but exceptions are granted when there are no appropriately sized households on the waiting list to fill a vacant unit.
- Home Forward has modified lease terms, renewal options, and termination policies to limit owners' ability to terminate tenancy without cause, maximizing housing choice for the families in those units. After the initial term, PBV leases convert to a month-to-month agreement unless owners and tenants agree to a longer term, and owners may not refuse to renew leases without cause. Owners of PBV units may not terminate tenancy without cause, except as follows:
- The owner of a PBV unit may terminate tenancy for a family if Home Forward terminates the family's assistance for any reason to ensure that another low-income applicant can be served. However, instead of terminating tenancy, the owner may request Home Forward's approval to amend the PBV contract to remove a unit occupied by a zero-subsidy family or amend the PBV contract to substitute a different unit with the same number of bedrooms in the same building.
- Home Forward modified the way contract rents are determined for PBV units by limiting PBV contract rents to a maximum of the payment standard less any applicable tenant paid utility allowance, ensuring that PBV units are affordable even to zero-income households.
- Home Forward adapted the timing of applying payment standard adjustments for PBV participants. Any increase in payment standards to the PBV units is applied on the next anniversary date of the PBV Housing Assistance Payments Contract, following the effective date of the increase. Any decrease in payment standards to the unit is applied beginning on the second anniversary date of the PBV Housing Assistance Payments Contract following the effective date of the decrease. Home Forward also applies any changes to the utility allowance at the same time as the payment standard adjustments.

- Home Forward uses an alternate rent setting policy that allows the Rent Assistance Director, with Board approval, to set exception payment standards that are greater than 110% (up to a maximum of 160%) of Fair Market Rents for service-enriched buildings entering into new project-based voucher contracts, without requesting HUD approval. The payment standard granted applies to any unit under the project-based voucher contract serving a highly vulnerable population with intensive services. Data is required of the owner to verify the value of the services being provided, and this cost will not be included when conducting rent reasonableness tests.

- Home Forward allows Home Forward staff to conduct inspections, set rents and determine rent reasonableness for Home Forward-owned units that utilize PBVs. When Home Forward both owns and manages the unit, it hires a third party to conduct quality control testing of inspections and rent reasonableness determinations for a sample of these units. This activity is also described under Activity 08: Inspection and Rent Reasonableness at Home Forward-Owned Units.

- Home Forward has eliminated the cap limiting project-basing to up to 20% of the amount of budget authority allocated to the agency by HUD in the voucher program.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward enacted several waivers from PIH Notice 2020-33 (*COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2*) that impact this activity:

PH and HCV-3: Family Income and Composition: Annual Examination; Income Verification Requirements (April 14, 2020 to June 30, 2021)

PH and HCV-4: Family Income and Composition: Interim Examinations (April 14, 2020 to June 30, 2021)

HQS-7: PBV Turnover Unit Inspections (April 14, 2020 to June 30, 2021)

HQS-8: PBV HAP Contract: HQS Inspections to Add or Substitute Units (April 14, 2020 to June 30, 2021)

HQS-9: HQS Quality Control Inspections (April 14, 2020 to June 30, 2021)

HCV-14: Mandatory Removal of Unit from PBV HAP Contract (April 14, 2020 to June 30, 2021)

Challenges in Achieving Benchmarks and Possible Strategies

The decrease in resident mobility to low-poverty census tracts reflects the overall affordability trends that have impacted the Portland metro area for the past several years. Since the baseline year of FY2013 to FY2020, Multnomah County low-poverty census tracts has decreased from 99 to 95. With the latest ACS data, 18 census tracts went from being categorized as high-poverty to low-poverty, while 9 went from low-poverty to high-poverty. While low-poverty census tracts increased, this coupled with an average 10% increase in rents and the low vacancy rate of an average 5% in the Portland metro area, has contributed to decreasing housing choice and resident mobility to access low-poverty census tract neighborhoods in FY2019. At this time, we are not considering a change of strategy, but will continue to maintain our payment standard structure to reflect the market as much as possible.

Through December 31, 2020, 208 households receiving Project-Based assistance lost income due to the COVID-19 pandemic. Of the 208 households, 150 (75%) of households lost all income, totaling a $2,837,899 yearly reduction income; 51 (25%) of households lost some income, totaling a $626,336 yearly reduction in income. In total, households receiving Project-Based assistance lost a combined $3,464,235 in yearly wages. The loss in household income reduced the share of tenant rent, resulting in failing to achieve the benchmark.

11 ALIGN UTILITY ALLOWANCE ADJUSTMENT PROCEDURES

Approved FY2011, Implemented FY2011

MTW authorization:
Attachment C, Section C(11) – Rent Policies and Term Limits

Statutory objective:
Reduce cost and achieve greater cost effectiveness in Federal expenditures.

In our FY2011 MTW Plan, Home Forward received approval to align the public housing process for calculating and implementing utility allowance adjustments with that of Section 8. Previously, the public housing utility allowance process required Home Forward to conduct engineering surveys to determine energy consumption, which was cumbersome and costly. Additionally, public housing protocol required that a re-certification be completed for each resident when there were adjustments to the utility allowance.

Aligning the utility allowance adjustment process with that of Section 8 allows public housing to adopt the methodology of using HUD's standard calculation, which is based on the type of utility and type of building. As in the Section 8 program, public housing staff will review the utility allowance adjustments annually, with the adjustment going into effect at the resident's next regular review.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	Before implementation, $8,000 per year	FY2020: $0	$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete task	Before implementation, approximately 393 hours	FY2020: 0 hours	0 hours	Outcome Achieved

MTW Flexibility:

The standard public housing utility allowance process requires engineering surveys to determine energy consumption, and that a re-certification be completed for each resident when there is a utility allowance adjustment. Our MTW flexibility allows us to align the public housing process with that of Section 8, resulting in agency cost and staff time savings**.**

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

13 BROADEN RANGE OF APPROVED PAYMENT STANDARDS

Approved FY2015, Implemented FY2015, Amended FY2017

MTW authorization:
Attachment C, Section D(2)(a) – Rent Policies and Term Limits

Statutory objective:
Increase housing choice for low-income families

Regulations require that payment standards are set between 90% and 110% of Fair Market Rents, as defined by HUD for the geographic area in which the housing authority is operating. Multnomah County is a large geographic area with rents that differ throughout several submarkets. When rental market conditions tighten, it is not uncommon for 110% of Fair Market Rent to fall short of what is needed to rent a quality unit in large, and often higher opportunity, areas of Multnomah County. In addition, payment standards that are too high in particular neighborhoods can create concentrations of poverty.We will always need to balance the opportunity created with higher payment standards with the increased per family costs associated with higher payment standards. Higher payment standards can put limits on our ability to respond to the overwhelming need in our community but given the nature of the rental market in Multnomah County, the flexibility to set payment standards up to 160% of FMR may be necessary to create reasonable choice for participant families, particularly in lower-poverty, higher-opportunity areas. Home Forward received HUD approval to amend our activity in FY2017 to set payment standards between 80%-160% of Fair Market Rents (FMR) without prior HUD approval; an increase in previous MTW flexibility of FMR range of 80%-120%.

Home Forward participants are on biennial and triennial recertification schedules, per Activity 01 Rent Reform. Because of this, there is sometimes a delay of several months or even years before the increased payment standard is applied to a participant's rent calculation. In the meantime, those participants may be experiencing a larger shelter burden as their landlords increase rent without the accompanying increase in payment standards. To address this delay, we also modified this activity in FY 2017 to allow us to apply updated payment standards at a participant's interim review.

In order to ensure that payment standards are sufficient to allow Housing Choice Voucher participants reasonable choice in neighborhoods, Home Forward has used MTW authority to broaden its "base range" for payment standards to between 80% and 160% of the Fair Market Rents without prior HUD approval. (In FY2015, Home Forward received authorization to set payment standards between 80% and 120% of Fair Market Rents. In FY2017, Home Forward received authorization to broaden that range between 80% and 160% of Fair Market Rents.)

Home Forward uses the following parameters to establish payment standards:

- Payment standards are broken down by nine separate neighborhoods as defined by ZIP codes. Each of these neighborhood payment standards is broken down by bedroom size.
- Payment standards are set at the market rate.

- Because data shows that market rents are significantly different for three-bedroom apartments and three-bedroom single-family homes and duplexes, Home Forward has established separate payment standards for the two housing types with three bedrooms.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Increase in resident mobility (Standard Metric: HC#5)				
Number of households living in better neighborhoods (defined as low poverty census tracts where poverty is below 17%)[1]	FY2013: 1,896 (30%) households lived in better neighborhoods	FY2020: 2,500 (30%) households	2,573 households	Outcome Achieved
Agency cost savings (Standard Metric: CE#1) Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not save costs through this activity, but we have included it at HUD's request				
Total cost of task	FY2014: $48,597,556	FY2020: $67,626,000	$68,680,000	Outcome Achieved

Additional Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Average Housing Assistance Payment Expense				
Average annual HAP expense by household	FY2014: $6,690	FY2020: $9,571	$10,104	Outcome Not Achieved

MTW Flexibility:

Home Forward used our MTW authority to expand the range for which Home Forward may set payment standards across the various submarkets of Multnomah County to between 80% and 160% of HUD-established Fair Market Rents, and to establish exception payment standards up to 160% of Fair Market Rents, without HUD approval. This ensures that payment standards are sufficient to allow all families, including those that need a reasonable accommodation, to choose to rent units in all nine of the defined areas in Multnomah County (so

[1] Data will be collected from YARDI, Home Forward's database, which tracks the census tract and Payment Standard used for each household.

long as Housing Choice Voucher funding is sufficient to permit this). During FY2019, 19 exception payment standards were approved. Home Forward may also choose to reduce payment standards in areas with lower market rents.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward enacted several waivers from PIH Notice 2020-33 (*COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2*) that impact this activity:

HCV-6: Automatic Termination of HAP Contract (April 14, 2020 to June 30, 2021)

Challenges in Achieving Benchmarks and Possible Strategies

The metric of total cost was not met to payment standard increases in December 2020, which is reflected in the metric of total Housing Assistance Payments spent. Increasing the payments standards has been necessary to allow participants flexibility in the current rental market in Multnomah County. At this time, we are not considering a change of strategy, but will continue to maintain our payment standard structure to reflect the market as much as possible.

The number of zero income households sharply increased in 2020, from 712 households (7.1% of MTW HCV households) in 2019 to 832 (8.1% of MTW HCV households) in 2020, which also contributed to the increase in average subsidy per household.

14 PROGRAM BASED ASSISTANCE

Approved FY2015, Implemented FY2015

> **MTW authorization:**
> Attachment C, Section B(1) – Single Fund Budget with Full Flexibility
>
> Attachment D – Use of MTW Funds
>
> **Statutory objective:**
> Increase housing choice for low-income families

The need for rental assistance in Multnomah County far outstrips the supply. When Home Forward opened the Housing Choice Voucher waiting list in fall 2016, over 16,000 households applied for 3,000 waiting list slots.

To increase the number of households served over a given period, Home Forward has designed Program Based Assistance. This local, non-traditional rent assistance program merges two past single-fund MTW activities: Short Term Rent Assistance and Agency Based Assistance. This program offers time-limited rent assistance, paired with services, to help families access and/or retain stable housing. While the Housing Choice Voucher and public housing programs provide permanent subsidies to ensure long-term affordability for low-income families, the focus of Program Based Assistance is helping families achieve stability. These households will likely remain rent-burdened, but with services available to help families address other challenges in their lives, many will be able to avoid homelessness and remain permanently housed.

To administer Program Based Assistance, Home Forward sets aside a pool of flexible rent assistance funds, that are administered by the Rent Assistance Department but do not operate like traditional vouchers. The funds serve targeted populations, in partnership with one or more local service providers who ensure that the families have access to the supportive services or resources they need to be stable and successful. Funds may be contracted to partner agencies to administer or may be administered by Home Forward on behalf of partner agencies. In both cases, partner agencies are responsible for identifying participating families and determining the amount and duration of the rental assistance, with some guidance from Home Forward.

Target populations for Program Based Assistance are families for whom: 1) success on the Section 8 Housing Choice Voucher program would be unlikely; 2) the delay in accessing rent assistance due to the Section 8 waitlist would most likely have devastating results (recidivism, relapse, death, homelessness, etc.); or 3) the need for rental subsidy is short term while the client is receiving the support needed to stabilize in permanent housing. Examples of target populations include families who are homeless or at risk of homelessness, families with children attending Alder Elementary School (which has one of the highest mobility rates in the County and was adopted by the I Have a Dream Foundation in order to improve outcomes), former foster youth as part of the New Doors program, survivors of domestic violence, and families with an adult who has recently been released from prison.

Program Based Assistance partners work with Home Forward to set program policies that are specific to the target population they are serving. Home Forward ensures that polices are clear, equitably managed, and in compliance with Fair Housing laws. All programs have common elements which include:

Uses of Funds: Rental Assistance funds may be used for rent assistance, rent arrears with a current landlord, move-in fees and deposits, utility assistance and arrears, motel vouchers if housing is identified but not immediately available, and documented debt to a past landlord (other than a public housing authority).

Eligibility: Eligibility for Program Based Assistance is as low barrier as possible to provide housing access for hard-to-serve households. The only limitations on eligibility are: 1) the household must include at least one person who is a U.S. citizen, U.S. national, or noncitizen with eligible immigration status; 2) the household may not include any member who is subject to lifetime registration as a sex offender or has been convicted of production/manufacture of methamphetamine on premises of federally assisted housing; 3) no one in the household may owe Home Forward money; and 4) annual gross income cannot exceed 50% of area median income.

Subsidy Determination Method: Each partner is required to write clear policies and procedures for how subsidy amount and duration will be determined. These policies must be applied to all participants in that partner's program.

Service Requirements: Home Forward makes these funds available to target populations in partnership with one or more partners who are experts in providing the supports families may need to remain stably housed and move towards a stable, permanent housing situation. Therefore, partner agencies are required to make services available to all families accessing Program Based Assistance. Partner agencies will also have the discretion to discontinue rental assistance to households who violate their program policies or fail to engage in services after repeated attempts at engagement.

Program Based Assistance is a local, non-traditional rental subsidy program. Home Forward will comply with PIH Notice 2011-45 when administering this activity.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Additional Units of Housing Made Available (Standard Metric: HC#1)				
Number of new housing units made available for households at or below 80% AMI	Before implementation, 0 units	FY2020: 5 units	5 units	Outcome Achieved
Increase in Resident Mobility (Standard Metric: HC #5)				

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity	Before implementation, 0 households	FY2020: 27 unduplicated households	56 households	Outcome Achieved
Households Assisted by Services that Increase Housing Choice (Standard Metric: HC #7)				
Number of households receiving services aimed to increase housing choice	Before implementation, 0 households	FY2020: 76 unduplicated households	77 households	Outcome Achieved

MTW Flexibility:

Home Forward uses MTW flexibility to blend program funds into a single budget used to fund Program Based Assistance. This allows Home Forward to administer a form of non-traditional rent assistance that can target households in crisis and help them reach or maintain housing stability.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

15 TENANT-BASED VOUCHER SET ASIDE POLICIES

Approved FY2017, Not Yet Implemented FY2017

MTW authorization:
Attachment C, Section D(4) – Waiting List Policies

Statutory objective:
Reduce cost and achieve greater cost effectiveness in Federal expenditures

Home Forward has not yet implemented this activity. During this past fiscal year, we focused on opening the waitlists for our Housing Choice Vouchers and fully utilizing the existing set-asides, administered through the Housing Choice Voucher waitlist. Vouchers available under the existing set-asides have all been issued. Escalating costs and funding uncertainty in the Housing Choice Voucher program led us delay continuing those set asides under this activity or initiating new partnerships and MOUs. We anticipate implementing this activity in the future.

Home Forward operates or participates in several programs that have been designed to align housing with supportive services to ensure success for participating families. These include local non-traditional rent assistance programs, our local project-based voucher programs, and the Veterans Affairs Supportive Housing (VASH) program. In all cases, jurisdictional or community partners provide supports for families who access the housing, with target populations including families exiting homelessness, former foster youth, seniors, and people with disabilities.

Home Forward has found that leveraging our housing resources with services from partners often results in better housing stability and success for families with barriers to succeeding with a voucher alone. In addition to the above programs, we have also established a series of limited preferences for tenant-based vouchers. Through these limited preferences, specific community partners refer target populations to Home Forward for housing as they provide services. We currently have two set aside programs under this umbrella:

- Home Forward sets aside up to 200 vouchers for families currently served by Multnomah County's Homeless Family System of Care.

- We also set aside up to 50 vouchers for families that include a veteran experiencing homelessness, who are ineligible for HUD-VASH vouchers. These families are referred by and received services from Transition Projects, Inc.

HUD regulations for tenant-based vouchers require a housing authority to select all participants from a waiting list. In order to adhere to regulations, current families served by the two set aside programs are chosen and referred to Home Forward by the community partner, added to the tenant-based voucher waiting list, then immediately pulled from the waiting list to be served with the vouchers that are dedicated to the program. This process is inefficient, time-consuming, and cumbersome.

Home Forward will model the referral and selection procedures after the existing VASH program. As with VASH, Home Forward will accept referrals from the specified partners and award those households the dedicated vouchers. Written documentation of the referral will be maintained in the tenant file by Home Forward, but Home Forward will not add these households to the waiting list to be immediately selected. This flexibility will increase efficiency and may reduce the number of days a family has to wait between referral and issuance of the voucher

For each limited preference program, Home Forward will execute a Memorandum of Understanding with the partner specifying:

- Number of vouchers set aside for the preference,
- Eligibility criteria for the preference,
- Criteria for determining how families will be selected and referred to Home Forward by the partner(s),
- Type and duration of services the partner(s) will make available to the household, and
- Understanding that all referrals must be in writing and include a certification from the partner(s) that the family was selected and referred to Home Forward in accordance with the criteria outlined in the Memorandum of Understanding.

Home Forward will audit partner agencies to ensure that they adhere to selection criteria specified in the Memorandum of Understanding.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	FY2016: $875	FY2020: $0	$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2016: 29.5 hours	FY2020: 0 hours	0 hours	Outcome Achieved
Decrease in wait list time (Standard Metric: HC#3) Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Because households are immediately pulled from the waiting list, this will have no impact on this metric; but we have included it at HUD's request				
Average applicant time on wait list in months	FY2016: 0 months	FY2020: 0 months	0 months	Outcome Achieved

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

16 AFFORDABLE HOUSING GENERAL OBLIGATION BOND PROJECT BASED VOUCHER ALLOCATION

Approved FY2018, Implemented FY2018

MTW authorization:
Attachment C, Section D(7)(b) – Local Competitive Process

Statutory objective:
Additional Units of Housing Made Available

Home Forward received approval to allocate up to 400 project-based vouchers to support the goals of a $258.4 million Portland Housing General Obligation Bond that was approved by voters in November of 2016. From time to time, local jurisdictions may issue general obligation bonds to acquire, develop and rehabilitate land and/or properties for affordable housing. Home Forward, as a Moving to Work agency, is granted the ability to support such local housing programs. This includes collaborating with local jurisdictions to provide affordable housing and services for low income and/or disabled households in our community.

Given that local jurisdictions may be the only owner of such housing when using general obligation bonds, for this specific financing situation, Home Forward is defining the ballot initiative as a competitive process. Ultimately, the local jurisdiction is competing for the use of vouchers and is seeking authorization from voters. If the voters elect to pass such a ballot measure, it is done so with the public's knowledge that the sole owner of these properties must be the jurisdiction issuing the bonds. Home Forward will have permission to allocate project-based vouchers to such general obligation bond funded properties to ensure housing opportunities for very-low and extremely low-income families. Home Forward will measure the number of units made available to members of the community through utilization of this designation.

The Portland Housing Bond was designed to increase the affordable housing stock in a community with rapidly rising rents that limit choice for families living with low incomes. One of the location priorities of the Portland Housing Bond's framework is to prioritize acquiring land for new housing in high opportunity areas with access to education and economic opportunities, among other amenities. The Portland Housing Bond's framework includes recommendations for services related to "workforce skill development/employment resources and parenting resources, youth engagement and academic assistance" among other resident services' priorities.

The Portland Housing Bond will create approximately 1,300 permanently affordable units throughout the City of Portland, with 600 designated for households earning 0-30% of the area median incomes. According to the City of Portland, the allocation of up to 400 vouchers to the affordable housing general obligation bond will leverage an additional 200 units of housing for families earning between 0-30% of the area median income, netting a total of 600 units of deeply affordable, permanent housing added to the City of Portland. These permanent units will increase choice across the city for families living with low and extremely low incomes. The vouchers will be allocated over five to seven years as properties are acquired and built. On average, Home Forward anticipates that 57-70 vouchers will be deployed each year.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Additional units of housing made available (Standard Metric: HC#1)				
The Portland Housing Bond anticipates adding 1,300 units of affordable housing over a seven year period. The 400 vouchers will be used to leverage an additional 200 units being available for households earning between 0 and 30% median family income.	FY2018: 0	FY2020: 400 units	68 units	Outcome Not Achieved

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

City of Portland continues to work through building acquisition and construction for projects under the General Obligation bond. As projects are identified, Home Forward works with the City to determine appropriate allocation of project-based vouchers. Home Forward still projects 57-70 new project-based vouchers to be deployed each year.

17 MOD REHAB AND MOD REHAB SRO RENT ASSISTANCE DEMONSTRATION RENT REFORM

MTW authorization:

Attachment C, Section D(3)(b) – Eligibility of Participants

Attachment D, Section B(2) – Rent Structure and Rent Reform

Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

Increase housing choices for low-income families

Home Forward implemented its comprehensive Rent Reform activity in FY2012. The Rent Reform activity eliminates deductions from the subsidy calculation, utilizes an alternative percentage calculation for total tenant payment, and implements a tiered subsidy structure for non-elderly, non-disabled ("work-focused") households.

Home Forward administers project-based rent assistance for 517 units of housing assisted through the U.S. Department of Housing and Urban Development's Section 8 Moderate Rehabilitation and McKinney Moderate Rehabilitation Single Room Occupancy programs. This housing is a critical component of our community's housing stock available to people leaving homelessness. Owners of these properties have the opportunity to participate in the U.S. Department of Housing and Urban Development's Rent Assistance Demonstration (RAD) in order to preserve and improve their properties. Participation in RAD can involve the conversion of a properties existing subsidy contract into a Project Based Voucher contract that may operate under the program requirements of Home Forward's Local Project Based Voucher MTW activity (page 38). Participants in Home Forward's Local Project Based Voucher program are subject to Home Forward's Rent Reform Activity.

While the Rent Reform activity has been successful in meeting its cost savings and self-sufficiency objectives, Home Forward recognizes that the tiered rent structure for work-focused households does not adequately meet the needs of certain households or programs. Specifically, analysis shows that implementing the full Rent Reform activity at our Section 8 Mod Rehab and Mod Rehab SRO properties, which serve sigficant numbers of households moving out of homelessness, may result in household displacement over time and have a significant effect on these properties' ability to continue to serve these households. Home Forward instead proposes implementing an alternative rent reform initiative for these properties post-RAD to allow owners to take advantage of the Rent Assistance Demonstration while continuing to serve the same tenant population profile.

The SRO Mod Rehab Rent Reform initiative mirrors our existing previously approved Rent Reform activity but eliminates certain aspects of that activity, such as the tiered rent structure for work-focused households. Specifically the SRO Mod Rehab Rent Reform Activity implements the following policies:

- Eliminates all deductions in rent calculations. To offset the loss in deduction, rent will instead be calculated based on 28.5% of gross income. There is no minimum rent and utility reimbursements are allowed.
- Implements a triennial income re-certification schedule. For our existing Rent Reform activity, Home Forward created a separate "release of information" form to supplement the HUD Form 9886, in order to obtain a release of information that covers the appropriate biennial or triennial review cycle which will be utilized in this activity.
- Simplifies the proration of subsidy for mixed-families to a flat $1 monthly reduction in assistance, regardless of the number of ineligible members.
- Requires an interim review for a household that reports a change in family size and has resided in their unit for at least 12 months. Any changes to voucher size, payment standard, and subsidy calculation will be effective 120 days after the interim review.
- Eliminates the earned income disallowance.
- Makes use of actual past income to determine annual income for participant families.
- Uses all income sources as currently defined by HUD to determine a household's assistance, with the following exceptions:
    - The value of any asset or the value of any income derived from that asset is not used in the rent calculation, except when the asset makes regular payments (quarterly or more often) to the resident or participant. However, the value of assets or the value of any income derived from assets is used to determine initial eligibility. Home Forward allows households to self-certify assets with a net value of $5,000 or less.
    - All earned income of full-time students age 18 and over is excluded from the rent calculation, unless they are the head, co-head or spouse of the household.
    - Student financial assistance is considered only for the purpose of determining eligibility. Student financial assistance is not used to determine annual income for rent and subsidy calculation.
    - All adoption assistance payments are excluded from the rent calculation.
    - Households have the option to not report income that is not used in the rent calculation, such as foster care payments. However, Home Forward will accept income reporting of such sources for use in determining affordability of a unit. Home Forward permits families to rent units where the family share is up to 50% of their gross income.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	FY2018: $1,660	FY2020: Less than $6,500	$3,890	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2018: 80 hours	FY2020: Less than 320 hours	187 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3)				
Average error rate in completing task	FY2018: 7.5%	FY2020: 7.5% or less	Less than 1%	Outcome Achieved
Increase in tenant share of rent (Standard Metric: CE#5)				
Total annual tenant share of rent	FY2018: $17,344	FY2020: $59,160	$46,623	Outcome Not Achieved
Increase in household income (Standard Metric: SS#1)				
Average earned income of households	FY2018: $1,228	FY2020:$2,788	$1,564	Outcome Not Achieved
Increase in positive outcomes in employment status (Standard Metric: SS#3 Note: Home Forward does not collect detailed employment data from SRO participants. The number provided reflects the total number of work-focused households.				
Number of heads of households who: (6) Other	FY2018: 32 households	FY2020: 40 households	81 households	Outcome Achieved
Percent of work-focused households who: (6) Other	FY2018: 16% of households	FY2020: 19% of households	19% of households	Outcome Achieved
Households Removed from Temporary Assistance for Needy Families (TANF) (Standard Metric: SS#4)				
Number of households receiving TANF assistance	FY2018: 1 households	FY2020: 0 households	0 households	Outcome Achieved

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Households transitioned to self-sufficiency (Standard Metric: SS#8) Note: Home Forward's SRO properties assist households transitioning from homelessness to permanent, stable housing. Rather than moving to self-sufficiency, Home Forward aniticipates participant households will move from an SRO property into a long-term Home Forward subsidy program.				
Number of households transitioned to self- sufficiency (Defined as households that have earned or permanent income that results in area median income (AMI) above 50% and/or that have voluntarily exited housing assistance)	FY2018: 0 hosueholds	FY2020: 0 households	23 households	Outcome Achieved

MTW Flexibility:

Home Forward is using our rent reform authorizations to eliminate deductions, simplify the rent calculation, change review schedules, and implement other policy adjustments that, as a whole, make up our rent reform activity, as described above. The requested waiver authority will result in cost and time savings for the agency while ensuring the effected properties can continue to their mission of assisting households moving out of homelessness.

Hardship Policy:

As with our standard Rent Reform activity, households may apply for a hardship review if their total monthly shelter costs exceed 50% of the total monthly income used to determine their rent subsidy. Section 8 participants who choose to rent housing where the total shelter costs exceed 50% of total monthly income at the time of initial lease-up in that unit will not generally qualify for hardship review; however, all households have the right to request a hardship and exceptions may be made. The committee has a menu of remedies to reduce a qualifying household's burden.

There were 0 hardship requests for this activity during FY2020.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

18 TRANSFER OF PROJECT-BASED VOUCHER CONTRACT TO SUPPORT LOCAL PRESERVATION OR DEVELOPMENT OF AFFORDABLE HOUSING

MTW authorization:

Attachment C, Section B(2) – Partnerships with For-Profit and Non-Profit Entities

Attachment C, Section D(7) – Establishment of an Agency MTW Section 8 Project Based Program

Attachment D, Section B(3) – Local Unit Based Subsidy Program

Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

Increase housing choices for low-income families

Home Forward works closely with local affordable housing owners and developers to preserve and increase the affordable housing stock in the community. For many property owners participating in our Project-Based Voucher (PBV) program, the ability to transfer an existing PBV contract to a new location before its expiration would greatly increase the owner's ability to expand the number of affordable units in the region. Currently, only a project owner that has completed a RAD conversion may request a contract transfer. Non-RAD PBV Project Owners have no such recourse.

Home Forward believes this situation discourages some property owners from entering a HAP Contract as it limits the property owner's ability to engage in short- and long-term development and planning. In addition, Home Forward is concerned that with the extreme pressures on Portland's housing stock, property owners may opt to not renew a HAP Contract, as witnessed in similar tight housing markets. Such a situation would create a significant increase in the number of existing households switching to tenant-based assistance. This increase would tie up valuable staff resources and reduce our ability to help new households off the waiting list. Fiscally, an unanticipated increase in tenant-based vouchers reduces our ability to predict costs and may require us to redirect resources currently allocated to opportunity neighborhoods.

Home Forward proposes to create a local Project-Based Contract Transfer activity for all non-RAD PBV property owners. This activity balances the needs to provide a streamlined process for PBV Project Owners with the need to ensure existing households retain their subsidy without impacting our ability to serve new households.

With Home Forward approval, a Project Owner may request a transfer of assistance after 5 years from the effective date of the initial HAP Contract. Home Forward may waive the 5-year requirement for properties for the following reasons:

- The agency or an affiliate holds ownership interest or manages the property;
- A transfer is needed sooner as a result of events such as eminent domain proceedings, natural disasters or unforeseen events; or

- HUD provides approval of a transfer for any other reason.

Home Forward may consider a partial or complete transfer of assistance to a new location if the new location complies with applicable site selection standards. If applicable, any lender and/or investor of the Covered Project must approve the transfer of the assistance. In the event of such transfer, the Project Owner may request, subject to Home Forward consent, that the original Project-Based Voucher Contract be modified or released to reflect such transfer of assistance.

Home Forward will only approve such a request where the following policy goals and technical requirements are met:

- The proposed new development must add or preserve affordable housing in the community;
- The proposed new development must otherwise comply with environmental review and subsidy layering review;
- Home Forward does not require a competitive process for the proposed new development as the initial PBV allocation removes the need for a subsequent competition. However, the proposed new development must meet all Home Forward's Site Selection Standards as well as any appropriate laws and regulations.
- Tenants residing in subsidized units within the assisted development must be offered the option of retaining a project-based voucher subsidy pursuant to the following guidelines:
    - Tenants within the assisted development must be offered the option of moving to a comparable subsidized unit in the new or preserved development upon completion of purchase, rehabilitation, or construction, or to another comparable subsidized unit offered by the Project Owner;
    - Comparable units must adhere to all required rules and regulations regarding relocations and tenant moves. Home Forward will prioritize preventing moves to distant geographic areas and/or lower opportunity neighborhoods but believes this ultimate choice should be left to the tenant, as we recognize that they may have circumstances that make some areas more desirable.
    - If tenants decline to move, they may remain in the assisted development and the subsidy will remain in place until the subsidized tenant vacates the assisted unit, at which point the project-based voucher subsidy will be converted to the new development and added to the new Project-Based Voucher Contract;
    - Because the above requirements protect the ability of tenants to remain in their choice of Project-Based Voucher subsidized units, Choice-Mobility vouchers will not be available for tenants under this proposal as a result of the contract transfer.

- Rents and bedroom sizes must remain comparable between the assisted development and the new development to maintain stability in Housing Assistance Payment costs.

In addition to the criteria above, Home Forward retains full discretion to deny a transfer of project-based voucher assistance. The activity applies to all current and future properties under a Project Based Voucher HAP Contract.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1) Note: Home Forward is unable to calculate anticipated costs absent the activity.				
Total cost of task	FY2018: $0	FY2020: $0	$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2) Note: Home Forward is unable to calculate anticipated costs absent the activity.				
Total time to complete the task	FY2018: 0 hours	FY2020: 0 hours	0 hours	Outcome Achieved
Displacement prevention (Standard Metric: HC#4) Note: Number of households in a unit that has completed, or will complete, RAD conversion by December 31, 2018 used as a proxy for potential displacement absent the proposed activity.				
Number of households at or below 80% AMI that would lose assistance or need to move	FY2018: 903 households	FY2020: 0 households	0 households	Outcome Achieved

MTW Flexibility:

Home Forward is utilizing our MTW flexibilities to give the agency authority to provide a contract transfer option to non-RAD property owners under a PBV contract and require Project Owners requesting a contract transfer to provide the same or better unit upon completion, as described above. The requested waiver authority will increase or preserve the number of affordable housing units in the community and decrease the number of households forced to move due to the contract transfer.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

19 PROGRAM TRANSFER FLEXIBILITY BRIDGE

Under current regulations, whenever an active household transfers from one Home Forward program to another (eg from Public Housing to a Housing Choice Voucher), agency staff is required to administer complicated waitlist preferences, assess eligibility, and perform a full certification of eligibility for that household. Depending on when the household's regular recertification is due, this means staff could be recertifying the household's continuing program eligibility shortly before or after the certification of eligibility for the new program, resulting in an expensive and unnecessary duplication of efforts. This issue has increased significantly with the agency's Rental Assistance Demonstration (RAD) efforts, and has impacts on both staff and residents alike.

MTW authorization:

Attachment C, Section C(5) – Ability to Certify Housing Quality Standards

Attachment C, Section D(7) – Establishment of an Agency MTW Section 8 Project Based Program

Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

The new Program Transfer Flexibility Bridge removes the requirement that staff run a full eligibility certification for households transferring between Home Forward MTW programs. Instead, staff will use information from the household's most recent recertification to determine eligibility. The household will retain their existing anniversary date, but otherwise be subject to all policies regarding income eligibility and recertifications in the new program. This initiative would also align waitlist preferences differently to ensure that program transfers occur more seamlessly without additional administrative burden.

In a sense, this is a temporary activity designed to bridge the time period until Home Forward has converted all public housing to a voucher-based model, at which time all potential transfers will occur within the voucher program. By waiving the need for a full eligibility certification and utilizing existing data, and by aligning waitlists between programs, Home Forward will reduce the staff time and costs of running the same data multiple times within a short period and streamline the transfer process.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	FY2020: $6,007	FY2020: $0	$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2020: 229 hours	FY2020: 0 hours	0 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3)				

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Average error rate in completing task	FY2020: 7.5%	FY2020: 0	0%	Outcome Achieved

MTW Flexibility:

This activity is authorized under provisions of Attachment C Section C(4) - Initial, Annual, and Interim Review Process (Public Housing), Section D(3) – Eligibility of Participants (HCV), and the Use of Funds Amendment to Attachment D of the Amended and Restated MTW Agreement.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

20 LOCAL INSPECTION POLICIES

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of Home Forward participants, residents, staff, and/or the general public, Home Forward may implement certain temporary changes to inspection protocols to ensure continuity of safe operations to the extent possible and practical. This modification is proposed in response to the current COVID-19 pandemic, which has created a need for physical and social distancing to protect against the spread of the disease. In compliance with the recommendations of the Centers for Disease Control (CDC), the "Stay Home Stay Safe" Executive Order issued by Oregon Governor Brown, and other guidance from local, state, and federal agencies, Home Forward is reducing contact between individuals, including closing offices to the public and reducing the number of employees in the office. As a result, Home Forward foresees that some operations may need to be modified and/or deferred to a later time. This activity will support the statutory objective: "Reduce cost and achieve greater cost effectiveness in federal expenditure" as demonstrated in the Activity Metrics section below.

MTW authorization:

Attachment C, Section C(5) – Ability to Certify Housing Quality Standards

Attachment C, Section D(7) – Establishment of an Agency MTW Section 8 Project Based Program

Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

The proposed inspection protocols which Home Forward may implement are:

- Home Forward may extend the validity of a family's most recently completed biennial HQS inspection by one year.
- The due date of the family's next biennial HQS inspection would be one year from the original due date, and subsequent inspections would occur on a regular biennial schedule based on the new adjusted biennial due date.
- Home Forward will continue to perform emergency inspections and initial HQS inspections in un-occupied units.

In response to the COVID-19 pandemic, Home Forward has implemented HUD waiver HQS-5, which allows a delay of biennial inspections, and is authorized in HUD Notice PIH 2020-33 (HA) Rev-2, which was preceded by HUD Notice PIH 2020-05, HUD Notice PIH 2020-13, and HUD Notice PIH 2020-33(HA). HUD approved thid activity on January 21, 2021 and Home Forward is using the authority granted in this activity to delay biennial inspections as outlined above. These temporary changes will be ended or adjusted as soon as it is safe, feasible, and practical to do so in the context of the COVID-19 public health emergency.

Home Forward may temporarily enact these protocols in the future in response to another local disaster, emergency, or other crisis situation to protect the health and/or safety of Home Forward participants, residents, staff and/or the general public.

Activity Metrics:

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	FY2020: $744,190	FY2020: $701,000	$439,863	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2020: 7,730 hours	FY2020: 7,250 hours	4,446 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3)				
Average error rate in completing task	FY2020: 3.5%	FY2020: 3.5%	Less than 1%	Outcome Achieved

MTW Flexibility:

This activity is authorized under provisions of Attachment C, Section 5 Ability to Certify Housing Quality Standards and 7(d): Establishment of an Agency Section 8 Project-Based Program of the Amended and Restated MTW Agreement.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2020.

Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2020.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2020.

Not Yet Implemented Activities

All Home Forward MTW activities have been implemented.

Closed Out Activities

No Home Forward MTW activities were closed out in FY2020.

Activities Closed in Previous Years

Name of Activity	Year Approved	Year Implemented	Year Closed Out	Reason for Close Out
Alternate Rent Calculation for Public Housing Units at Rockwood Station, Martha Washington, and Jeffrey	FY2011	FY2011	FY2012	This activity was discontinued on April 1, 2012 when our current Rent Reform activity was implemented and the units at those buildings shifted to the Rent Reform calculation.
Limits for Zero-Subsidy Participants	FY2010	FY2010	FY2012	This activity was discontinued on April 1, 2012 with the implementation of Rent Reform.
Limiting Portability in Higher Cost Areas	FY2013	Never implemented	--	Home Forward determined that the administrative costs to manage this activity would offset the proposed savings.
04 Bud Clark Commons	FY2010	FY2010	FY2014	Home Forward has determined that operations at Bud Clark Commons do not utilize MTW flexibility.
05 Biennial Inspections	FY2008	FY2008	FY2015	The FY2014 Appropriations Act allows all housing authorities to conduct inspections on a biennial basis. This activity no longer requires MTW flexibility.

Name of Activity	Year Approved	Year Implemented	Year Closed Out	Reason for Close Out
12 Alternative Initial Housing Assistance Payment Policy	FY2015	--	FY2017	Home Forward determined that the policy may be an administrative burden and may cause unintentional delays in household lease-ups.

Section V. Sources and Uses of Funding

Sources and Uses of MTW Funds

Actual Sources and Uses of MTW Funding for the Fiscal Year
Home Forward submits its unaudited and audited information in the prescribed FDS format through the Financial Assessment System – PHA (FASPHA), or its successor system.

Describe the Activities that Used Only MTW Single Fund Flexibility

Replacement Housing Factor Funds /Demolition or Disposition Transitional Funding
Home Forward's efforts to reposition its public housing portfolio can result in a formal disposition approval from HUD and then the sale of the asset. In these instances, Replacement Housing Factor (RHF) or Demolition or Disposition Transitional Funding (DDTF) funds are received by Home Forward as part of the Capital Fund Formula and used to create a new public housing unit. Home Forward utilized MTW authority to use these RHF or DDTF funds within its single fund flexibility to create new public housing units in a mixed-finance project. In doing so, these funds provide a portion of the total development capital needed for a particular project. Given the development cash flow needs of any mixed-finance project, Home Forward may also use the RHF or DDTF funds to repay construction financing. This would be done without formally pledging the future RHF or DDTF funds to the lender as collateral.

In September 2013, Home Forward proceeded with the disposition of four high-rise properties as part of our High-Rise Preservation Initiative. The properties are Hollywood East, Sellwood Center, Northwest Tower, and Gallagher Plaza, consisting of 654 public housing units. Home Forward anticipated receiving RHF or DDTF funds for these units and may utilize its MTW authority to determine the future use of these funds based upon the amount of the award and timing in which funds are received.

As of FY 2019, Home Forward received two (2) years of DDTF funds in the Capital Fund Program Grant and anticipates receiving three more years of DDTF funds for these public housing units. Home Forward may utilize its MTW authority to

Describe the Activities that Used Only MTW Single Fund Flexibility

determine the future use of these funds based upon the amount of the award and timing in which funds are received. To date, none of the DDTF funds have been expended.

MTW Initiative Funds
Home Forward has created MTW Initiative Funds, comprised of MTW reserve funds in their entirety. This is a funding source to support initiatives that will advance the goals and objectives of MTW and Home Forward's Strategic Operations Plan, as well as provide sufficient operating reserves for prudent financial management. Some of these initiatives are aspects of our MTW Activities, described earlier in this Plan.

Listed below are initiatives that only use single-fund flexibility:

- Aligned Partner Network/Housing Works: Aligned Partner Network is a partnership between Home Forward, Worksystems, Inc., the Multnomah County Anti-Poverty system, and the State Department of Human Services. Each system leverages its resources by delivering core services and utilizing the other systems to provide wrap-around supports. With access to stable housing, the appropriate level of case management, and priority access to workforce services, we believe that a significant number of households will be able to develop the skills they need to gain employment within two years. Home Forward contributes rent assistance, in the form of PBA, which is contracted to agencies in the Anti-Poverty system who use it to help stabilize families who are engaged in training or employment programming.

  In 2012, our local Workforce Investment Board (WIB) received a 3-year, $5.5 million Workforce Innovation Fund grant in partnership with Home Forward and the other local housing authorities and WIBs in the Portland Metro area to pilot a program called Housing Works. This demonstration grant expanded on an existing partnership between Home Forward and the local WIB. Over the last three years, Home Forward received $1.1 million to work with our Workforce Investment Board to serve 270 Home Forward residents with intensive training and employment services. As part of this grant, Home Forward contributed to the cost of a staff position that is shared between the WIB and Home Forward. This "liaison" provides technical assistance to Home Forward staff as they support clients in navigating the WorkSource system and helps build the partnership between the two organizations.
  The Housing Works program ended on April 30, 2016, one month past the fiscal year end for this report. The program offered unified, seamless service delivery to participant where training and employment services were delivered using

a coaching approach tailored to the needs of individual participants. Service components included access to coaching; career and resource planning; ongoing access to career pathways; trainings linked to high-growth industries; job preparation; job-attachment services; and employment retention services.
The program served 314 individuals, of whom 145 earned industry-recognized credentials; 62 completed internships; 70 obtained employment that were not employed prior to entering the program; 48% of participants remained employed for at least 9 months. All participants had access to support service funds, which provided financial support to participants to reduce and/or remove identified barriers to successful job training completion, job search and retention. The Housing Works team created and strengthened partnerships with local community colleges, the local WorkSource system, and other local job-training providers in the region. This regional alliance, also involving three other local housing authorities, created new opportunities and will continue to collaborate in meaningful ways that benefit the organizations and our mutual participants.

- Families Forward: Families Forward is the umbrella name for our initiatives designed to help youth attain education success in order to alleviate or exit poverty, and to help adults make economic progress, with the ultimate goal of exiting poverty for those who are able. This initiative ties to our strategic plan under One System: We leverage our role as the largest provider of affordable housing in Oregon to improve collaboration and efficacy between systems impacting people in poverty.

    - For adults, the current priority is to create a single framework for all of the agency's Economic Opportunity efforts, integrating the following four strategies: collecting information about families through an Employment and Training Interest Inventory; aligning existing self-sufficiency programs into a single program called GOALS, with site-based and non-site based components; facilitating the hiring of low-income (Section 3) residents and participants by Home Forward and contractors; and integrating Housing Works/Aligned Partner Network (mentioned above) into Economic Opportunity work. Ultimately, the goals for this initiative include increases in resident/participant earned income, increases in residents'/participants' contribution to rent, and residents/participants reaching a living wage if they exit housing subsidy.

    - Education Initiatives: Last year Home Forward deepened connections with systems partners focused on early education and chronic absence. After utilizing data sharing agreements with the six school districts in the county to obtain and analyze school attendance data, we learned that Home Forward students are struggling with chronic school absence significantly more than the general population of students in Multnomah County. Home Forward continues to work with a cross sector group of partners (county human services, school districts, DHS, non-profits) to amplify the community-wide attendance campaign and develop universal and site-based strategies for improving attendance.

Focus groups were conducted summer of 2016 across the county to get the insights of parents and caregivers on the challenges they face raising young children to be ready for kindergarten and getting kids to school every day, along with their ideas for what would help (from Home Forward and our partners). This input guides how we engage our partners in the work and how we adapt as a system to better support parents and their children to thrive. As a result, we are piloting alignment with our community schools system (called Schools Uniting Neighborhoods), with a specific focus on attendance and early childhood (Pre-school – 3rd grade), and the county library system, with a specific focus on early literacy.

- Aging at Home Strategies: Home Forward continues to develop and implement initiatives to increase independence and community at our properties that serve seniors and people with disabilities. Priority strategies include:
    - Focus on maintaining (through RAD conversion), strengthening and expanding the Congregate Housing Service Program in partnership with Impact Northwest, Multnomah County Aging, Disability and Veteran's Services, and Oregon State Department of Human Services.
    - Participating in Housing with Services, a systems alignment approach to improving the health outcomes, reducing health care costs, and to promoting community inclusion and self-determination for seniors and people with disabilities living in subsidized housing, which includes Cedar Sinai Park, Care Oregon, Cascadia and other partners.
    - Partnering with housing and healthcare partners to create cross-sector training modules to establish safe and secure discharge planning and ease transition back into independent housing. This initiative also strengthens communication and collaboration between housing and healthcare agencies.
    - Working with community clinics and coordinated care organizations to conduct on-site outreach and navigation events to ensure seniors are connected to healthcare and maximize available benefits and resources.
    - Partnerships with local nursing programs to bring triage and assessment services to Home Forward properties. Community health nursing students develop, and launch health programming tailored to specific population health issues and social determinants of health within them.

- Staff Trainings: To support Home Forward's Strategic Plan to strengthen our relationship with the people we serve, Home Forward developed new trainings for staff. Several trainings were offered during FY2019 that focused on safety

Describe the Activities that Used Only MTW Single Fund Flexibility

in the workplace, managing stress, neurology-based trainings on leadership and resiliency, service focused (including de-escalation, trauma-informed approach) and supervisor specific trainings.

- Neighbor-to-Neighbor Grant Program: Home Forward has created a pilot grant program for resident groups from our public or affordable housing communities. Resident groups submit applications for grant funds to improve their community livability, build resident leadership, and reinforce community values. Past resident-led projects have included exercise classes, afterschool tutoring, social events, community gardens and the creation of a soccer field and youth sports team.

- Security Deposit Assistance: Home Forward uses single-fund flexibility to offer security deposit assistance to two populations in our community: participants leasing up with Veterans Affairs Supportive Housing (VASH) vouchers, and foster youth leasing up with Family Unification Program (FUP) vouchers. For homeless veterans, a lack of funds for security deposits is a serious barrier to successful use of VASH vouchers. Similarly, youth aging out of the foster care system often do not have the resources to pay for security deposits when trying to utilize FUP vouchers. Security deposit assistance is a key support to finding housing for veterans and youth leasing up in units requiring deposits. Home Forward's funds are to be used only when the service agencies working with these populations are not able to otherwise arrange for deposit assistance. In FY 2020, 17 households used security deposit assistance averaging $786 per security deposit.

- Tenant Education Class and Deposit Assistance: Since May 2016, Home Forward has contracted with the Community Alliance of Tenants (CAT) to teach a tenant education class to voucher holders. Class graduates have access to up to $200 to help with a security deposit in their housing search. This partnership grew out of concern that in the current, competitive rental market, and with recent changes in Oregon landlord/tenant law, voucher holders needed more education about how to be successful applicants and tenants. In FY 2020, 43 participants took the class and received the deposit assistance.

- Landlord Incentive Fund: Home Forward has implemented a landlord incentive program to attract new landlords to the Housing Choice Voucher (HCV) program and increase the number of units available to voucher holders. In the first year, Home Forward issued 460 payments of $100 each, 35% of which went to landlords who were new to the HCV program. Starting in FY2017, we focused the fund more specifically to landlords new to the program. Home Forward makes a one-time payment of $200 to new landlords, defined as those who have not worked in partnership with us for the past two years. This past fiscal year 171 landlords received the fund. This aligns with Oregon State Housing Bill

Describe the Activities that Used Only MTW Single Fund Flexibility

2639, which prohibits discrimination against renters and recruits new landlords to the Housing Choice Voucher program.

- Inter-jurisdictional Transfer Program for Survivors of Domestic Violence: In collaboration with other MTW-authorized housing authorities and the local domestic violence service system, Home Forward has implemented an inter-jurisdictional transfer program to assist participants who are survivors of domestic violence. The program ensures continued access to stable and safe housing when deemed necessary that the household move to another jurisdiction to avoid violence that is likely to become lethal or near lethal. A local domestic violence service provider has assigned two full-time advocates to work on-site with Home Forward residents. The advocates can recommend residents to this transfer program and provide advocacy and assistance with relocation to the new jurisdiction. Clients are connected with a local domestic violence agency in the new jurisdiction for support after their transfer. Home Forward allocates up to $2,000 per household, for up to five households each year. In addition, Home Forward intends to absorb the vouchers of up to five families referred by partnering MTW agencies. This fund was not utilized in FY 2020, but the program remains an option for households needing to transfer due to domestic violence.

- Voucher Success Fund: Home Forward has an internal staffing position to provide housing search and placement assistance to HCV households. Along with case management supports, the Advocate can also provide a limited amount of financial assistance to help reduce barriers to housing such as security deposits, application fees, and transportation for the housing search.

- Record Relief & Criminal Expungement: Home Forward collaborates with Metropolitan Public Defender (MPD), a non-profit legal firm, to provide legal services to assist Home Forward residents, participants, and waitlist households with criminal record expungements along with consultation on any outstanding obligations to the court system. By reducing a barrier to housing and employment that is associated with a criminal background, Home Forward will help residents gain greater housing choice options in our community and ability for increased opportunity for work focused households to obtain employment. Home Forward also plans to see a decrease in administrative costs related to screening denials as an outcome of this project. Home Forward is using MTW Initiative Funds to support this program.

- Affordable Housing Opportunities: With incredibly low vacancy rates and a lack of affordable housing, Home Forward is dedicated to preserving and increasing the number of housing units in our community. Home Forward used MTW Initiative Funds to leverage additional funding for the preservation of existing affordable housing and development of

Describe the Activities that Used Only MTW Single Fund Flexibility

new affordable housing. By using methods such as site acquisition, predevelopment loans, and gap financing, Home Forward can invest in projects to expand the availability of housing that is affordable to families at different income levels in our community.

- Grant shortfalls: A large share of tenant/resident services are funded from grants and foundations. These funds augment local funds to provide supportive services and self-sufficiency services to residents. To optimize available services, any costs not eligible for state and local grants will be funded by single-fund flexibility.

- Emergency fund: In the event of an emergency that affects a public housing family's ability to live safely in their unit, Home Forward has created a fund to help the family temporarily find safe housing in a hotel.

- Landlord Portal: Home Forward has completed the requirements for a Landlord e-Center or Housing Provider Portal which will allow landlords and participants to electronically communicate with Home Forward. Home Forward deployed the first module in late 2019, providing landlords the ability to view their current units as well as financial and rental histories. Our overall objective is to improve processes and reduce the time required to lease an apartment or home to a voucher holder.

- MTW Operating Reserve: The U.S. Department of Housing and Urban Development (HUD) is required to control disbursement of funds to Public Housing Authorities (PHAs) in such a way as to ensure that PHAs do not receive federal funds before funds are needed. Currently, any Home Forward excess subsidy reserves are held by HUD and are distributed upon request to cover eligible MTW expenditures. Should the Federal cash management requirements change, Home Forward will set aside funds each year, as determined by the Board of Commissioners, towards building an Operating Reserve sufficient to fund four months of Operating Expenses plus one month of Housing Assistance Payments.

LOCAL ASSET MANAGEMENT PLAN

i. Is the MTW PHA allocating costs within statute?	No
ii. Is the MTW PHA implementing a local asset management plan (LAMP)?	Yes
iii. Has the MTW PHA provide a LAMP in the appendix?	Yes

iv. If the MTW PHA has provided a LAMP in the appendix, please describe any proposed changes to the LAMP in the Plan Year or state that the MTW PHA does not plan to make any changes in the Plan Year.

Home Forward's Local Asset Management Plan has been implemented with two exceptions. Help Desk services are not billed as fees to programs but are allocated based on program FTE. Work by Home Forward Development staff for Public Housing Capital projects are charged directly to the project on a cost reimbursement basis rather than via a cost recovery fee.

Section VI. Administrative

A. Reviews, Audits, and Inspections

Public Housing – The chart below lists the Public Housing properties that had REAC inspections in FY2020.

Property	Score
Celilo Court	93

The REAC inspection took place on February 14, 2020, prior to REAC inspections being suspended by HUD due to the COVID-19 pandemic. No other REAC inspections took place during 2020.

Annual Program/Financial A-133 Audit – Home Forward's Board of Commissioners accepted and approved the independent audit findings for FY2019 (covering the period of January 1, 2019 to December 31, 2019) in December 2020. There were no financial statement findings, questioned costs, or compliance findings.

B. Evaluation Results

As mentioned in the section on Single-Fund Flexibility Activities, Home Forward participated in Housing Works: A Regional Workforce-Housing Alliance, which was awarded a Workforce Innovation Fund grant in 2012 by the US Department of Labor. A full evaluation is a required element of the grant. Home Forward contributed Moving to Work Initiative Funds to the program in the form of staff time, as well as co-funding the cost of the liaison position from 2013-2016.

The partnership behind the program consisted of a consortium of workforce investment boards (WIBs) and public housing authorities across Multnomah, Washington, and Clackamas counties in Oregon, and Clark County in Washington. The lessons learned from various prior regional workforce development efforts have been applied in building the model for this program. The program brought to scale a pilot that Home Forward and Worksystems, Inc. tested several years ago with funds from the Paul G. Allen Family Foundation and expands the geographic span of activities, increasing the number of housing authority residents and industries served, and aligning the formula funding from the lead agencies.

The Housing Works program was designed to provide residents the opportunity to enhance their skills to gain and retain employment in high-demand industries and to increase their employment income. Participants accessed case management and supports across each stage of the program: career and resource planning; skill development and occupational skills training; job preparation and soft skills development; job attachment services; and employment retention services. This multi-faceted program was also crafted to create system changes in the WIBs and housing authorities by aligning policies and encouraging the co-investment of resources. The approach to workforce development in this model was substantially altered to incorporate a role for housing authorities as case managers and coaches to assist participants in navigating the array of workforce services and supports. The essential components of this model that speak to systems change consist of growing organizational capacity to align resources and policy more fully; co-investment of resources; and unified service delivery that is seamless to participants.

The final program evaluation by Public Policy Associates, Inc. will be published in May of 2017.

C. MTW Statutory Requirement Certification

{Signed Board Resolution here}

D. MTW Energy Performance (EPC) Flexibility Data

Not applicable

Appendix

Local Asset Management Plan

Home Forward
Asset Management Program

The First Amendment to the Amended and Restated Moving to Work (MTW) Agreement allows Home Forward to develop a local asset management program for its Public Housing Program. The following describes Home Forward's asset management program and identifies where differences exist from HUD's asset management guidance.

Home Forward's Local Asset Management Program

Home Forward has operated a property/project-based management, budgeting, accounting, and reporting system for the past five years. Our project-based management systems include:

- Annual budgets are developed by on-site property managers. These budgets are reviewed and further consolidated into portfolio level budgets managed by housing program managers
- Budgets at the property level are provided an allocation of public housing operating subsidy based on factors which differentiate subsidy based on building age, type, size, and relative poverty of the population of the various public housing properties.
- Weekly monitoring of occupancy by property, including notices, vacancies, and applicants, is published to the Public Housing management and Executive management.
- Monthly property-based financial reports comparing month-to date and year-to-date actual to budget performance for the current year are provided to site managers, portfolio managers, and the Director of Property Management. These reports are available to other management staff as needed to monitor specific properties.
  - Monthly reviews are held at the property level with Site Managers and their portfolio management.
  - Quarterly reviews of the Public Housing portfolio in its entirety are held at the division level with Property Management Director and Assistant Directors, as well as the Deputy Director and Chief Financial Officer. This review covers each property Net Operating Income and Cash Flow.
- Home Forward applies the same project/program-based budgeting system and financial performance review to its Housing Choice Voucher program, local MTW programs, and non-federal programs and properties.

Home Forward's Cost Objectives

OMB Circular A-87 defines cost objective as follows: Cost objective means a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred. The Cost Objectives for Home Forward's asset management program are the
organizational subdivisions:

- Public Housing properties - includes resident services and management staff directly supporting this program
- Rent Assistance programs - includes management staff directly supporting this program and Family Self Sufficiency staff (including those supporting Public Housing residents)
- Moving to Work - includes activities related to our MTW agreement and local programs
- Integrated Facilities Services – includes maintenance staff for specialized maintenance services including those supporting maintenance for Public Housing units
- Resident Services – Family Self Sufficiency staff including those supporting Public Housing residents
- Affordable Housing
- Development

<u>Home Forward's Treatment of Certain Costs</u>

Under OMB Circular A-87, there is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances, either as a direct or an indirect cost. Consistent with OMB Circular A-87 cost principles, Home Forward has identified all its direct costs and segregated all its costs into pools, as either a direct, direct allocated, or indirect allocated. We have further divided the indirect allocated pool to assign costs based on a relevant metric, as described in Attachment 1.

- Integrated Facilities Services: Integrated Facilities Services is the operating group for Home Forward's specialized maintenance services. IFS Maintenance performs services covering plumbing and electrical repairs, painting, and pest control, as well as garbage and recycling. Although these maintenance functions are performed centrally, the decisions and control remain at the property level as it is the property manager and/or housing program manager who determines the level of service required from the CORE maintenance group. All services are provided on a fee for service basis.
- Procurement: Home Forward has adopted procurement policies that balance the need for expedient and on-site response through delegated authorization to site staff for purchases under $5,000. Purchases greater than this limit requires engaging central procurement. The Procurement staff is well trained in the special requirements of procuring goods and services for a federal program and provides necessary contract reporting requirements as well. Central procurement services are part of Home Forward's indirect overhead allocation.
- Human Resources: Along with the public housing program and its Section 8 voucher program, Home Forward has non-federal affordable properties, a development group, and locally funded rent assistance programs. Home Forward's Human Resources department serves the entire agency and certain human resource activities that HUD would consider a direct cost, such as

recruitment and pre-employment drug testing and screening, are centralized and are part of Home Forward's indirect overhead allocation. Home Forward has determined that the cost of keeping extremely detailed records of HR activity for direct cost assignment exceeds the value received from such effort.

- Information Technology: Hardware and software costs will be directly charged to the appropriate cost objective when such costs are available and specific to that cost objective. When a reasonable measurement of such IT costs can be obtained, an allocation based on the number of users (computers, software applications, etc.) will be utilized to directly charge the cost objective.
- Resident Services: A large share of tenant/resident services are funded from grants and foundations and these funds augment local funds to provide supportive services and self-sufficiency services to residents. To optimize available services, any costs not eligible for state and local grants will be funded by Home Forward's public housing properties and housing choice voucher program.
- Rent: Home Forward charges rent to each cost objective based on the space they occupy in our central office building. Rent is based on estimated costs and adjusted for actual costs at year-end.

Home Forward's Treatment of Public Housing Operating Subsidy

Home Forward's flexibility to use MTW funding resources to support its low-income housing programs is central to our Asset Management Program. Home Forward will exercise our contractual authority to move our MTW funds and project cash flow among projects and programs as the Authority deems necessary to further our mission and preserve our low-income housing assets and local programs.

Home Forward's Indirect Cost Allocations

Costs that can specifically and efficiently be identified to a cost objective are counted as direct costs to that objective. Costs that cannot be readily or efficiently identified as specifically benefiting a cost objective will be considered indirect and allocated. The *Home Forward Allocation Process – Process Flow Diagram* shown at the end of this policy is a graphic representation of Home Forward's allocation methodology. Home Forward has determined that some costs, defined as "direct costs" by HUD for asset management, require effort disproportionate to the results achieved and have included those costs as part of the indirect cost pool allocated to cost objectives as overhead.

Home Forward Indirect Costs

OMB Circular A-87 defines indirect costs as those (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. Home Forward's indirect costs include, but are not limited to:

- Executive
- Policy & Planning
- Accounting & Finance

- Purchasing
- Human Resources, including job applicant screening, payroll, labor negotiations & organization wide training
- Information Technology: costs not specifically identified and charged as a direct expense to a cost objective

Differences – HUD Asset Management vs. Home Forward Local Asset Management Program

Home Forward is required to describe in the MTW Annual Plan differences between our asset management program and HUD's asset management program as described in HUD's Financial Management Guidebook. Below are several key differences:

- HUD's asset management system and fee for service is limited in focusing only on a fee for service at the Public Housing (PH) property level and voucher program. Home Forward has implemented an indirect allocation methodology that is much more comprehensive than HUD's asset management system which includes all of Home Forward's cost objectives listed above.
- Home Forward has defined the treatment of direct and indirect costs differently than HUD's asset management program. From the agency perspective, we view the program operations management as direct costs of the program.
- These differences include, but are not limited to:
  - HUD Indirect/Home Forward Direct:
    - Portfolio and program ("regional") management, including hiring, supervision and termination of frontline staff is considered a direct cost. These costs are pooled and then allocated to each property based on units, vouchers, or other relevant metrics. Work with auditors and audit preparation by HCV and PH staff is considered a direct expense. Executive management is considered an indirect cost.
    - Storage of HCV and PH records and adherence to federal and/or state records retention requirements will be considered a direct cost of the program.
    - Development and oversight of office furniture, equipment and vehicle replacement plans will be considered a direct cost of the program.
    - Advertising (notification) costs specific to HCV, including applicants and landlords, will be considered a direct expense.
  - HUD Direct/Home Forward Indirect:
    - Advertising for new hires will be considered indirect and allocated to the program and properties.
    - Staff recruiting and background checks, etc. will be considered indirect and allocated to the program and properties.
  - Other:
    - Using MTW authority to improve efficiencies across programs, all staff associated with the Family Self Sufficiency program, regardless of serving public housing or housing choice voucher residents, will be considered a direct cost of the housing choice voucher program.
    - Preparation and submission of HCV and public housing program budgets, financial reports, etc. to HUD and others will be either direct or indirect, depending on the department from which the reports are prepared. If prepared by program staff, costs will be considered direct. If prepared by administrative department staff, costs will be considered indirect and allocated to the program and properties.

  - Investment and reporting on HCV proceeds will be either direct or indirect, depending on the department from which the reports are prepared. If prepared by program staff, costs will be considered direct. If prepared by administrative department staff, costs will be considered indirect and allocated to the program and properties.
- HUD's rules limit the transfer of cash flow between projects, programs, and business activities. Home Forward intends to fully use its MTW resources and flexibility to move project cash flow among projects as locally determined and use MTW funding flexibility to provide additional funding to public housing properties when appropriate and necessary to provide for and preserve our public housing assets.
- HUD's rules provide that maintenance staff be maintained at the property level. Home Forward's asset management program reflects a cost-effective balance of on-site and central maintenance services for repairs, unit turnover, landscaping, and asset preservation work.
- HUD's rules provide that purchasing is performed at the property level. Home Forward's asset management program reflects a cost-effective balance of on-site and central purchasing, depending on the total cost of procurement and complexity of applicable procurement laws and reporting requirements.
- HUD intends certain property management activities to be at the property level. Home Forward has centralized selected property management functions, including but not limited to denial hearings, occupancy management, transfers, reasonable accommodations, auditing, training, compliance, and some waitlist management, and will allocate these costs as a direct expense to the properties based on a relevant metric such as units.
- Home Forward employs its own development staff. Any work on Public Housing Capital projects will be subject to a cost recovery fee paid from the capital fund to cover costs of development staff engaged in such capital projects.

Balance sheet accounts
Most balance sheet accounts will be reported in compliance with HUD's Asset Management Requirements and some will deviate from HUD's requirements, as discussed below:

- Cash
- Restricted Cash
- Petty Cash
- Investments
- Selected Prepaid Expenses and Deferred Charges
- Selected Accrued Liabilities
- Payroll Liabilities
- Compensated Absences
- Other Post-Employment Benefits (OPEB) Liability
- Pension Liability (GASB 68)
- Deferred Inflows of Resources – Pension (GASB 68)

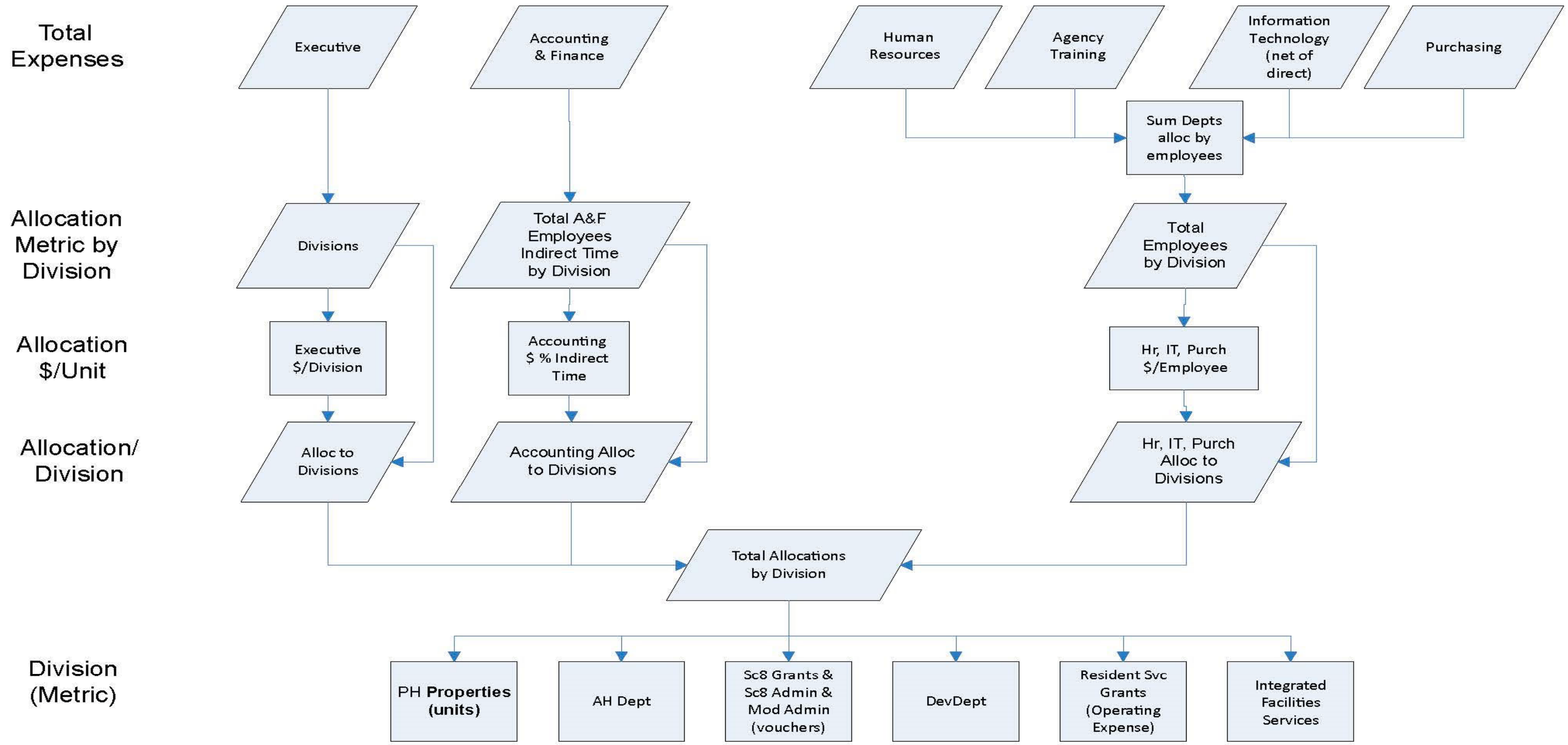
- Deferred Outflows of Resources – Pension (GASB 68)
- Unrestricted and Restricted Net Assets

Home Forward's asset management program will maintain the above balance sheet accounts centrally. Maintaining these accounts centrally has proven to be the most cost effective and least labor-intensive method ensuring efficient accounting operations and ultimately reducing costs charged to the programs. This deviates from HUD's asset management requirements as these accounts will not be reported at the AMP or program. Additionally, the centralization of cash and investments is in keeping with the single fund precept of our MTW authority. For those balance sheet accounts that are originated from expense entries, the related expenses will continue to be reported as an expense to the appropriate program, department and AMP-based income and expense statement through direct charges or allocations.

The agency is continually reviewing our asset management practices and will likely revise our approach over the coming years.

Home Forward Allocation Process

Process Flow Diagram



APPENDICES Appendix 1
Recommended Relocation Plan Contents

Appendix 2
Sample RAD General Information Notice (GIN)

Appendix 3
Sample RAD Notice of Relocation (for relocation anticipated for a year or less)

Appendix 4
Sample RAD Notice of Relocation (for relocation anticipated for more than a year)

Appendix 5
Sample Notice of Eligibility for URA Relocation Assistance (for residents who have been temporarily relocated for more than a year)

Appendix 1: RECOMMENDED RELOCATION PLAN CONTENTS

While written Relocation Plans are not required under RAD or URA, the Department strongly encourages PHAs to document their relocation planning process and procedures in a written Relocation Plan. The following provides suggested content for Relocation Plans.

I. Project Summary

The Relocation Plan should provide a general description of and purpose for the project (e.g., year built, location, number of units, configuration, occupancy information, and funding sources).

The basic components of a plan include:

- A general description of the project and the site, including acquisition, demolition, rehabilitation, and construction activities and funding sources;
- A detailed discussion of the specific steps to be taken to minimize the adverse impacts of relocation, including when transferring the assistance to a new site;
- Information on occupancy (including the number of residents, residential owner-occupants and non-residential occupants, if any, to be permanently or temporarily relocated);
- Information on relocation needs and costs (including the number of residents who plan to relocate with Section 8 assistance);
- General moving assistance information;
- Temporary move assistance (including information on the duration of temporary moves);
- Permanent move assistance; and
- Appeals process.

II. Resident Return and Re-occupancy Policies

For residents that will be temporarily relocated, the plan should include the criteria that will be used to determine the priority for residents to re-occupy units at the project after rehabilitation, demolition, and/or construction is completed. For example, if units will come online in stages, the plan should outline how the PHA will determine when each resident will return to the project. PHAs should ensure that any written return or re-occupancy policy is compliant with related RAD requirements, such as the right-to-return policy and the "no re-screening upon conversion" policy, as described in the RAD Notice.

III. Summary of Moving Costs

The plan should include a summary of moving costs, identified by move types, including the following:

Temporary Moves

- Number of and cost amount for two-way moves (i.e., a move to another unit and then a return move) within the same building/complex.
- Number of and cost amount for two-way moves to a unit not in the same building/complex, carried out by the PHA.
- Number of and cost amount for two-way moves to a unit not in the same building/complex not carried out by the PHA.

Permanent Moves

- Number of and cost amount for one-time moves into another unit in the same building/complex.[15]
- Number of and cost amount for one permanent move to a unit not within the same building/complex, carried out by the PHA.

  PHAs should note that if a residential move is carried out by the PHA at no cost to the resident, this per-household estimate must include the required dislocation allowance (currently $100). The URA Fixed Residential Moving Cost Schedule lists the most current dislocation allowance: http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm
- Number of and cost amount for one permanent move to a unit not within the same building/complex that is not carried out by the PHA.

IV. Temporary Relocation Assistance

The PHA will assist residents who are required to move temporarily. At the Initiation of Negotiations (ION), the PHA will send a RAD Notice of Relocation to residents who will be relocated. Appendices 3 and 4 of this Notice contain sample RAD Notices of Relocation to be provided to residents that will be temporarily relocated.

The plan should detail the temporary relocation assistance the PHA will provide for residents (Paragraph 2-7 of HUD Handbook 1378). This assistance includes:

- Temporary Housing - The PHA will provide temporary housing that is decent, safe, and sanitary on a nondiscriminatory basis for residents who are relocated temporarily. The PHA will also pay for reasonable increased housing costs that the resident incurs in connection with the temporary relocation.

  NOTE: If a resident's relocation exceeds one year, the PHA must then issue a *Notice of Relocation Eligibility* (49 CFR 24.203(b)) to the resident and offer the resident permanent

15 A resident who moved to another unit in the same building/complex may be considered a displaced person under URA if the resident moves from the building/complex permanently and was not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move within the same building/complex and/or if other conditions of the move within the building/complex were not reasonable.

relocation assistance and payments at URA levels. The PHA must provide this notice to affected residents as soon as the temporary relocation exceeds one year.

- Packing and Moving Assistance - Since most residents prefer to pack their own personal possessions and items of value, they should be provided packing instructions, boxes, markers, and tape for the move. If assistance in packing is needed, the PHA should provide the resident with information on how to request this assistance. The PHA is responsible for covering all reasonable moving expenses incurred in connection with temporarily relocating a resident. The PHA may reimburse the resident's out-of- pocket moving expenses and/or directly carry out the move.

- Payment for Temporary Relocation Moving Expenses - The plan should also indicate how the PHA intends to provide or reimburse for moving services and expenses. The PHA can choose to do one or more of the following:
  – Undertake the moves itself, using force account labor or a moving company;
  –Use PHA's contractor or moving company;
  – Carry out moves with employees of the PHA;
  – Reimburse residents for all actual and reasonable moving costs.

  NOTE*:* The PHA will not make fixed payments since such payments may not be representative of actual reasonable costs incurred. However, in order for a resident to be sure of full reimbursement, the resident should submit a moving cost estimate to the PHA for approval prior to the move unless the PHA is directly carrying out the move and the resident will not incur any reasonable out-of-pocket moving expenses. Failure to do so may result in the resident not being fully reimbursed.

- Utility Costs - The PHA is responsible for covering the expenses relating to disconnection and reconnection of necessary utilities. If the resident has telephone, cable service or Internet access, the PHA is responsible for covering the expenses involved in transferring existing service. The PHA may also pay utility deposits, if required at the temporary relocation housing (HUD Handbook 1378, paragraph 2-7(A)(3)). If a resident is temporarily relocating from a public housing unit to a non-public housing unit, the resident must be reimbursed for reasonable increases in utility costs even if the PHA utility allowance is lower than the actual costs to the resident.

V. Permanent Relocation Assistance

Based on the local housing resources available, the PHA should identify the replacement housing options that will be available to meet the housing needs of residents to be permanently relocated. Replacement housing options for residents that meet the definition of a "displaced person" (49 CFR 24.2(a)(9)) under the URA include, but are not limited to:

- Other Public Housing;
- Section 8 Project-Based Voucher unit;
- Section 8 Housing Choice Voucher unit;
- Homeownership housing;

- Private-market rental housing (affordable, non-subsidized).[16]

The plan should describe each type of replacement housing projected to be available, including:

1. Number of units, by bedroom size, expected to be available, and discussion of whether available units will meet dwelling requirements of relocated residents;
2. General area or location of unit(s);
3. Criteria for receiving relocation assistance; and
4. Any other information that might benefit residents in their consideration of housing choices.

The plan should include a description of the permanent relocation assistance the PHA will provide to residents. This assistance includes:

- Availability of Comparable Replacement Housing – Under URA, no displaced resident will be required to move unless at least one comparable replacement dwelling (49 CFR 24.2(a)(6)) is made available at least 90 days before the required move (49 CFR 24.203(c)). Comparable replacement dwellings must contain the accessibility features needed by displaced persons with disabilities (49 CFR 24.2(a)(8)(vii); 49 CFR part 24, Appendix A, §24.2(a)(8)(vii)). If the comparable replacement dwelling is not subsidized housing, the PHA should contact the RAD staff for advice on replacement housing payment requirements.

- Referral to Housing Not Located in an Area of Minority Concentration - Whenever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe, and sanitary replacement dwellings that are within their financial means and not located in areas of minority concentration (49 CFR 24.205(c)(2)(ii)(D)). However, this policy does not require a PHA to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling unit.

- Permanent Relocation Moving Expenses from Public Housing to Public Housing - The PHA may choose one of the following options for covering the expenses involved in moving public housing residents that are relocated into other public housing:

  – Undertake the move itself, using force account labor or a moving company. Residents should incur no moving costs under this option, but if such expenses are incurred, the PHA is responsible for reimbursing the resident for any such actual and reasonable expenses. In such case, the resident is also entitled to a dislocation allowance (currently $100). The URA Fixed Residential Moving Cost Schedule lists the current dislocation allowance and is available at:
  http://www.fhwa.dot.gov/real estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm

16 Every effort should be made to find another subsidized unit as replacement housing for a resident relocating from subsidized housing so that the resident will continue receiving the housing subsidy as long as it is needed.

NOTE: Residents who prefer to pack their own personal possessions and items of value may be provided packing instructions, boxes, markers, and tape for their move. If a resident needs assistance in packing, they should contact the PHA. It is the responsibility of the PHA to pack and move all their belongings and household goods, if so desired.

- Allow the resident to elect one of the following choices:

  1) The PHA will reimburse the resident for the cost of all actual reasonable and necessary moving and related expenses (49 CFR 24.301), such as:
     - Transportation of the resident and personal property. This may include reimbursement at the current mileage rate for personally owned vehicles that need to be moved. Transportation costs for a distance beyond 50 miles are not eligible, unless the PHA determines that relocation beyond 50 miles is justified.
     - Packing, crating, uncrating, and unpacking of personal property.
     - Storage of personal property for a period not to exceed 12 months, unless the PHA determines that a longer period is necessary.
     - Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property.
     - Insurance for the replacement value of the property in connection with the move and necessary storage.
     - The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person, his or her agent, or employee) where insurance covering such loss, theft, or damage is not reasonably available.

  2) The PHA will pay directly to the resident the applicable and current fixed moving cost payment according to the URA Fixed Residential Moving Cost Schedule (49 CFR 24.302), available at: http://www.fhwa.dot.gov/real estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm

- Permanent Relocation Moving Expenses for All Other Moves – Under URA, residents who are permanently displaced, except for those residents displaced from public housing and moving to other public housing, are entitled to the assistance described in the brochure *Relocation Assistance To Residents Displaced From Their Homes,* available in English at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_16280.doc and in Spanish at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC 16281.doc. Residents may choose moving assistance from one of the following two options.

  1) The PHA will reimburse the resident for the cost of all actual reasonable moving and related expenses (49 CFR 24.301).

  2) The PHA will pay directly to the resident the applicable and current fixed moving cost payment according to the URA Fixed Residential Moving Cost Schedule (49

CFR 24.302), available at:
http://www.fhwa.dot.gov/real estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm.

- Replacement Housing Payment - In addition to covering moving expenses, displaced residents may be entitled to a replacement housing payment (RHP). This payment is intended to cover the increase, if any, in monthly housing costs for a 42-month period.

  When calculating the RHP, the PHA must consider the comparable replacement housing unit offered to the resident. Since the PHA is not required to pay an RHP amount that exceeds the amount of RHP calculated for the offered comparable replacement dwelling, residents are cautioned to work closely with the PHA prior to their move.

- Accessible Housing for Persons with Disabilities - Under the URA, persons with disabilities who will be permanently displaced must be relocated to a replacement dwelling that contains the accessibility features they need (49 CFR 24.2(a)(8)(vii); 49 CFR Appendix A, 24.2(a)(8)(vii)). A person with disabilities who has been relocated must be offered a comparable replacement dwelling unit that contains accessible features comparable to the housing from which the tenant has been displaced or relocated. This is so even if the tenant has paid for the acquisition and/or installation of accessible features in the housing from which he or she has been relocated; in such instances, the recipient must ensure that the replacement housing contains comparable accessible features or provide relocation assistance to the tenant in an amount that covers the cost of acquiring and/or installing comparable accessible features. Under the URA, an agency may use project funds to remove architectural barriers for displaced owners and tenants with disabilities or take other last resort housing measures if comparable replacement dwelling units are not available within the monetary limits prescribed under the URA regulations (49 CFR 24.404(c)(vii); HUD Handbook 1378, Paragraph 3-8).

VI. **Relocation Budget**

Based on the results of the planning process, the PHA should create a relocation budget that includes the following six components:

1) The cost of administering the plan and providing assistance and counseling.

2) Reasonable moving expenses for a person with disabilities, which may include the cost of moving assistive equipment that is the personal property of the residents, the furnishings and personal belonging of a live-in aide, and/or other reasonable accommodations (HUD Handbook 1378, Paragraph 3-2).

3) The cost of the physical move of the residents' belongings. (It is suggested that the move costs be broken down by average cost per move type multiplied by the number of moves.) NOTE: This physical move cost total should be based on the move scenarios anticipated

or projected by the resident survey.

4) The cost estimated to pay for projected increases in monthly housing costs for temporary relocation.

5) The cost estimated to pay for the replacement housing payment (RHP) (42-month period for URA or 60-month period if section 104(d) applies).

6) Contingency costs estimated for carrying out the relocation process necessary to complete the proposed project. (The PHA should state where these costs are indicated in the application, or attach any other information required by HUD, to support these costs.)

VII. Appeal Process

If a resident disagrees with the PHA's decision as to the resident's eligibility to receive relocation assistance, the amount of a relocation payment, or the adequacy of a comparable replacement dwelling offered to a resident, the resident may file a written appeal to the PHA. The Relocation Plan should describe the specific appeal procedures to be followed consistent with 49 CFR 24.10 (and 24 CFR 42.390 if section 104(d) is involved). At a minimum, the resident will have 60 days to file an appeal with the PHA after receiving written notification of a claim or ineligibility determination.

VIII. Certification

The plan should contain a certification of compliance with the URA and, if applicable, section 104(d).

Technical Assistance
The PHA should direct questions on this Notice's relocation assistance requirements to their RAD Transaction Manager or email rad@hud.gov.

PHA LETTERHEAD

RENTAL ASSISTANCE DEMONSTRATION (RAD)
GENERAL INFORMATION NOTICE (GIN)

[Date]

Dear [Resident Name],

The property you currently occupy is being proposed for participation in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. At this time, we expect that [the proposed acquisition, rehabilitation, or demolition, may require you to be relocated (temporarily or permanently) from your unit]. We will provide further details to you as plans develop. **This notice does not mean that you need to leave the property at this time. This is not a notice of eligibility for relocation assistance.** The remainder of this letter only applies to situations where you will need to be relocated from your unit.

This notice serves to inform you of your potential rights under the RAD program and a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). If the proposed RAD project receives HUD approval and if you are displaced permanently as a result, you may become eligible for relocation assistance and payments under the URA, including:

1) Relocation advisory services that include referrals to replacement properties, help in filing payment claims and other necessary assistance to help you successfully relocate;
2) At least 90 days' advance written notice of the date you will be required to move;
3) Payment for moving expenses; and
4) Payments to enable you to rent a similar replacement home.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an immigrant lawfully present in the United States.

As a resident of a property participating in RAD, you have the right to return to the project after the project is complete. You will be able to lease and occupy a unit in the converted project when rehabilitation is complete.

If you are permanently displaced from your home, you will not be required to move until you are given at least 90-day advance written notice of any required move and at least one comparable replacement dwelling has been made available to you. If you are temporarily relocated and your temporary relocation lasts more than one year, you will be contacted and offered permanent relocation assistance as a displaced person under the URA. This assistance would be in addition to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance you have already received.

If you are required to relocate from the property in the future, you will be informed in writing. [PHA] will inform you of what assistance and payments you are eligible for if you will be relocated because of RAD and how you will receive these payments. If you become a displaced person, you will be provided reasonable assistance necessary to complete and file any required claim to receive a relocation payment. If you feel that your eligibility for assistance is not properly considered, you will also have the right to appeal a determination on your eligibility for relocation assistance.

You should continue to pay your rent and meet any other requirements specified in your lease. If you fail to do so, [PHA] may have cause for your eviction. If you choose to move, or if you are evicted, prior to receiving a formal notice of relocation eligibility, you may become ineligible to receive relocation assistance. It is very important for you to contact us before making any moving plans.

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact: [Name, Title, Address, Phone, Email Address]. This letter is important to you and should be retained.

Sincerely,

[Name]
[Title]

NOTES:

1. Files must indicate how this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378)
2. This is a sample GIN. PHAs should revise it to reflect project-specific circumstances.
3. PHAs may provide residents with HUD brochure “Relocation Assistance to Residents Displaced from Their Homes” available at: http://www.hud.gov/offices/cpd/library/relocation/publications/1042.pdf.

Appendix 3: SAMPLE RAD NOTICE OF RELOCATION (For relocation anticipated for a year or less)

THIS IS A GUIDE FORM.
REVISE TO REFLECT THE PROJECT-SPECIFIC CIRCUMSTANCES.

PHA Letterhead

(date)

Dear [*Resident Name*],

The property you currently occupy is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. On [*date*], the [*Public Housing Authority*] (PHA) notified you of proposed plans to [acquire/ rehabilitate/demolish] the property you currently occupy at [*address*]. On [*date*], HUD issued the RAD Conversion Commitment (RCC) and committed federal financial assistance to the project. [*In instances where a Notice of Intent to Acquire is applicable and this notice is being sent before the RCC is issued, in lieu of the previous sentence noting the RCC issuance date, insert:* [*Name of entity acquiring the property*] (Displacing Agency) intends to acquire the property you currently occupy. **This is a Notice of Intent to Acquire.**]

In order for PHA to complete the project, you will need to be relocated for [*anticipated duration of relocation*]. Upon completion of the project, you will be able to lease and occupy your present unit or another decent, safe and sanitary unit in the completed project under reasonable terms and conditions. You are eligible for relocation payments and assistance.

However, **you do not need to move now.** This notice informs you that a decent, safe, and sanitary dwelling unit, listed below, has been made available to you and you will be required to move by [*insert date at least 30 days after the date of this notice*].

If your temporary relocation exceeds one year and you qualify as a "displaced person" under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), you may be eligible for further relocation assistance and payments under URA.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

The relocation assistance to which you are entitled includes:

☐Payment for Moving Expenses. You are entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in connection with any temporary move. [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 4 of this Notice.*]

☐The location of your temporary replacement unit is [*address*]. This temporary housing has been determined to be decent, safe, and sanitary.

☐*List appropriate relocation advisory services and any other services and assistance provided.*]

If you disagree with this determination, you may file a written appeal to the PHA in accordance with 49 CFR 24.10.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [*Name, Title, Address, Phone, Email Address*] before you make any moving plans. He/she will assist you with your move to a temporary unit and help ensure that you preserve your eligibility for any relocation payments to which you may be entitled.

Remember, do not move, or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

____

Print name:
Title:

NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)

Appendix 4: SAMPLE RAD NOTICE OF RELOCATION (For relocation anticipated for more than a year)

THIS IS A GUIDE FORM.
REVISE TO REFLECT THE PROJECT-SPECIFIC CIRCUMSTANCES.

PHA Letterhead

(date)

Dear [*Resident Name*],

The property you currently occupy is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. On [*date*], the [*Public Housing Authority*] (PHA), notified you of proposed plans to [acquire/ rehabilitate/demolish] the property you currently occupy at [*address*]. On [*date*], HUD issued the RAD Conversion Commitment (RCC) and committed federal financial assistance to the project. [*In instances where a Notice of Intent to Acquire is applicable and this notice is being sent before the RCC is issued, in lieu of the previous sentence noting the RCC issuance date, insert:* [*Name of entity acquiring the property*] (Displacing Agency) intends to acquire the property you currently occupy. **This is a Notice of Intent to Acquire.**]

In order for PHA to complete the project, you will need to be relocated for [*anticipated duration of relocation*]. Upon completion of the project, you will be able to lease and occupy your present unit or another decent, safe, and sanitary unit in the completed project under reasonable terms and conditions. You are eligible for relocation assistance and payments. Because we expect your relocation to exceed one year, you have the choice to either:

- Receive temporary relocation assistance and return to a unit in the RAD project once it is complete; or
- Receive permanent relocation assistance and payments consistent with the URA instead of returning to the completed RAD project.

You must inform us of your choice within 30 days.

However, **you do not need to move now.** If you choose temporary relocation assistance, you will not be required to move sooner than 30 days after you receive notice that a temporary unit is available for you. If you choose permanent relocation assistance, you will not be required to move sooner than 90 days after you receive written notice that at least one comparable replacement unit is available to you in accordance with 49 CFR 24.204(a). [*Note to PHA: These time periods may start running as of the date of this Notice if the notice of relocation includes such information on the temporary and/or comparable replacement dwelling options, as applicable. In such circumstance, add applicable sentences to adequately notify the resident. For example:* This notice informs you that a temporary unit, listed below, has been made available to you and, if you choose this option, you will be required to move by [*date no sooner than 30 days after notice*]. This notice informs you that a comparable unit, listed below, has been made available to you and, if you choose this option, you will be required to move by [*date no sooner than 90 days after notice*].]

If you choose temporary relocation, your relocation exceeds one year and you qualify as a "displaced person" under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), you may become eligible for further relocation assistance and payments under URA.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

If you choose to receive temporary relocation assistance, this assistance will include:

- <u>Payment for Moving Expenses.</u> You are entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in connection with any temporary move. [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 4 of this Notice.*]

- The location of your temporary replacement unit is [*address*]. This temporary housing has been determined to be decent, safe, and sanitary.

- [*List appropriate relocation advisory services and any other services and assistance provided.*]

If you elect to receive permanent relocation assistance, this assistance will include:

- <u>Relocation Advisory Services.</u> You are entitled to receive current and continuing information on available comparable replacement units and other assistance to help you find another home and prepare to move.

- <u>Payment for Moving Expenses.</u> [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 5 of this Notice.*]

- <u>Replacement Housing Payment.</u> You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present unit, and (3) 30% of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.

- [*PHA: list here any permanent relocation assistance offered, such as a Housing Choice Voucher.*]

- Listed below are three comparable replacement units that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement units.

	Address	Rent & Utility Costs	Contact Info
1.			
2.			
3.			

We believe that the unit located at [*address*] is most representative of your original unit in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is [$ *amount*] and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a maximum replacement housing payment of approximately [$ (42 x monthly amount)], if you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe, and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#] installments.

You may choose to purchase (rather than rent) a decent, safe, and sanitary replacement home. If you do, you would be eligible for a down-payment assistance payment which is equal to your maximum replacement housing payment, [$*amount*.] [*PHAs should note that, at the agency's discretion, a down-payment assistance payment that is less than $5,250 may be increased to any amount not to exceed $5,250. (See 49 CFR 24.402(c)(1)).*] Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe, and sanitary before any replacement housing payments are made.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [*Name, Title, Address, Phone, Email Address*] before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which you may be entitled.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

____

Print name:
Title:

Enclosure/s

NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)

Appendix 5: SAMPLE NOTICE OF ELIGIBILITY FOR URA RELOCATION ASSISTANCE (For residents who have been temporarily relocated for more than a year)

THIS IS A GUIDE FORM.
IT SHOULD BE REVISED TO REFLECT THE CIRCUMSTANCES.

PHA Letterhead

(date)

Dear [*Resident*]:

The property you formerly occupied at [*address*] is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. You have been temporarily relocated from that property since [*date*.] Your temporary relocation has exceeded one year.

It has been determined that you qualify as a "displaced person" according to the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). You are eligible for relocation assistance and payments under the URA.

You may choose to remain temporarily relocated and return to a unit in the RAD project once it is completed. It is currently estimated that you may return to the RAD project by [*date*]. If you choose to remain temporarily relocated, you will stay at your current location until the RAD project is completed.

Alternatively, you may choose permanent relocation assistance and payments for which you are eligible, as listed below. If you choose permanent relocation assistance, you give up your right to return to the completed RAD project. However, **<u>you do not need to move now.</u>** If you choose permanent relocation assistance instead of exercising your right to return to the completed RAD project, you will not be required to move sooner than 90 days from the date that at least one comparable replacement unit has been made available to you. [*Alternatively:* You will not be required to move sooner than 90 days from the date of this notice, which informs you of a comparable replacement unit that has been made available for you].

This is your Notice of Eligibility for relocation assistance.

The effective date of your eligibility is [*insert date that relocation exceeds one year.*]

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

Enclosed is a brochure entitled, "Relocation Assistance to Tenants Displaced from Their Homes." Please read the brochure carefully. It explains your rights and provides additional information on eligibility for relocation payments and what you must do in order to receive these payments.

The relocation assistance to which you are entitled includes:

- Relocation Advisory Services. You are entitled to receive current and continuing information on available comparable replacement units and other assistance to help you find another home and prepare to move.

- Payment for Moving Expenses. [*PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 5 of this Notice.*] This is in addition to any amounts received to reimburse for any reasonable out-of-pocket expenses incurred in connection with the temporary move.

- Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present home, and (3) for low-income persons, 30 percent of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.

- [*PHA list here any other relocation assistance offered the resident, such as Housing Choice Voucher .*]

Listed below are three comparable replacement units that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement units.

	Address	Rent & Utility Costs	Contact Info
1.			
2			
3.			

We believe that the unit located at [*address*] is most representative of the original unit you occupied in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is $[*amount*] and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay; you may be eligible for a maximum replacement housing payment of approximately $ [42 x $Amount], if you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe, and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#] installments.

Should you choose to purchase (rather than rent) a decent, safe and sanitary replacement home, you would be eligible for a down payment assistance payment which is equal to your maximum replacement housing payment, [$ *amount*] [*PHAs should note that, at the agency's discretion, a down payment assistance payment that is less than $5,250 may be increased to any amount not to exceed $5,250. (See 49 CFR 24.402(c)(1)).*] Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe, and sanitary before any replacement housing payments are made.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [Name, Title, Address, Phone, Email Address] before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for any applicable relocation payments.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

____

Print

Name:
Title:

Enclosure/s

NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.

homeforward

hope. access. potential.

MEMORANDUM

To:	Contract Review Board	Date:	March 16, 2021
From:	Celeste King, Procurement & Contracts Manager 503-802-8541 Jonathan Trutt, Director Development & Community Revitalization 503-802.8507	Subject:	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 Grace Peck Terrace Resolution 21-03-05

REQUEST

The Contract Review Board is asked to approve Resolution 21-03-05, adopting the findings, granting an exemption from competitive bidding, and directing the use of the design-build alternative contracting method for use on a Grace Peck Terrace renovation project.

This action supports Home Forward's 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.

BACKGROUND

Grace Peck Terrace, 1839 NE 14th Avenue, is a six-story building with 95 one-bedroom units. It was built in 1980. The property's windows were replaced circa 1999. However, many of the new window frames were too large to support their load, resulting in deformations and difficulties operating the windows. This, along with unanticipated effects of previous attempts to seal the stucco skin of the building, has led to deterioration of building envelope and moisture within exterior walls.

Home Forward's Asset Management and Development and Community Revitalization Departments have begun formulating financing options for a renovation of Grace Peck Terrace. Having a project architect and contractor onboard will benefit efforts to secure financing. This is the first action requested of the Board in relation to this project.

OVERVIEW

To use an alternative 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 method. The draft Findings must consider possible cost savings, other public benefits, and whether the alternative method encourages favoritism or diminishes competition. 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. The Grace Peck project Findings are attached hereto.

Notice of a March 03, 2021, public hearing to receive testimony on the Findings in support of an exemption was published in the Daily Journal of Commerce on February 17, 2021. 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.

With the adoption of the attached Findings, Home Forward would initiate a design-build procurement, which would conclude with a single contract for both design and construction services. Hiring a design-build contractor at the beginning of a project brings in team members to develop a program, complete design work, and provide other pre-construction services, such as project planning and coordination, scheduling, and budget estimating. The contract carries into the construction phase once financing is secured. All work included in these phases will be based on guaranteed maximum prices set into the contract as the work proceeds from one phase to the next. Full performance and payment bonds are required of the design-builder.

Home Forward selects design-build contractors through a competitive process that is open to all interested, qualified proposers. Selection criteria includes 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. Using 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 Grace Peck project in the most timely and cost effective manner with the least disruption to residents and neighbors.

CONCLUSION

The Contract Review Board is hereby requested to adopts the findings, grant an exemption from competitive bidding, and direct the use of the design-build alternative contracting method for use on the Grace Peck Terrace renovation project.

ATTACHMENTS

Findings
Copy of Published Notice
Hearings Officer Report

RESOLUTION 21-03-05

RESOLUTION 21-03-05 ADOPTS THE FINDINGS, GRANTS AN EXEMPTION FROM COMPETITIVE BIDDING AND DIRECTS THE USE OF THE DESIGN-BUILD ALTERNATIVE CONTRACTING METHOD FOR USE ON THE GRACE PECK TERRACE RENOVATION PROJECT

WHEREAS, Home Forward staff have reviewed the capital needs and financing possibilities of Grace Peck Terrace and have determined that approximately $9,400,000 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 March 03, 2021, 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 Grace Peck Terrace Renovation Project.

ADOPTED: MARCH 16, 2021

Attest:

Michael Buonocore, Secretary

Home Forward:

Damien R. Hall, Chair

Findings – Exemption – Grace Peck 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

Grace Peck Terrace was the subject of a capital needs assessment in 2012. It identified needs that have yet to be addressed, including a new roof, new water heaters, a new backup generator, new unit fire alarms, new electrical equipment, and HVAC replacements.

The property's windows and sliding glass doors were replaced circa 1999. The new window frames were too large to support their load, resulting in deformations and difficulties operating the windows. A CNA, also circa 1999, recommended sealing and painting the building exterior. Through a combination of window deformation and improper sealing of the expansion gaps in the exterior stucco, moisture has intruded into the exterior walls of the building's units. Evidence has been found of deterioration of the stucco and moisture within exterior walls. This project will pursue financing through OHCS to replace the building's exterior envelope and address other needs identified in the 2012 CNA and, perhaps, newly identified property needs for a total budget of $7.9 million.

Grace Peck Terrace, 1839 NE 14th Avenue, is a single-building, six-story affordable property (ah210) with 95 one-bedroom units. It was built in 1980. Its structure is primarily reinforced concrete masonry units with some reinforced concrete and structural steel. Floors are concrete planks, and non-bearing walls are framed with metal studs. The exterior skin is ¾" stucco. The first floor has five tuck-under parking bays (6 standard spaces, two handicapped spaces), with four additional parallel-parking spaces on an inside-lot drive. The rest of the first floor includes six units and approximately 5,300 square feet of housing lobby, property management offices, restrooms, trash room, laundry, maintenance, food prep area, storage, community room, and MEP equipment rooms. The upper floors are served by two elevators and two stairwells. Sixty-one of the units have balconies inset from the exterior walls.

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 Underutilized Business Enterprise (UBE) community's will be conducted to inform this audience of bidding opportunities. This outreach involves direct solicitation to State of Oregon 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 UBE contractors. Home Forward staff and project partners will continue to work diligently to accomplish maximum UBE 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 UBE 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 $7,900,000. 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 UBE businesses 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 UBE 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 UBE 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 Grace Peck 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 Grace Peck building described in these findings.

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 Grace Peck Terrace

As required by ORS 279C.330 and ORS 279C.335, the undersigned duly appointed Hearing Officer convened a virtually held public hearing at 10:00 a.m. on March 3, 2021, via Zoom with Meeting ID 956 7386 659. The hearing was held to present and receive public comment on an exemption from competitive bidding for a construction contract for a Design-Build project at Grace Peck Terrace. An affidavit of the Notice of Public Hearing is attached.

On February 17, 2021, 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: ____________________3/3/2021____________________________________

Attested: ____

Hearing Officer
Celeste King

homeforward

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NOTICE OF PUBLIC HEARING

In accordance with ORS 279C.335(3), a public hearing will be virtually held via Zoom:

10:00a.m., PST

Wednesday, March 3rd, 2021

Meeting URL: https://homeforward.zoom.us/j/95673866590

Meeting ID: 956 7386 659

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

For access to draft findings, email dzana.hrustic@homeforward.org

Published Feb. 17, 2021. 11968268

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MEMORANDUM

To:	Board of Commissioners	Date:	March 16, 2021
From:	Jonathan Trutt, Director Development and Community Revitalization 503.802.8507	Subject:	Authorize Execution of Purchase and Sale Agreement for 4720 N. Maryland Avenue Resolution 21-03-06

Staff requests that the Board of Commissioners

1) Authorize the execution of a Purchase and Sale Agreement for the property located at 4720 N. Maryland Avenue in Portland, Oregon.
2) Complete the purchase of 4720 N. Maryland provided that the Purchase and Sale Agreement terms are substantially in accordance with those outlined in Exhibit A and staff recommends proceeding with the purchase.

BACKGROUND

This action supports Home Forward's 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.

Key facts about this potential purchase include:

- The address is 4720 North Maryland. You can see it by clicking here. It is a full city block (0.9 acres) and has a vacant, unreinforced masonry building on it.

- The site is owned by Neighborhood House (NH). It is the former location of the Peninsula Child Center.

- Neighborhood House is a non-profit that provides the Head Start programming at our Stephens Creek Crossing property in Southwest Portland. In addition to running Head Start programming, NH also works to ensure
  - Food security for all neighbors experiencing financial challenges

    - Connection for all seniors isolated from needed support services
    - Equitable access to education for preschoolers
    - Parenting support for families coping with stress and trauma
    - Social and emotion support for school-aged children.

- Neighborhood House has two aspirations for 4720 N. Maryland.
    - Sell the site, for its market value, to a mission-based affordable housing developer.
    - Co-locate affordable housing and Neighborhood House early learning facilities on the site.

- Thus, Neighborhood House approached Home Forward as a potential purchaser in and developer December 2020.

OVERVIEW

Staff recommends entering into a Purchase and Sale Agreement (PSA) with Neighborhood House for 4720 N. Maryland Avenue site for a price not-to-exceed $6,000,000. This recommendation is based on the following factors:

- Staff's assessment that the property contains ample room for affordable housing, early learning programming and additional programming provided by community-based organizations.

- The opportunity the site affords for robust neighborhood engagement regarding the question, "What else—besides affordable housing and early learning—should this site house? What other uses fit here? Who could Home Forward work with to catalyze such efforts?"

Key facts about the PSA include:

- The inclusion of due diligence and appraisal contingencies.
    - The appraisal contingency stipulates that the purchase price must be supported by an appraisal.
    - The due diligence contingency enables Home Forward to decline to complete the purchase, without penalty, if the staff discovers any major title, environmental or zoning challenges subsequent to executing the PSA.

- Installment payments over five years.
    - Per the PSA, Home Forward will pay Neighborhood House

        - $1,000,000 upon taking possession of the property
        - $300,000 per year on the second, third and fourth anniversaries of our $1,000,000 payment
        - The balance of purchase price in a balloon payment on the fifth anniversary of taking possession.
    - The PSA includes the option to extend the balloon payment by two years.
- Credits against the purchase price for assuming the current loan on the property (approximately $500,000) and for the demolition Home Forward will need to undertake.

Next steps subsequent to this requested authorization will be:
- 4/2/21 READ meeting: update on PSA negotiations.
- 4/15/21: appraisal due.
- 5/7/21 READ meeting: update on due diligence review.
- 6/1/21: Approximate conclusion of due diligence period (exact date depends on full execution of PSA)
- 6/2/21: Update full board at Work Session
- By 6/30/21: Make first installment payment if staff recommends proceeding with purchase.

Staff discussed this potential purchase with the Real Estate and Development (READ) Committee at its March 5, 2021 meeting.

CONCLUSION
Staff requests that the Board of Commissioners
1) Authorize the execution of a Purchase and Sale Agreement for the property located at 4720 N. Maryland Avenue in Portland, Oregon.
2) Complete the purchase of 4720 N. Maryland provided that the Purchase and Sale Agreement terms are substantially in accordance with those outlined in Exhibit A and staff recommends proceeding with the purchase.

ATTACHMENTS
Draft Purchase and Sale Agreement

RESOLUTION 21-03-06

RESOLUTION 21-03-06 AUTHORIZES THE EXECUTIVE DIRECTOR TO PURCHASE 4720 N. MARYLAND AVENUE IN PORTLAND, OREGON

WHEREAS, Neighborhood House owns the property located 4720 N. Maryland Avenue, Portland, Oregon 97217 (the “Site”);

WHEREAS, Home Forward seeks to acquire the Site from Neighborhood House;

WHEREAS, Home Forward and Neighborhood House are currently negotiating a Purchase and Sale Agreement for the Site;

WHEREAS, the Purchase and Sale Agreement shall establish a purchase price that does not exceed $6,000,000;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward authorizes and directs the Executive Director, or his designee, to execute a Purchase and Sale Agreement for the Site for a not-to-exceed price of $6,000,000;

BE IT FURTHER RESOLVED, that the Board of Commissioners of Home Forward authorizes and directs the Executive Director, or his designee, to execute a Purchase and Sale Agreement for the Site substantially in accordance with the material terms of the document attached as Exhibit A;

BE IT FURTHER RESOLVED, that the Board of Commissioners of Home Forward authorizes and directs the Executive Director, or his designee, to take all steps necessary to assume the current loan from the Network for Oregon Affordable Housing secured by the Site;

BE IT FURTHER RESOLVED, that the Board of Commissioners of Home Forward authorizes and directs the Executive Director, or his designee, to sign all documents and take all steps necessary to complete the Site's purchase, provided that staff deems it appropriate to waive the Purchase and Sale Agreement's appraisal and due diligence contingencies.

ADOPTED: MARCH 16, 2021

Attest:	Home Forward:
______________________________	______________________________
Michael Buonocore, Secretary	Damien R. Hall, Chair

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (this "**Agreement**") is dated for reference as [_______], 2021, made by and between **NEIGHBORHOOD HOUSE INC**., an Oregon public benefit corporation, as seller ("**Seller**"), and **HOME FORWARD**, a public body corporate and politic of the State of Oregon and/or its assigns, as buyer ("**Buyer**", and together with Seller, the "**Parties**"). The date of this Agreement above is for reference only; this Agreement shall not become effective until the Effective Date. As used throughout the Agreement, "**Effective Date**" and similar terms mean the later of: (1) the date of Seller's signature on this Agreement; and (2) the date of Buyer's signature on this Agreement.

Seller is the owner of certain real property located in Multnomah County (the "**County**"), Oregon, consisting of County tax account number R210470, commonly known as 4720 North Maryland Avenue, Portland, Oregon, and legally described on the attached Exhibit A (the "**Land**"). As used in this Agreement, "**Property**" means collectively the following: (A) the Land and all rights, privileges and appurtenances belonging or pertaining thereto, (the "**Real Property**"); and (B) all improvements and fixtures located on the Land (the "**Improvements**"); and (C) all personal property owned by Seller with respect to the Real Property and Improvements (the "**Personal Property**"); and (D) all assignable utility contracts, including, but not limited to, environmental reports, security agreements, surveys, plans and specifications, permits, governmental approvals and development rights specifically related to the Real Property only or any part thereof (the "**Intangible Property**"); Seller wishes to sell the Property to Buyer and Buyer wishes to purchase the Property from Seller, all on the terms, covenants and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained and other valuable consideration, Seller and Buyer agree as follows:

1. Agreement. Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property subject to and in accordance with the terms and conditions of this Agreement.

2. Purchase Price Payment.

2.1 Purchase Price Amount. The total purchase price for the Property (the "**Purchase Price**") shall be the appraised value of the Property as determined pursuant to the Appraisal Review Process defined below in Section 2.2. The Purchase Price is anticipated to be **Six Million Dollars ($6,000,000).** One Million Dollars ($1,000,000) of the Purchase Price shall be payable in cash at Closing (as defined below), and the remaining balance of the Purchase Price will be paid pursuant to the terms of a promissory note payable to Seller substantially in the form of Exhibit B ("**Seller Take-Back Note**") and secured by a deed of trust substantially in the form of Exhibit C ("**Seller Take-Back Deed of Trust**").

2.2 Appraisal Review Process. Seller acknowledges that Buyer is a public body and cannot pay more than fair market value for the Property. On or before [**April 26, 2021**], Buyer shall provide Seller with an AIA appraisal of the Property. Within ten (10) business days of receiving that appraisal, Seller shall notify Buyer of its acceptance or rejection of the appraised value of the Property. Seller's failure to notify Buyer within ten (10) business days of its objection to the appraisal shall be deemed acceptance of the appraised fair market value of the Property. In the event, Seller does not agree to the appraisal, it shall appoint a new appraiser within twenty (20) calendar days after it notifies Buyer of its objection to the original appraisal and the two appraisers shall within ten calendar (10) days after the appointment of the second appraiser, together appoint a third appraiser. The three appraisers shall each determine the fair market value of the Property within thirty calendar (30) days after the appointment of the third appraiser. The fair market value of the Property shall be the average of the three appraisers' determinations; provided that if one or more of the appraisers' determinations is more than ten percent (10%) higher or lower than the average of the three determinations, such appraiser's determination shall be disregarded in determining the fair market value, and provided, further, that if none of the appraisers' determinations is equal to or less than ten percent (10%) higher or lower than the average of the three determinations, the fair market value of the Property shall be the average of the three determinations. For purposes of this Agreement, the foregoing process shall collectively be referred to as the "**Appraisal Review Process**".

2.3 Buyer's Credits against the Seller Take-Back Note.

Buyer will receive the following credits against the balance of the Seller Take-Back Note pursuant to the terms provided herein.

(a) Assumption of NOAH Loan. Both Parties acknowledge that the Property is currently encumbered by a deed of trust in favor of Network for Oregon Affordable Housing ("**NOAH**") securing a loan in the original principal amount of [$__________] (the "**NOAH Loan**") remaining balance of which is in the approximate amount of **[Four Hundred Ninety-Five Thousand Dollars ($495,000)] (**the "**NOAH Loan**"). Prior to Closing, Seller shall obtain any necessary consent from NOAH to effectuate Buyer's assumption of the NOAH Loan. At Closing, Buyer will assume the NOAH Loan, and receive a credit in the amount of the actual outstanding balance of the NOAH Loan (including, all accrued but unpaid interest thereon) against the remaining balance of the Seller Take-Back Note.

(b) Buyer's Demo Credit. After Closing, Buyer intends to and shall pay for the demolition of the Improvements on the Real Property. Seller agrees to provide Buyer a credit against the remaining balance of the Seller Take-Back Note for the actual costs and expenses incurred by Buyer to demolish the Improvements on the Real Property (the "**Demo Credit**"). The Demo Credit shall automatically be applied to the remaining balance of the Seller Take-Back Note upon Buyer's delivery to Seller of a statement of the actual costs and expenses incurred and paid by Buyer to demolish the Improvements, together with reasonable evidence of such costs being incurred and paid.

2.4 Earnest Money. Within five (5) business days of the Effective Date, Buyer shall open an escrow ("**Escrow**") with Fidelity National Title Company ("**Title Company**"), 900 SW Fifth Avenue Portland, Oregon, 97204, Attention: Lori Medak (lori.medak@fnf.com), and shall deposit with Title Company cash in the amount of One Hundred Dollars ($100) (the "**Earnest Money**"). The Earnest Money shall be deposited into a federally insured interest-bearing account by the Title Company and all interest shall accrue for the benefit of Buyer. Upon satisfaction or waiver of Buyer's Due Diligence Contingency (defined below), the Earnest Money shall become non-refundable to Buyer (except for a default by Seller or as otherwise set forth in this Agreement) and shall be applied to the Purchase Price at Closing.

3. Review of Property; Contingencies.

3.1 Seller's Deliveries. Within ten (10) days of the Effective Date, Seller shall deliver or make available to Buyer electronically all information, documentation and reports in Seller's possession or control pertaining to the Property, including, without limitation, the following (collectively, the "**Seller Documents**"): (a) all contracts, leases, plans, drawings, specifications, soils reports, engineering and architectural studies, zoning studies or reports, hazardous waste studies, geotechnical reports, hydrology reports, topographical maps, boundary and ALTA surveys, environmental reports, grading plans, and similar data relating to the Property; and (b) all permits, entitlement documents, zoning agreements, mitigation agreements with any governmental agency, and correspondence regarding the historic preservation of the Improvements with any governmental agency.

3.2 Buyer's Review. From and after the Effective Date through Closing ("**Physical Inspection Period**"), Seller shall provide Buyer and its agents and consultants with access to and entry upon the Property to inspect each and every part thereof to determine its present condition and, at Buyer's sole cost and expense, to prepare such reports, tests and studies, including, without limitation, any tests, geological reports, surveys, environmental/hazardous/toxic materials investigations (including, without limitation, phase II testing) and other physical investigations of, on, or in the Property. Buyer shall provide Seller with twenty-four (24) hours' notice prior to Buyer's entry to the Property. Seller shall have the right but not the obligation to accompany Buyer during such investigations and/or inspections. Buyer agrees for itself and all of its representative, agents, contractors and invitees that they shall (a) perform all work permitted under this section in a diligent, expeditious and safe manner, (b) comply with all applicable laws and governmental regulations, (c) repair any and all damage to the Property, (d) indemnify and hold harmless the Seller from any claims resulting from Buyer's entry upon the Property in accordance with this Section; provided, however, in no event shall Buyer have any obligation to indemnify Seller for Seller's negligence or willful misconduct or of the discovery of any pre-existing conditions. Buyer's obligation to repair the Property and indemnify Seller under this Section shall survive the termination of this Agreement and/or Closing. At all times during the Physical Inspection Period, Buyer shall maintain comprehensive liability insurance policies covering its activities on the Real Property.

3.3 Due Diligence Contingency. It is specifically understood that Buyer presently contemplates construction of, among other improvements, a multi-family affordable housing project and related community facilities on the Property (the "**Project**"). It is therefore, specifically agreed that the obligations of Buyer under this Agreement are, at Buyer's option and in its sole and complete discretion, conditioned on Buyer's satisfaction as to all such matters it deems to be necessary or desirable to accomplish its Project objectives on or before the forty fifth (45th) day following the Effective Date (the "**Due Diligence Contingency Date**") (the "**Due Diligence Contingency**"); provided, however, the Due Diligence Contingency Date may be extended by Buyer for up to thirty (30) additional days should its initial investigation and inspection reveal the need for Buyer to conduct a Phase II environmental assessment of the property, such determination to be in Buyer's sole and complete discretion. Buyer may, in Buyer's sole discretion, terminate this Agreement at any time, on or prior to the Due Diligence Contingency Date, as the same may be extended, by written notice to Seller, if Buyer determines that the Due Diligence Contingency set forth in this Section will not be satisfied on or before the Due Diligence Contingency Date. If Buyer fails to give notice to Seller that the Due Diligence Contingency has been satisfied or waived on or before the Due Diligence Contingency Date, Buyer shall be deemed to have terminated this Agreement. If Buyer terminates or is deemed to have terminated this Agreement in accordance with this Section, the Earnest Money shall be returned to Buyer and this Agreement shall terminate and neither party shall have any further obligation, except for matters that expressly survive termination.

4. Title.

4.1 Conveyance. Upon Closing, Seller shall execute and deliver to Buyer a statutory warranty deed (the "**Deed**"), conveying good and marketable fee title to the Property, subject only to (collectively, "**Conditions of Title**") the Permitted Exceptions (defined below) and liens for real property taxes and assessments not then delinquent.

4.2 Title Insurance. At Closing, Title Company shall be irrevocably committed to furnish to Buyer a standard coverage ALTA Owner's Policy of Title Insurance (the "**Policy**") issued by Title Company, insuring title vested in Buyer in the amount of the Purchase Price against any loss or damage by reason of defect in Seller's title to the Property, other than the Permitted Exceptions as determined hereunder, and together with such commercially reasonable endorsements as are required by Buyer. Seller agrees to cooperate with Title Company and Buyer in connection therewith and execute and deliver to Title Company commercially reasonable and customary certifications, affidavits, and indemnities confirming, among other commercially reasonable required items, that Seller has not, prior to Closing, done anything on or about the Property, which would prevent Title Company from issuing the Policy required hereby or endorsements thereto. Within five (5) days of the Effective Date, Seller shall provide Buyer with a preliminary commitment for the Policy from the Title Company, together with the most legible copies available of all documents referenced or described therein (collectively, the "**Commitment**"). At Buyer's option, Buyer shall be responsible for securing, at Buyer's sole expense an ALTA survey of the Property (the "**Survey**"). Buyer shall notify Seller in writing ("**Buyer's Title Objection Notice**") of Buyer's disapproval of any exceptions, encumbrances, encroachments or other defects shown in the Commitment or the Survey ("**Buyer's Title Objections**") within five (5) business days of receipt by Buyer of the Commitment or the Survey, as the case may be, it being acknowledged and agreed by Seller that Buyer hereby objects, with the exception of the NOAH Loan, to (i) any monetary liens affecting title, including but not limited to any and all taxes and assessments due and payable for or applicable to any period prior to the Closing; and (ii) to any lien or encumbrance evidenced in any Commitment after the Effective Date (collectively, the "**Mandatory Removal Items**") and, further, that Seller will cause any such Mandatory Removal Items to be removed as matters affecting title to the Property (unless expressly assumed by Buyer at Closing). Seller shall use commercially reasonable efforts to cure Buyer's Title Objections. Seller shall notify Buyer within five (5) business days of receipt of Buyer's Title Objection Notice which exceptions to title noted in Buyer's Title Objection Notice Seller elects to cure ("**Seller's Title Response Notice**"). Within five (5) business days of receipt of Seller's Title Response Notice, Buyer may, at its sole option, either: (i) terminate this Agreement, whereupon the Earnest Money shall be returned to Buyer and the Parties shall have no further rights or obligations under this Agreement, except any that expressly survive the termination; or (ii) waive its prior disapproval and elect to approve such exception(s) as Permitted Exceptions (other than the Mandatory Removal Items, which shall be removed as exceptions to title). Buyer shall have three (3) business days following its receipt of a supplemental Commitment to notify Seller of its objection to any new encumbrances, outstanding interests or title exceptions disclosed by such supplemental and Seller shall have three (3) business days to respond to any Buyer Title Objection Notice relating to said supplemental Commitment and the parties shall have the same rights and remedies as set forth above with respect to any such objections. To the extent necessary, the Closing shall be extended to accommodate the forgoing time periods. If, notwithstanding the foregoing, title to the Property is not insurable subject only to the agreed upon Permitted Exceptions and cannot be made so insurable by the Closing Date, Buyer may, at its sole option, terminate this Agreement whereupon the Earnest Money shall be returned to Buyer and the Parties shall have no further rights or obligations under this Agreement, except any that expressly survive termination, or Buyer may waive its prior disapproval and elect to approve such exception(s) as a Permitted Exception, whereupon this Agreement shall remain in full force and effect. All general and special title exceptions in the Commitment and all matters disclosed in the Survey approved or deemed approved by Buyer under this Section shall be referred to herein as "**Permitted Exceptions**"). If Buyer elects to terminate this Agreement as herein provided, Buyer and Seller shall each pay one-half of any cancellation fee charged by the Title Company for the Commitment.

5. Interim Actions.

5.1 Condemnation. In the event that the Property, or a substantial (greater than 25%) portion thereof, is or becomes the subject of a condemnation proceeding before Closing, then Buyer may elect either to: (a) terminate this Agreement, in which event the Earnest Money, including any portion that may have previously become otherwise nonrefundable, shall be returned to Buyer and all rights and obligations of the parties hereunder shall cease except those that expressly survive termination; or (b) proceed to consummate and Close the purchase of the Property hereunder, in which event the Purchase Price for the Property shall be reduced by the total of any awards or other proceeds received by Seller at or before Closing with respect to any such condemnation proceeding. If Buyer elects to Close and the award or other proceeds have not been received by Seller at or before Closing, then at Closing, Seller shall assign to Buyer all rights of Seller in and to any awards or other proceeds payable by reason of any such condemnation proceeding. Seller agrees to notify Buyer in writing of any condemnation proceedings within five (5) days after Seller learns thereof.

5.2 Seller's Operations. From and after the Effective Date through and including the Closing Date, Seller shall not, without the prior written consent of Buyer (which consent shall be at Buyer's sole discretion), voluntarily subject the Property to any additional liens, encumbrances, covenants, conditions, easements, rights of way or similar matters that would survive Closing; not make any material alterations to the Property except in the ordinary course of business; not enter into any contract or lease that would be binding on the Property or Buyer after the Closing without Buyer's written consent, which may be withheld in Buyer's sole discretion, and promptly notify Buyer of any material change in the condition of the Property or of any event or circumstance of which Seller has knowledge which makes any material representation or warranty of Seller under this Agreement untrue or misleading in any material respect.

6. Closing.

6.1 Escrow. "**Closing**," and "**Closing Date**" shall mean the date the Deed for the Property from Seller to Buyer is recorded and Seller is entitled to the delivery of Buyer's funds. Closing shall occur in Escrow ten (10) business days after Buyer notifies Seller of Buyer's satisfaction or waiver of the Due Diligence Contingency, but no later than ninety (90) days after the Parties agree on the Purchase Price. Notwithstanding the foregoing, in the event Seller does not agree with the appraisal of the

6.2 Prorations. General real property taxes and assessment installments for the current year, rents, water, and other utilities shall be prorated as of the Closing. Seller and Buyer hereby agree that if any of the aforesaid prorations and credits cannot be calculated accurately on the Closing Date, then the same shall be calculated as soon as reasonably practicable after the Closing Date or the date such amounts have been collected, and either party owing the other) days thereafter. The provisions of this Section shall survive Closing.

6.3 Possession. Buyer shall be entitled to possession on Closing.

6.4 Costs. Seller shall pay: (a) the cost of the Policy (except the cost of extended coverage and any endorsements); (b) the cost of recording of any instruments related to the cure of the title exceptions that Seller elected to or is obligated to remove pursuant to Section 4.2; (c) any real estate excise tax imposed upon the sale; and (d) one-half (1/2) of the Title Company's Escrow fee. Buyer shall pay: (i) the cost of recording the Deed; (ii) the cost of the Policy in excess of the cost of ALTA standard owner's coverage, and any endorsements to the Policy required by Buyer; and (iii) one-half (1/2) of the Title Company's Escrow fee.

6.5 Seller's Deliveries to Closing. On or before the Closing Date, Seller shall duly execute and deposit into Escrow:

(a) the Deed;

(b) a certificate in a form acceptable to Buyer that Seller is not a "foreign person" as such term is defined in the Internal Revenue Code;

(c) a certificate duly executed by Seller confirming that the representations and warranties made by Seller in this Agreement remain true and correct in all material respects as of the Closing Date, except as such may have been modified pursuant to disclosures made by Seller pursuant to this Agreement;

(d) such other documents required by NOAH to effectuate Buyer's consummation of the NOAH Loan;

(e) such other documents which Seller is specifically required to deliver to Buyer pursuant to this Agreement or are otherwise reasonably required in order to consummate this transaction; and

(f) immediately available funds in the amount of Seller's share of closing costs and other amounts due hereunder.

6.6 **Buyer's Deliveries.** On before the Closing Date, Buyer shall duly execute and deposit into Escrow:

(a) immediately available funds in the amount of One Million Dollars ($1,000,000) to be applied towards the Purchase Price and its share of closing costs and other amounts due hereunder;

(b) the executed Seller Take-Back Note in the amount of the Purchase Price, less One Million Dollars, and trust deed securing such Seller Take Back Note;

(c) the executed Seller Take-Back Deed of Trust securing the Seller Take Back Note;

(d) such other documents required by NOAH to effectuate Buyer's consummation of the NOAH Loan;

(e) a certificate duly executed by Buyer confirming that the representations and warranties made by Buyer in this Agreement remain true and correct in all material respects as of the Closing Date, except as such may have been modified pursuant to disclosures made by Buyer, if any, pursuant to this Agreement;

(f) such other documents which Seller is specifically required to deliver to Buyer pursuant to this Agreement or are otherwise reasonably required in order to consummate this transaction; and

(g) such other documents which are otherwise reasonably required by Title Company in order to consummate this transaction.

7. Seller's Representations and Warranties.

Subject to the matters disclosed in the Commitment and Survey, matters disclosed in Seller's Documents delivered to Buyer, Exception Matters (defined below), other matters expressly permitted in this Agreement and other matters approved by Buyer in writing, Seller represents and warrants to Buyer that the following facts are true as of the date of Seller's execution hereof and as of Closing:

7.1 No Violations and Actions. Except for the Government Approvals and any internal approvals of Seller, the execution, delivery and performance by Seller of its obligations under this Agreement do not constitute a default under any of the provisions of any law, governmental rule, regulation, judgment, decree or order by which the Seller is bound, or by any of the provisions of any contract to which the Seller is a party or by which the Seller is bound or, if Seller is not an individual, by the Seller's declaration of trust, certificate of incorporation, bylaws, limited liability company operating agreement or partnership agreement, as the case may be.

7.2 Liens. All persons and entities supplying labor, materials, and equipment to the Property have been paid, and there are no claims of liens.

7.3 Violations. Seller has not received any notice from any governmental authority of any violation of any law, regulation or code, including any building code or zoning law, with respect to the Property, which has not been cured.

7.4 Assessments. Other than any that are disclosed in the Commitment, Survey or Seller's Documents, there are no currently due and payable assessments for public improvements against the Property, there is no local improvement district or other taxing authority in the process of formation that would create a lien on the Property, and Seller has received no notice of pending or proposed special assessments against the Property.

7.5 Litigation. Seller has not received any written notice of any pending litigation, claim, investigation or other proceeding pending or threatened against or affecting the Property, the use thereof, or the Seller which may become a lien against the Property.

7.6 Hazardous Materials. The Property is not in violation of any federal, state, local or administrative agency ordinance, law, rule, regulation, order or requirement relating to environmental conditions or Hazardous Material ("**Environmental Laws**"). Neither Seller, nor any third party, has used, manufactured, generated, treated, stored, disposed of, or released any Hazardous Material on, under or about the Property or real estate in the vicinity of the Property or transported any Hazardous Material over the Property, except for normal quantities of Hazardous Materials utilized in connection with the normal maintenance and operation of the Property in compliance with all Environmental Laws and so-called household Hazardous Materials utilized by tenants of the Property. For the purposes hereof, "**Hazardous Materials**" shall mean any substance, chemical, waste or other material which is listed, defined or otherwise identified as "hazardous" or "toxic" under any federal, state local or administrative agency law or ordinance including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 *et seq*.; the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 *et seq*.; the Federal Water Pollution Control Act, U.S.C. §§ 1251 *et seq*.; the Clean Air Act, 42 U.S.C. §§ 7401 *et seq*. or any similar or analogous state or local statute or ordinance, or any regulation, order, rule, or requirement adopted thereunder, as well as any formaldehyde, urea, polychlorinated biphenyls, petroleum, petroleum product or by-product, crude oil, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixture thereof, radon, asbestos, and "source," "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. §§ 3011 *et seq*.

7.7 Contracts. Seller has not committed nor obligated itself in any manner whatsoever to sell the Property to any person other than Buyer. Without limiting the generality of the foregoing, no right of first refusal regarding the Property exists. There will be no Contracts related to the use or occupancy of the Property that will not be terminable as of the Closing Date.

7.8 Foreign Person or Entity. Seller is not a foreign person, non-resident alien, foreign corporation, foreign partnership, foreign trust, or foreign estate, as those terms are defined in the Internal Revenue Code and the Income Tax Regulations promulgated thereunder. At Closing, Seller shall deliver to Buyer a certificate of non-foreign status in form required by the Income Tax Regulations and reasonably acceptable to Buyer.

7.9 Misrepresentation. Seller has not made any material untrue written statements or representations in connection with this Agreement, and all items transferred to Buyer on or before the Closing are true and correct copies of what they purport to be. Seller has not failed to state or disclose any material fact in connection with the transaction contemplated by this Agreement.

7.10 Exception Matters. If prior to Closing either party comes to have knowledge of a fact or circumstance which would render a material representation or warranty by Seller herein inaccurate in any material respect and, in the case of Buyer, Buyer realizes that such facts constitute a breach of representation or warranty of Seller (such facts or circumstances collectively referred to herein as the "**Exception Matters**"), that party shall promptly advise the other party thereof in writing. If Buyer acquires actual knowledge or is so advised by Seller specifically in writing of such a fact or circumstance, Buyer shall have the option, exercisable within five (5) business days thereafter to either (a) elect to terminate this Agreement and receive a return of the Earnest Money, including any portion previously deemed nonrefundable, or (b) to waive such inaccuracy in writing.

7.11 Closing Contingency. Buyer's obligation to close this transaction shall be further conditioned upon all of Seller's representations and warranties set forth in this Section 7 being true, correct and complete as of Closing. The above stated representations and warranties made by Seller shall be true and correct as of the Effective Date and shall be deemed automatically reaffirmed on the Closing Date as true and correct. Buyer's rights to enforce such representations, warranties and covenants shall survive the Closing and such rights to enforce shall not be merged into any documents delivered by Seller at Closing. Seller shall indemnify, defend and hold Buyer harmless from and against any cause, claim, loss, damage or expense, including attorneys' fees, which Buyer suffers as a result of a breach of the representations, warranties and covenants contained in this Agreement.

8. Buyer's Representations and Warranties.

Buyer represents and warrants to Seller that the following facts are true as of the date of Buyer's execution hereof and as of Closing:

8.1 Power and Authority. Buyer is organized and validly existing under the laws of the State of Oregon and is qualified to do business in the State of Oregon. No further action is necessary on the part of Buyer to make this Agreement fully and completely binding upon Buyer in accordance with its terms and the persons and entities signing this Agreement on behalf of Buyer have been authorized by Buyer to do so.

8.2 No Violations and Actions. To Buyer's actual knowledge, the execution, delivery and performance by Buyer of its obligations under this Agreement do not constitute a default under any of the provisions of any law, governmental rule, regulation, judgment, decree or order by which the Buyer is bound, or by any of the provisions of any contract to which the Buyer is a party or by which the Buyer is bound, or by the Buyer's certificate of formation, operating agreement, or other organizational documents, as the case may be.

8.3 No Assignment. Buyer has not (i) made a general assignment for the benefit of creditors; (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Buyer's creditors; (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Buyer's assets; (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Buyer's assets; (v) admitted in writing its inability to pay its debts as they become due; or (vi) made an offer of settlement, extension or composition to its creditors generally.

9. Events of Default.

9.1 By Seller. In the event Seller, without legal excuse fails to Close, Buyer will be entitled to all remedies available at law and in equity, including, but not limited to: (a) seek specific performance of

Seller's obligation to Close under this Agreement; or (b) to terminate this Agreement by written notice to Seller and Title Company. If Buyer terminates this Agreement, the Escrow will be terminated, the Earnest Money shall immediately be returned to Buyer, all documents will be immediately returned to the party who deposited them, Seller shall reimburse Buyer for all of its actual out of pocket expenses within ten (10) days of demand from Buyer, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided in this Agreement and except that Seller shall pay any costs of terminating the Escrow and any cancellation fee for the Commitment.

9.2 By Buyer. If Closing and the consummation of the transaction herein contemplated does not occur as herein provided by reason of any default of Buyer, and Buyer fails to complete the purchase of the Property, Seller may terminate this Agreement by written notice to Buyer. Buyer and Seller agree that it would be impractical and extremely difficult to estimate the damages suffered by Seller as a result of Buyer's failure to complete the purchase of the Property pursuant to this Agreement, and that under the circumstances existing as of the Effective Date of Agreement, the liquidated damages provided for in this Section represent a reasonable estimate of the damages which Seller will incur as a result of such failure. **THEREFORE, BUYER AND SELLER HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE TOTAL DAMAGES THAT SELLER WOULD SUFFER IN THE EVENT THAT BUYER DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY IS AN AMOUNT EQUAL TO THE ALL OF THE EARNEST MONEY. SUCH AMOUNT WILL BE THE FULL, AGREED AND LIQUIDATED DAMAGES FOR THE BREACH OF THIS AGREEMENT BY BUYER, AND AFTER PAYMENT THEREOF TO SELLER, NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATION TO OR RIGHTS AGAINST THE OTHER.**

10. Right of First Refusal on Property.

After Closing, if Buyer receives a bona fide third party offer to purchase the Property prior to the commencement of closing of the financing for the development of the Project, which is acceptable to Buyer (a "**Third Party Offer**"), Buyer shall give Seller written notice of such Third Party Offer stating the basic terms and conditions of the Third Party Offer and the date on which the sale of the Property will occur (a "**ROFR Notice**"), which will be accompanied by copies of any written proposals or letters of intent evidencing the Third Party Offer. Within ten (10) days after Seller's receipt of the ROFR Notice, Seller shall notify Buyer in writing whether or not Seller desires to purchase the Property for the terms recited in the ROFR Notice, and the date on which Seller gives such written notice to Buyer is the "**ROFR Notice Date**." If Seller elects to purchase the Property that is the subject of the ROFR Notice for the terms set forth in the ROFR Notice, Buyer and Seller will use commercially reasonable efforts to negotiate a purchase and sale agreement reasonably acceptable to both Parties within thirty (30) days of the ROFR Notice Date. If Seller does not timely respond to the ROFR Notice electing to purchase the Property on the terms contained therein and herein, or if Seller and Buyer have not agreed on the terms of the purchase and sale agreement within the above thirty (30) day time period, then Buyer may proceed to sell the Property to a third party on material terms no more favorable to the purchaser than those set forth in the ROFR Notice, free and clear of all Seller's rights under this Section. The right of first refusal provide herein shall automatically terminate on the sooner of (i) the date that the Seller Take-Back Note is paid in full, or (ii) the date that Buyer closes on its construction financing for the Project.

11. Miscellaneous.

11.1 General Provisions. This is the entire agreement of the Parties with respect to the Property and supersedes all prior written or oral agreements or understandings. This Agreement may be modified only in writing signed by both Parties. This Agreement shall be construed according to the laws of the State of Oregon. The Parties have been represented by their respective legal counsel in connection with negotiation of this Agreement, and accordingly waive the rule of construction that this Agreement shall be construed against its drafter. If the date for any performance under this Agreement falls on a weekend or holiday, the time shall be extended to the next business day. "Business day" means a day that both national banks and Title Company are open for business in Portland, Oregon.

11.2 Notices. Any demand, request or notice which either party hereto desires or may be required to make or deliver to the other shall be in writing and shall be deemed given when personally delivered, when delivered by private courier service (such as Federal Express), when received if by telecopy (with a copy by mail), by electronic mail (provided delivery is also made in one of the other methods permitted hereunder) or three (3) business days after being deposited in the United States Mail in certified form, return receipt requested, in each case addressed as follows:

If to Seller:	Neighborhood House [ ] [ ]
If to Buyer:	Home Forward 135 SW Ash Street Portland, OR 97204 Attn: Michael Buonocore
with a copy to:	Kantor Taylor PC 1200 Fifth Avenue Suite 1910 Seattle, Washington 98101 Attn: Mark Kantor Phone: (206) 812-2500

For purposes of notices, either party may change its address to any address that is not a post office box by giving notice to the other in the manner herein prescribed.

11.3 Commissions. Seller and Buyer each warrant and represent to the other that no broker or finder has been engaged by either of them in connection with the transaction contemplated by this Agreement. In the event any claims for brokers' or finders' fees or commissions are made in connection with the negotiation, execution, or consummation of this Agreement, then Buyer shall indemnify, hold harmless, and defend Seller from and against such claims if they are based upon any statement, representation or agreement made by Buyer, and Seller shall indemnify, hold harmless, and defend Buyer if such claims shall be based on any statement, representation or agreement made by Seller.

11.4 Waiver. Failure of either Party at any time to require performance of any provision of this Agreement shall not limit such party's right to enforce such provision, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself.

11.5 Attorneys' Fees. In the event of litigation between Buyer and Seller related to this Agreement and/or the Property, the prevailing party, as determined by a court of competent jurisdiction, shall be entitled to recover, in addition to all other sums and relief, its reasonable costs and attorney fees incurred at and in preparation for mediation, arbitration, discovery (including depositions), trial, appeal and review. This provision applies equally to litigation and other proceedings in bankruptcy, including those involving issues unique to bankruptcy law. A party shall be deemed to have prevailed in any such action (without limiting the generality of the foregoing) if such action is dismissed upon the payment by the other party of the sums allegedly due or the performance of the obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment. Notwithstanding any other provision hereof, this Section shall survive Closing and termination of this Agreement.

11.6 Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

11.7 Assignment. This Agreement shall be fully assignable, without Seller's consent, by Buyer to any party related to or controlled by the Buyer ("**Permitted Assignee**"), provided Buyer shall provide prompt written notice to Seller of any such assignment. All other assignments shall be invalid without Seller's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. This Agreement shall bind and inure to the benefit of the heirs, successors, and assigns of the parties hereto.

11.8 Time. Time is of the essence in the performance of each of the Parties' respective obligations contained in this Agreement.

11.9 Amendments. This Agreement may be amended or modified only by a written instrument signed by each of the Parties.

11.10 No Recording. Neither this Agreement or any memorandum or short form thereof may be recorded by any of the Parties.

11.11 Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed an original and when taken together shall constitute one and the same instrument. The execution and delivery of facsimile or e-mail copies of this Agreement shall be deemed to be delivery of an original signature.

11.12 Land Use Disclaimer. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930 (DEFINITIONS FOR ORS 30.930 TO 30.947), IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300 (DEFINITIONS FOR ORS 195.300 TO 195.336), 195.301 (LEGISLATIVE FINDINGS) AND 195.305 (COMPENSATION FOR RESTRICTION OF USE OF REAL PROPERTY DUE TO LAND USE REGULATION) TO 195.336 (COMPENSATION AND CONSERVATION FUND) AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING

FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 (DEFINITIONS FOR ORS 92.010 TO 92.192) OR 215.010 (DEFINITIONS), TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300 (DEFINITIONS FOR ORS 195.300 TO 195.336), 195.301 (LEGISLATIVE FINDINGS) AND 195.305 (COMPENSATION FOR RESTRICTION OF USE OF REAL PROPERTY DUE TO LAND USE REGULATION) TO 195.336 (COMPENSATION AND CONSERVATION FUND) AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

[REMAINDER OF PAGE INTENTIONALLY BLANK; SIGNATURES FOLLOW]

IN WITNESS WHEREOF, this Agreement has been executed by each of the Parties as of the dates set forth below.

SELLER:

NEIGHBORHOOD HOUSE INC.,
an Oregon public benefit corporation

By: ______________________________
Name:__________________________________
Its:_____________________________________

Dated: __________________________________

BUYER:

HOME FORWARD,
a public body corporate and politic of the State of Oregon

By: ____________________________________
Name: Michael Buonocore
Its: Executive Director

Dated: __________________________________

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY
[TO BE ATTACHED]

EXHIBIT B

PROMISSORY NOTE
NEIGHBORHOOD ACQUISITION
Seller Loan

[$__________] (U.S.) ___________, 2021

FOR VALUE RECEIVED, HOME FORWARD, a public body corporate and politic of the State of Oregon, its successors and assigns ("Maker"), promises to pay to the order of NEIGHBORHOOD HOUSE INC., an Oregon public benefit corporation, a public body corporate and politic of the State of Oregon d/b/a Housing Works ("Holder"), the sum of up to [______________________] and No/100 Dollars ($____________), in lawful money of the United States, with interest thereon from the date of this Promissory Note ("Note") until paid at the rate set forth below. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Real Estate Purchase and Sale Agreement between Holder, as seller, and Maker, as buyer, dated for reference as [_________], 2021 (the "Purchase Agreement").

1. Interest Rate. The loan evidenced by this Note shall bear interest prior to maturity or acceleration at a fixed interest rate of zero percent (0%) per annum, compounded annually. Interest shall be computed on the basis of a 365 or 366 day year, as the case may be, and the actual number of days elapsed.

2. Payment. Commencing on [June] 1, 2022 and continuing each anniversary thereafter until the Maturity Date, as defined below, payments of Three Hundred Thousand and No/100 Dollars ($300,000) shall be made annually on the outstanding principal balance of the loan evidenced by this Note. The entire outstanding principal amount of this Note, together with all accrued but unpaid interest hereon, shall be due and payable on the Maturity Date.

(a) **Credits**. Holder and Maker expressly agree and acknowledge that Maker shall receive credits against the outstanding principal balance of the loan, which shall be separate and distinct from the annual payments, in the amount of the assumption of the NOAH Loan and Demo Credit, as such terms are defined in the Purchase Agreement. Such Credits shall be subtracted from the outstanding balance of this Note upon Maturity or such sooner date the Note is paid in full.

3. Maturity. For the purposes of this Note, the term "Maturity Date" means the earliest of (a) the date of the closing of construction financing for development of the Project (as such term is defined in the Purchase Agreement); (b) five years from the Closing Date of the Purchase Agreement; or (c) the date of an Event of Default (after the expiration of any applicable cure period) as defined below, unless the Maturity Date is extended as provided below.

(a) **Maturity Date Extension**. Upon written request by Maker (the "Extension Notice"), given no later than thirty (30) days prior to the Maturity Date (as the same may be extended), the term of the loan may be extended for a maximum of four (4) six-month terms (each, an "Extension Period") provided that (i) Maker simultaneously delivers an extension payment in the amount of 1.5% of the Purchase Price (as defined in the Purchase Agreement), and (ii) no Event of Default (as defined below) has occurred and is continuing, and no default which, with giving of notice or the passage of time, or both, would constitute an Event of Default, having occurred and being continuing either at the time Maker delivers an Extension Notice to Holder or at the time an Extension Period is to commence.

4. Prepayment. Maker may at any time prepay indebtedness evidenced by this Note in full or in part without penalty or premium.

5. **Security**. This Note is secured by a deed of trust, granted by Maker for the benefit of Holder dated the same date as this Note (the "Deed of Trust"). The Deed of Trust shall be subordinate to the NOAH Loan (as defined in the Purchase and Sale Agreement). Notwithstanding the generality of the foregoing, the indebtedness evidenced by this Note shall be a nonrecourse obligation to the Borrower. Neither Borrower nor its members shall have personal liability for repayment of this Note, and the sole recourse of Holder with respect to the repayment of this Note shall be to the Maker's interest in the Property.

6. Default; Remedies. Maker shall be in default under this Note (each of the following items is an "Event of Default") if: (a) Maker fails to pay all or any portion of an amount due under this Note within ten (10) days after written notice from Holder of such failure; (b) Maker fails to pay the outstanding principal balance of the loan evidenced by this Note, together with all accrued and unpaid interest thereon, and all other amounts owed by Maker under this Note in full on the Maturity Date, within ten (10) days after written notice from Holder of such failure; (c) Maker fails to cure any violation of a nonmonetary covenant under this Note within thirty (30) days (or such longer period as may be reasonably required, provided Maker is diligently prosecuting a cure) after written notice from Holder specifying the failure; and (d) an Event of Default occurs under the Deed of Trust (after the expiration of any applicable cure period). Holder shall accept cure from any member of Maker on the same terms as would be applicable to Maker.

Upon the occurrence of an Event of Default, at the option of Holder, the entire indebtedness evidenced by this Note shall become immediately due and payable. Failure to exercise any remedy granted to Holder under this Note will not waive the right to exercise the same in the event of a subsequent Event of Default.

Should an Event of Default occur under this Note, Holder shall provide prompt written notice to the Maker at the following address, or to such other address as the Maker may in writing hereafter indicate:

Home Forward
135 SW Ash Street
Portland, OR 97204
Attn: Michael Buonocore

7. Attorneys' Fees. Upon the occurrence of an Event of Default, or in the event that any dispute arises relating to the interpretation, enforcement or performance of this Note, Holder shall be entitled to collect from Maker on demand all fees and expenses incurred in connection therewith, including but not limited to reasonable fees of attorneys, accountants, appraisers, environmental inspectors, consultants, expert witnesses, arbitrators, mediators and court reporters. Without limiting the generality of the foregoing, Maker shall pay all such costs and expenses incurred in connection with: (a) arbitration or other alternative dispute resolution proceedings, trial court actions and appeals; (b) bankruptcy or other insolvency proceedings of Maker, any guarantor or other party liable for any of the obligations of this Note or any party having any interest in any security for any of those obligations; (c) judicial or nonjudicial foreclosure on, or appointment of a receiver for, any property securing this Note; (d) post-judgment collection proceedings; (e) all claims, counterclaims, cross-claims and defenses asserted in any of the foregoing; (f) all preparation for any of the foregoing; and (g) all settlement negotiations with respect to any of the foregoing.

8. No Assignment. Except with respect to a Permitted Assignee (as defined in the Purchase and Sale Agreement) the rights and obligations of the parties hereunder shall not be assignable, either voluntarily or by operation of law, without the written consent of the other party.

9. Miscellaneous.

(a) Every person or entity at any time liable for the payment of the indebtedness evidenced hereby waives presentment for payment, demand and notice of nonpayment of this Note. Every such person or entity further hereby consents to any extension of the time of payment hereof or other modification of the terms of payment of this Note, the release of all or any part of the security hereof or the release of any party liable for the payment of the indebtedness evidenced hereby at any time and from time to time at the request of anyone now or hereafter liable therefor. Any such extension or release may be made without notice to any of such persons or entities and without discharging their liability.

(b) The headings to the various sections have been inserted for convenience of reference only and do not define, limit, modify, or expand the express provisions of this Note.

(c) Time is of the essence under this Note and in the performance of every term, covenant and obligation contained herein.

(d) This Note is made with reference to and is to be construed in accordance with the laws of the State of Oregon.

O.R.S. 41.580 Disclosure. UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY HOLDER CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE MAKER'S RESIDENCE, MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY HOLDER TO BE ENFORCEABLE.

Maker has executed and delivered this Note as of the day and year first set forth above.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Note or caused this Note to be duly executed and delivered by its authorized representative as of the date first set forth above.

MAKER:

HOME FORWARD,
a public body corporate and politic of the State of Oregon

By: ________________________
Name: Michael Buonocore
Its: Executive Director

EXHIBIT C
DEED OF TRUST
NEIGHBORHOOD ACQUISITION
Seller Loan

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Home Forward
135 SW Ash Street
Portland, OR 97204
Attn: Michael Buonocore

DEED OF TRUST
Seller Loan

THIS DEED OF TRUST ("Deed of Trust") is granted as of the [___] day of [________], 2021 by **HOME FORWARD**, a public body corporate and politic of the State of Oregon, its successors and assigns ("Grantor"), whose address is 135 SW Ash Street, Portland, OR 97204 to Fidelity National Title Company, as trustee ("Trustee"), for the benefit of **NEIGHBORHOOD HOUSE INC.**, an Oregon public benefit corporation,("Beneficiary"), whose address is [_______________________].

Beneficiary loaned Grantor the sum of [________________________] and No/100 Dollars ($_____________) with interest on the unpaid principal balance from the date hereof until fully repaid at the rate of zero percent (0%) per annum with principal and interest payable at the address of Beneficiary, or such other place as Beneficiary may designate, which indebtedness is evidenced by a Promissory Note (as modified, supplemented, extended, renewed, or replaced from time to time (the "Note") which Note is dated as of the same date as this Deed of Trust. As a condition to making the loan evidenced by the Note, Beneficiary has required, and Grantor has agreed to execute and deliver, this Deed of Trust. The maturity date of the Note secured by this Deed of Trust is due on the earliest of (a) the date of the closing of construction financing for development of the Project (as such term is defined in the Purchase Agreement, which is defined below in Section 3.10); or (b) five years from the Closing Date of the Purchase Agreement, unless the maturity date is extended as provided in the Note.

NOW, THEREFORE, for the purpose of securing the Obligations described in Section 1.1 below, Grantor irrevocably grants, bargains, sells, conveys, assigns, and transfers to Trustee in trust for the benefit and security of the Beneficiary, with power of sale and right of entry and possession, all of Grantor's right, title, and interest in and to the real property located in Multnomah County, State of Oregon, and more particularly described in **Exhibit A** attached to this Deed of Trust and incorporated herein (the "Property");

TOGETHER WITH all interests, estates and rights that Grantor now has or may acquire in the Property, all tenements, hereditaments, and appurtenances in any manner belonging, relating, or appertaining to the Property; and all rights, titles, and interests of Grantor, now owned or hereafter acquired, in and to any and all buildings and other improvements of every nature now or hereafter located on the Property and all fixtures, machinery, equipment, and other personal property located on the Property or attached to, contained in, or used in any such buildings and other improvements, and all appurtenances and additions to and substitutions and replacements of the Property (all of the foregoing being collectively referred to below as the "Improvements"). The Property and the Improvements are collectively referred to herein as the "Trust Property".

TO HAVE AND TO HOLD the Trust Property to Trustee and its successors and assigns for the benefit of Beneficiary and its successors and assigns, forever.

PROVIDED ALWAYS, that if all the Obligations (as defined in Section 1.1 below) shall be paid, performed, and satisfied in full, then the lien and estate granted by this Deed of Trust shall be reconveyed.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, GRANTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. Particular Covenants and Warranties of Grantor

1.1 Obligations Secured. This Deed of Trust secures the payment of all principal and interest on, and other obligations under the Note, and the performance of all covenants and obligations of Grantor under the Note and this Deed of Trust.

1.2 Compliance with Laws. Grantor will comply with all legal requirements affecting the Trust Property.

1.3 Maintenance and Improvements. Grantor shall maintain every portion of the Trust Property in good repair, working order, and condition, except for reasonable wear and tear.

1.4 Liens. Grantor shall pay when due all claims for labor, materials, or supplies that if unpaid might become a lien on all or any portion of the Trust Property except for those which Grantor is contesting in good faith. Grantor shall not create, or suffer, or permit to be created, any mortgage, deed of trust, lien, security interest, charge, or encumbrance upon the Trust Property prior to, on a parity with, or subordinate to the lien of this Deed of Trust, except (i) the NOAH Loan (as defined in the Purchase and Sale Agreement) or (ii) as otherwise approved by Beneficiary.

1.5 Impositions. Grantor shall pay or cause to be paid, when due and before any fine, penalty, interest, or cost attaches, all taxes, assessments, fees, levies, and all other governmental and nongovernmental charges of every nature now or hereafter assessed or levied against any part of the Property except for those which Grantor is contesting in good faith. Grantor shall furnish to Beneficiary, promptly upon request, satisfactory evidence of the payment of all Impositions. Beneficiary is hereby authorized to request and receive from the responsible governmental and nongovernmental personnel written statements with respect to the accrual and payment of all Impositions.

1.6 Insurance. Grantor shall obtain and maintain in full force and effect during the term of this Deed of Trust property and liability insurance on the Trust Property reasonably satisfactory to the Beneficiary.

WARNING: UNLESS YOU (GRANTOR) PROVIDE US (BENEFICIARY) WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY OUR CONTRACT, WE MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT OUR INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT YOUR INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE WE PURCHASE MAY NOT PAY ANY CLAIM YOU MAKE OR ANY CLAIM MADE AGAINST YOU. YOU MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT YOU HAVE OBTAINED PROPERTY COVERAGE ELSEWHERE.

2. Events of Default; Remedies

2.1 Events of Default. The occurrence of either of the following will constitute an "Event of Default" under this Deed of Trust: (a) an Event of Default (as defined in the Note) under the Note (after the expiration of any applicable cure period), or (b) any failure to perform, when required, any other obligation under this Deed of Trust within thirty (30) days (or such longer period as may be reasonably required, provided Grantor is diligently prosecuting a cure) after written notice from Beneficiary specifying the failure. Except as provided herein, if an Event of Default occurs, Beneficiary or Trustee may exercise any one or more of the rights and remedies available by law, in equity, or otherwise. Beneficiary may direct Trustee, and Trustee shall be empowered, to foreclose the Property by advertisement and sale under applicable law. Beneficiary may judicially foreclose this Deed of Trust and obtain a judgment foreclosing Grantor's interest in all or any part of the Property. All remedies under this Deed of Trust are cumulative and not exclusive. Any election to pursue one remedy shall not preclude the exercise of any other remedy. An election by

Beneficiary to cure any breach of Grantor hereunder shall not constitute a waiver of the default or of any of the remedies provided in this Deed of Trust. No delay or omission in exercising any right or remedy shall impair the full exercise of that or any other right or remedy or constitute a waiver of the Event of Default. Should an Event of Default occur under the Note or this Deed of Trust, Beneficiary shall provide prompt written notice of such Event of Default to the Grantor at its address set forth at the outset of this Deed of Trust prior to exercising any remedy provided herein.

3. General Provisions

3.1 Time is of the Essence. Time is of the essence with respect to all covenants and obligations of Grantor under this Deed of Trust.

3.2 Reconveyance by Trustee. At any time upon the request of Beneficiary, payment of Trustee's fees, if any, and presentation of this Deed of Trust, without affecting the liability of any persons for the payment of the Obligations, Trustee may reconvey, without warranty, all or any part of the Trust Property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto", and the recitals therein of any facts shall be conclusive proof of the truthfulness thereof.

3.3 Notice. Except as otherwise provided in this Deed of Trust, all notices pertaining to this Deed of Trust shall be in writing and may be delivered by hand, or mailed by first class, registered, or certified mail, return-receipt requested, postage prepaid, and addressed to the appropriate party at its address set forth at the outset of this Deed of Trust. Any party may change its address for such notices from time to time by notice to the other parties. Notices given by mail in accordance with this paragraph shall be deemed to have been given upon the date of mailing; notices given by hand shall be deemed to have been given when actually received.

3.4 Substitute Trustee. In the event of dissolution or resignation of Trustee, Beneficiary may substitute one or more trustees to execute the trust hereby created, and the new trustee(s) shall succeed to all the powers and duties of the prior trustee(s).

3.5 Deed of Trust Binding on Successors and Assigns. This Deed of Trust shall be binding upon and inure to the benefit of the successors and assigns of Grantor, Trustee, and Beneficiary. If the Trust Property or any portion thereof shall at any time be vested in any person other than Grantor, Beneficiary shall have the right to deal with such successor regarding this Deed of Trust, the Trust Property and the Obligations in such manner as Beneficiary deems appropriate in its sole discretion, without notice to or approval by Grantor and without impairing Grantor's liability for the Obligations.

3.6 Expenses and Attorneys' Fees. Beneficiary shall be entitled to recover its reasonable costs and attorneys' fees incurred in any legal action related to this Deed of Trust in which it is the prevailing party.

3.7 Applicable Law. This Deed of Trust and the validity, interpretation, performance, and enforcement of this Deed of Trust shall be governed by the laws of the State of Oregon.

3.8 Severability. If any provision of this Deed of Trust shall be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Deed of Trust, and such other provisions shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in this Deed of Trust.

3.9 Nonrecourse. The Note and this Deed of Trust shall constitute a nonrecourse obligation of Grantor and accordingly, no partner (whether general or limited), manager, member, officer, director, shareholder, trustee, beneficiary, employee or agent of any Entity which is the Grantor or is an owner of the Grantor or holds any interest in the Grantor or is involved at any tier or level of Grantor's ownership structure shall have any personal liability for the payment of any sum of money that is, or may become, payable by the Grantor under or pursuant to the Note or this Deed of Trust or for the performance of any obligation by the Grantor arising pursuant to the Note or this Deed of Trust, and the Beneficiary shall look only to the Trust Property for such payment or performance. For purposes hereof, the term "Entity" shall mean any general partnership, limited partnership, corporation, joint venture, trust, business trust, cooperative, limited liability company or partnership or association.

3.10 Definitions. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Real Estate Purchase and Sale Agreement between Beneficiary, as seller, and Grantor, as buyer, dated for reference as [_________], 2021 (the "Purchase Agreement").

O.R.S. 41.580 Disclosure. UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS BY BENEFICIARIES AFTER OCTOBER 3, 1989, CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES, OR SECURED SOLELY BY THE BORROWER'S RESIDENCE, MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE BENEFICIARY TO BE ENFORCEABLE.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

Grantor has executed and delivered this Deed of Trust as of the day and year first set forth above.

GRANTOR:

HOME FORWARD,
a public body corporate and politic of the State of Oregon

By: ___________________________________
Name: Michael Buonocore
Its: Executive Director

STATE OF OREGON)
)
COUNTY OF MULTNOMAH)

This instrument was acknowledged before me this [____] day of [___________], 2021, by Michael Buonocore as the Executive Director of Home Forward, a public body corporate and politic of the State of Oregon, who executed the foregoing instrument.

____
Notary Public for Oregon
My Commission Expires:_____________________

EXHIBIT A

Legal Description of the Property

[TO BE ATTACHED]

MEMORANDUM

To:	Board of Commissioners	Date:	March 16, 2021
From:	Jonathan Trutt, Director, Development and Community Services 503.802.8507 Theresa Auld, Development Finance Manager 503.802.8319	Subject:	Authorize Execution of Documents in Connection with Financing, Transferring of Property Interests, Development and Operation of Dahlke Manor, Eastwood Court, Fir Acres and Stark Manor Resolution 21-03-07

REQUEST

Staff requests the Board of Commissioners to approve Resolution 21-03-07 authorizing the execution and delivery of documents by Home Forward, on its own behalf and in its capacity as general partner of Central Group Limited Partnership (the "Partnership", also commonly referred to as "Group 7"), in connection with the financing, development and operation of the apartment complexes currently owned by Home Forward and known as Dahlke Manor, Eastwood Court, Fir Acres and Stark Manor (together, the "Development"), and authorizing the transfer of improvements to generate the Low Income Housing Tax Credit (LIHTC) funding and the lending of money to Partnership.

These actions support 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.

BACKGROUND

The following key facts are relevant to Group 7's development:

- The properties will include 209 LIHTC units at the following sites:
    - Dahlke Manor in Portland, Oregon,

  - Eastwood Court in Gresham, Oregon,
  - Fir Acres in Gresham, Oregon, and
  - Stark Manor in Gresham, Oregon.
- Home Forward will serve as the developer and the sole general partner of the Partnership that will:
  - Lease the land underlying all Group 7 properties;
  - Own all buildings at Eastwood Court, Fir Acres and Stark Manor;
  - Lease the improvements at Dahlke Manor.
- As is typical for projects financed with LIHTCs, Home Forward and Home Forward Development Enterprises Corporation ("HFDE") formed the Central Group Limited Partnership prior to financial close and construction start. A Secretary's Certificate of the Resolution is typical for lender due diligence and is included with the resolution. Exhibit A Project Documents includes a list of anticipated closing documents.
- Tax exempt permanent loan from JPMorgan Chase Bank will include reduced interest charges with Oregon Affordable Housing Tax Credits (OAHTC) on the approximately $21,000,000 million permanent loan.
- Home Forward retained Walsh Construction Co. (a "Design Builder") as design builder/contractor with Peter Meijer Architects and Salazar Architect Inc as architect for Dahlke Manor. Home Forward retained LMC Construction (a "Design Builder") as design builder/contractor with Bergsund Delaney Architecture, P.C. as the architect for Eastwood Court, Fir Acres, and Stark Manor. Home Forward will assign the design build and any other development contracts to the Partnership.
- Home Forward will convert Dahlke Manor as a Section 18 Disposition property to have voucher-based Housing Assistance Payment Contract under HUD's Project Based Voucher program. Dahlke Manor's Housing Assistance Program contract will have a 20-year term.
- Home Forward will convert Eastwood Court, Fir Acres, and Stark Manor from public housing to project-based vouchers under HUD's Rental Assistance Demonstration (RAD) Program. Each property will benefit from a new RAD Project Based Voucher contracts with a 20-year term.

OVERVIEW

Funding sources for the Development will include tax credit equity, tax-exempt construction and permanent loans with bonds issued by OHCS, equity contributions and one or more sponsor loan(s) a seller loan (and/or long-term lease financing) from Home Forward, and other funds. We estimate the sources and timing in the table below.

Funders and Funding Amounts	Construction	Permanent
Investor capital contribution (US Bank Community Development Corporation via LIHTCs)	$ 3,020,713	$ 30,207,130
Deferred/Delayed Developer Fee (Home Forward)	$ 4,495,357	$ 2,153,000
Tax-exempt bond loans with OAHTCs (issued by OHCS and purchased by JPMorgan Chase)	$ 45,845,000	$ 21,000,000
Home Forward equity sponsor loan(s)	$ 10,484,713	$ 10,484,713
Home Forward acquisition loan and pre-paid ground leases	$ 19,505,000	$ 19,505,000
TOTAL	$ 83,350,887	$ 83,350,887

Home Forward’s acquisition loan, also known as “seller financing”, is not a cash outlay for the agency. The acquisition loan/seller financing may, in the alternative, be documented in the lease(s) as long-term lease payments as opposed to a loan. Home Forward will make a cash outlay for equity contributions or sponsor loan(s), funded by HUD Capital Grant proceeds and real estate reserves established for this purpose.

The overall budget is $83.4 million, including acquisition costs estimated at $30.7 million, construction costs of $32.3 million including a construction contingency of $2.9 million and soft costs of $20.3 million. These construction costs include furniture and fixtures, Builder’s Risk Insurance, and contingency along with contracts with LMC Construction, Walsh Construction Co. and Otis Elevator.

Staff presented a draft of this memo and resolution to the READ committee on March 5, 2021.

CONCLUSION

Staff requests the Board of Commissioners authorize the delivery and execution of documents in connection with financing, transferring of property interests, development and operation of 85 Stories, Group 7, Dahlke Manor, Eastwood Court, Fir Acres and Stark Manor.

ATTACHMENTS

Exhibit A Project Documents

Certificate of Secretary

hope. access. potential.

RESOLUTION 21-03-07

RESOLUTION 21-03-07 AUTHORIZES THE EXECUTION AND DELIVERY OF DOCUMENTS BY HOME FORWARD, ON ITS OWN BEHALF AND IN ITS CAPACITY AS GENERAL PARTNER OF CENTRAL GROUP LIMITED PARTNERSHIP, IN CONNECTION WITH THE FINANCING, DEVELOPMENT AND OPERATION OF DAHLKE MANOR, EASTWOOD COURT, FIR ACRES, AND STARK MANOR, AND AUTHORIZING THE TRANSFER OF PROPERTY INTERESTS AND LENDING OF MONEY TO SAID PARTNERSHIP

WHEREAS, Home Forward seeks to encourage the provision of long-term housing for low income persons residing in the City of Portland, Oregon;

WHEREAS, ORS 456.120(18) authorizes Home Forward to enter into partnership agreements and to make loans to partnerships to finance, plan, undertake, construct, acquire and operate housing projects;

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

WHEREAS, Home Forward filed a certificate of limited partnership with the Oregon Secretary of State on January 28, 2021, pursuant to which Central Group Limited Partnership (the "Partnership") was created as an Oregon limited partnership;

WHEREAS, Home Forward (as the sole general partner) and Home Forward Development Enterprises Corporation ("HFDE") (as the initial limited partner) entered into a limited partnership agreement relating to the Partnership;

WHEREAS, Home Forward intends to lease to the Partnership the land on which the apartment complexes known as Eastwood Court, Fir Acres, and Stark Manor are located, and to sell to the Partnership all of Home Forward's interests in the improvements and equipment located thereon;

WHEREAS, Home Forward intends to lease to the Partnership the land and improvements constituting the apartment complex known as Dahlke Manor;

WHEREAS, the Partnership intends to rehabilitate the Dahlke Manor, Eastwood Court, Fir Acres, and Stark Manor apartment complexes, containing a total of 209 housing units (the "Development");

WHEREAS, the Partnership expects that 4 percent low income housing tax credits and Oregon Affordable Housing Tax Credit Program tax credits will be available for the Development;

WHEREAS, U.S. Bancorp Community Development Corporation (or one or more of its affiliates) (the "Investor Limited Partner") has offered to acquire the limited partner interest in the Partnership, and Home Forward's Board of Commissioners (the "Board") finds and determines that the capital contributions expected to be made by the Investor Limited Partner to the Partnership will be sufficient, together with other available money, to enable the Partnership to develop and operate the Development;

WHEREAS, as a condition to acquiring the limited partnership interests in the Partnership, the Investor Limited Partner requested that Home Forward amend and restate the Partnership's original partnership agreement and execute and deliver certain other agreements, certificates and other documents relating to the Partnership and the Development, which request the Board finds and determines to be reasonable;

WHEREAS, the Board finds and determines that the Development likely would not be developed and maintained as housing for individuals and families of low income unless the Partnership was formed and the Investor Limited Partner committed to make its capital contributions to the Partnership;

WHEREAS, the total cost of acquiring and constructing the Development is anticipated to be approximately $83,350,887, which will be financed (and refinanced) by the Partnership with numerous sources of funds, including: (i) a loan from JPMorgan Chase Bank, N.A. (the "Bank Loan") in the anticipated amount of $45,845,000 (of which up to $21,000,000 is anticipated to be converted to permanent financing) of proceeds of tax-exempt bonds (collectively, the "Bonds") issued by Oregon Housing and Community Services (in such capacity, the "Issuer"); (ii) public funds in the anticipated amount of $10,484,713 that will be lent by Home Forward to the Partnership; (iii) seller financing (either in the form of a seller loan or long-term lease payments under the leases) in the anticipated amount of $14,455,000 from Home Forward to the Partnership to finance, in part, the acquisition of the improvements; (iv) lease financing in the anticipated amount of $5,050,000 from Home Forward to the Partnership to finance, in part, the lease of the land; (v) capital contributions in the anticipated amount of $30,208,174 from the Investor Limited Partner; and (vi) deferred developer fee in the anticipated amount $2,153,000 from Home Forward;

WHEREAS, in connection with the foregoing, Home Forward will enter into various guaranties and indemnities including, but not limited to, a completion guaranty, a payment guaranty and an environmental indemnity agreement relating to the Bank Loan;

WHEREAS, Home Forward and the Partnership will enter into a ground lease agreement pursuant to which Home Forward will lease to the Partnership the land on which the Eastwood Court, Fir Acres, and Stark Manor apartment complexes are located, and a purchase and sale agreement pursuant to which Home Forward's interest in the improvements and equipment located on such properties will be sold to the Partnership;

WHEREAS, Home Forward and the Partnership will enter into a lease agreement pursuant to which Home Forward will lease to the Partnership the land and improvements constituting the Dahlke Manor apartment complex;

WHEREAS, Home Forward retained Peter Meijer Architects and Salazar Architect Inc., sub-consultants to Walsh Construction Company, as the architect for Dahlke Manor and Bergsund Delaney Architecture, P.C., a sub-consultant to LMC Construction, as the architect for the rehabilitation of Eastwood Court, Fir Acres, and Stark Manor, as well as other consultants to assist with the environmental review of the sites and the design and construction of the improvements to the Development, which contracts the Board finds and determines necessary and desirable to assign to the Partnership;

WHEREAS, Home Forward retained Walsh Construction Co. as the design build contractor for the rehabilitation of Dahlke Manor, and LMC Construction as the design build contractor for rehabilitation of Eastwood Court, Fir Acres, and Stark Manor;

WHEREAS, the Partnership will provide Home Forward with a right of first refusal to acquire the Development at the end of the 15-year low-income housing tax credit "compliance period" for the Development; and

WHEREAS, ORS 456.135 authorizes Home Forward to delegate to one or more of its agents and employees such powers as it deems proper;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. Approval of Partnership Documents. Home Forward has been or will be presented with drafts of the documents listed in Exhibit A under the heading "Partnership Documents" (the "Partnership Documents") in connection with the Partnership and the Development, which documents will, upon request, be placed on file with Home Forward's Secretary. The Chair of the Board, Home Forward's Executive Director, Home Forward's Chief Financial Officer, and their respective designees (each, an "Authorized Officer" and, collectively, the "Authorized Officers"), and each of them acting alone, are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), the Partnership Documents; provided however, any Authorized Officer may approve on Home Forward's behalf any further changes to the draft Partnership Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final Partnership Documents shall be construed as Home Forward's approval of such changes. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by Home Forward, on behalf of itself or as general partner of the Partnership, under the provisions of or as necessary to carry out the transactions contemplated by the Partnership Documents. From and after the date the Partnership Documents are executed, the Authorized Officers (and each of them acting alone) are authorized and directed, without further Board approval, to take such actions on behalf of Home Forward that are required to be taken by the general partner of the Partnership. In particular, Home Forward is authorized to spend available Home Forward funds on the Development to satisfy any requirement of the Partnership Documents that Home Forward contribute capital and/or make loans to the Partnership and to otherwise cause the Development to be completed, and initial operations thereof to commence, in the manner anticipated in the various agreements authorized by this resolution.

2. Approval of Tax-Exempt Bond Documents. Home Forward has been or will be presented with drafts of the documents listed in Exhibit A under the heading "Tax-Exempt Bond Documents" (the "Tax-Exempt Bond Documents") in connection

with the Partnership and the Development, which documents will, upon request, be placed on file with Home Forward's Secretary. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) (a) the Tax-Exempt Bond Documents and (b) any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the Tax-Exempt Bond Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward's behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft Tax-Exempt Bond Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final Tax-Exempt Bond Documents shall be construed as Home Forward's approval of such changes.

3. Approval of Tax Credit Documents. Home Forward has been or will be presented with drafts of the documents listed in Exhibit A under the heading "Tax Credit Documents" (the "Tax Credit Documents") in connection with the Partnership and the Development, which documents will, upon request, be placed on file with Home Forward's Secretary. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) (a) the Tax Credit Documents and (b) any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the Tax Credit Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward's behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft Tax Credit Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final Tax Credit Documents shall be construed as Home Forward's (acting on its own behalf or as general partner of the Partnership) approval of such changes.

4. Approval of Bank Loan Documents. Home Forward has been or will be presented with drafts of the documents listed in Exhibit A under the headings "Bank Loan Documents" (the "Bank Loan Documents") in connection with the Partnership and

the Development, which documents will, upon request, be placed on file with Home Forward's Secretary. Home Forward (acting on its own behalf or as general partner of the Partnership), is authorized to borrow the Bank Loan, and Home Forward (acting on its own behalf) is authorized to guaranty the Bank Loan. The Authorized Officers (and each of them acting alone) are authorized and directed to: (a) cause the Partnership to borrow money under the Bank Loan Documents; (b) cause Home Forward to guaranty the Bank Loan; (c) execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), the Bank Loan Documents; and (d) execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the Bank Loan Documents, including any trust deeds, indemnities, subordination agreements and other documents required in connection with Bank Loan. Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward's behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft Bank Loan Documents (including material changes, changes to parties and changes to the title of any such document) and the final amount(s), if any, to be borrowed, and such Authorized Officer's signature on the final Bank Loan Documents shall be construed as Home Forward's (acting on its own behalf or as general partner of the Partnership) approval of such changes and final loan amount(s). The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by Home Forward, on behalf of itself or as general partner of the Partnership, under the provisions of or as necessary to carry out the transactions contemplated by the Bank Loan Documents.

5. Approval of Sponsor Financing Documents. Home Forward has been or will be presented with drafts of the documents listed in Exhibit A under the heading "Sponsor Financing Documents" (the "Sponsor Financing Documents") in connection with the Partnership and the Development, which documents will, upon request, be placed on file with Home Forward's Secretary. Home Forward is authorized to provide: (i) seller financing (either in the form of a loan or as long-term lease payments) to the Partnership in the amount of $14,455,000 to finance, in part, the acquisition of the improvements; (ii) long-term lease financing to the Partnership in the amount of $5,050,000 to finance, in part, the long-term lease of the land; and (iii) one or more sponsor loan(s) to the Partnership in the amount of

$10,484,713 (collectively, the "Sponsor Financing"). The Authorized Officers (and each of them acting alone) are authorized and directed to: (a) determine on behalf of Home Forward the source (or sources) of funds for the Sponsor Financing; (b) cause the Partnership to borrow money under the Sponsor Financing Documents; (c) execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), the Sponsor Financing Documents; (d) execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the Sponsor Financing Documents, including any trust deeds, subordination agreements and other documents required in connection with the sources of funding for the Sponsor Financing. Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward's behalf any further changes to the draft Sponsor Financing Documents (including material changes, changes to parties and changes to the title of any such document) and the final amount(s), if any, to be borrowed and lent, and such Authorized Officer's signature on the final Sponsor Financing Documents shall be construed as Home Forward's approval of such changes and final loan amount(s).

6. Approval of Development Acquisition and Real Estate Documents. Home Forward is authorized to lease to the Partnership, for a term not exceeding 100 years, the land on which the Eastwood Court, Fir Acres, and Stark Manor apartment complexes are located, and to transfer and sell to the Partnership all of Home Forward's interest in the existing improvements located on such land, including Home Forward's interest in all personal property located on such land and in such improvements. Home Forward is further authorized to lease to the Partnership, for a term not exceeding 100 years, the Dahlke Manor apartment complex and the land on which it located, including Home Forward's interest in all personal property located on such land and in such improvements. Home Forward has been (or will be) presented with drafts of the documents listed in Exhibit A under the heading "Real Estate Documents" (the "Real Estate Documents") in connection with the Partnership and the Development, which documents will, upon request, be placed on file with Home Forward's Secretary. As noted above in Section 5, Home Forward is authorized to accept long-term lease payments from the Partnership in an amount up to $5,050,000 (plus any portion of the seller financing that may be in the form of a lease), pursuant to the Real Estate Documents. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general

partner of the Partnership), the Real Estate Documents, and such other agreements and documents as are necessary for Home Forward to transfer and the Partnership to acquire (a) a leasehold interest the land relating to the Eastwood Court, Fir Acres, and Stark Manor apartment complexes and a fee interest in the improvements and equipment located on such land, and (b) a leasehold interest in the Dahlke Manor apartment complex and the land on which it is located. Any Authorized Officer may approve on Home Forward's behalf any further changes to the draft Real Estate Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final Real Estate Documents shall be construed as Home Forward's approval of such changes.

7. HUD Documents. Home Forward has been presented with drafts of the documents listed in Exhibit A under the heading "HUD Documents" (the "HUD Documents") in connection with the conversion of the Eastwood Court, Fir Acres, and Stark Manor public housing projects (collectively, the "RAD Projects") to project-based Section 8 units under HUD's Rental Assistance Demonstration ("RAD") program and the Section 18 Disposition Approval of the Dahlke Manor public housing project, which documents will, upon request, be placed on file with Home Forward's Secretary. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) (a) the HUD Documents and (b) any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the HUD Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward's behalf any further changes to the draft HUD Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final HUD Documents shall be construed as Home Forward's approval of such changes.

8. Assignments. The Authorized Officers (and each of them acting alone) are authorized on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) to execute and deliver one or more instruments (i) assigning to the Partnership all or a portion of Home Forward's rights under any construction contracts, the architects' contracts, contracts with the general contractor, geotechnical consultant contracts, and other development contracts,

as such rights pertain to the Development, and (ii) assigning to lenders and others the Partnership's interests in such contracts.

9. ORS 456.153 Determinations. On behalf of Home Forward, the Board finds and determines that a substantial number of persons of eligible income in the area served by Home Forward cannot obtain housing for 30% of less or their income. Based on the foregoing determination, the Board hereby declares, on behalf of Home Forward, the need for additional housing for persons or families of lower income that can be addressed by Home Forward participating in the financing, development, ownership, management and/or operation of mixed income housing projects;

10. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) to: (i) determine that any document authorized by this resolution is, at the time such document otherwise would be executed, no longer necessary or desirable and, based on such determination, cause Home Forward and/or the Partnership not to execute or deliver such document; (ii) execute and deliver and, if applicable, file (or cause to be delivered and/or filed) any government forms, affidavits, certificates, letters, documents, agreements and instruments that such officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein and/or further the acquisition, rehabilitation, development, financing, construction, and leasing of the Project; and (iii) cause Home Forward and/or the Partnership to expend such funds as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution. Without limiting the scope of such authorization, such documents may include lease-up and marketing agreements, partnership management services agreements, development agreements, construction guaranty agreements, repayment guarantees, cash pledge agreements, environmental indemnity agreements, property management agreements, architect agreements, contractor agreements, housing assistance payment contracts, irrevocable consents and appointments of attorneys for service of process.

11. Increase in Home Forward Participation. Each Authorized Officer is authorized to decrease the principal amount of any loan or capital contribution authorized by this resolution by any amount, or to increase the principal amount of any such loan or

capital contribution by an amount up to $1,000,000 more than the maximum principal amount for the loan or capital contribution stated in this resolution. The Board directs the Executive Director to report to the Board if the total amount borrowed by the Partnership for the Development exceeds the aggregate maximum principal amount stated in this resolution for all loans to the Partnership.

12. Execution of Duties and Obligations. The Board authorizes Home Forward's Executive Director to cause Home Forward (whether acting on its own behalf or in its capacity as general partner of the Partnership, as applicable) to fulfill Home Forward's duties and obligations, and cause the Partnership to fulfill the Partnership's duties and obligations under the various agreements authorized by this resolution.

13. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board, Home Forward's Executive Director, or Home Forward's Chief Financial Officer, may, in the absence of such person, be taken by the duly authorized acting Chair of the Board, acting Executive Director of Home Forward, or acting Chief Financial Officer, respectively.

14. Changes to Titles or Parties. While the titles of and parties to the various documents listed in Exhibit A hereto may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form.

15. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

16. Ratification and Confirmation. Any actions of Home Forward or its officers prior to the date hereof and consistent with the terms of this resolution (including, without limitation, the formation of the Partnership) are ratified and confirmed.

ADOPTED: MARCH 16, 2021

Attest:	Home Forward:
____________________________	____________________________
Michael Buonocore, Secretary	Damien R. Hall, Chair

EXHIBIT A
PROJECT DOCUMENTS

Partnership Documents

(a) Letter of Intent;

(b) Amended and Restated Agreement of Limited Partnership;

(c) Development Services Agreement;

(d) Guaranty;

(e) Memorandum of Understanding (Joint Marketing);

(f) Seller's Certification as to Ten-Year Ownership;

(g) Such other documents as required in connection with the closing of the investment by the Investor Limited Partner;

Tax-Exempt Bond Documents

(h) Loan Agreement;

(i) Trust Indenture;

(j) Regulatory Agreement;

(k) Federal Tax Exemption Certificate and Agreement;

(l) Such other documents as required in connection with the issuance of the bonds;

Tax Credit Documents

(m) One or more 4% Low-Income Housing Tax Credit Reservation and Extended Use Agreements between OHCS and the Partnership;

(n) One or more Tripartite Agreement, Subordination, and Declaration of Restrictive Covenants among Home Forward, the Partnership and OHCS;

(o) One or more 4% Low-Income Housing Tax Credit Declarations of Land Use Restrictive Covenants between the Partnership and OHCS;

(p) One or more Oregon Affordable Housing Tax Credit Program Declaration of Land Use Restrictive Covenants between OHCS and the Partnership;

(q) Such other documents as required in connection with the allocation of tax credits;

Bank Loan Documents

(r) Construction and Permanent Loan Agreement;

(s) Promissory Note;

(t) Leasehold Trust Deed, Security Agreement, Assignment of Leases and Rents and Fixture Filing;

(u) Environmental Indemnity Agreement;

(v) Replacement Reserve Agreement;
(w) Payment Guaranty;
(x) Completion Guaranty;
(y) Ground Lessor's Estoppel Certificate, Consent and Agreement;
(z) Lessor's Estoppel Certificate, Consent and Agreement;
(aa) Collateral Assignment of Rights to Tax Credits and Partnership Interests;
(bb) Assignment of Management Agreement and Consent and Subordination of Manager;
(cc) Assignment of Construction and Design Agreements;
(dd) Contractor's Consent(s) to Assignment of Construction Contract;
(ee) Architect's Consent(s) to Assignment of Architect's Agreement;
(ff) Assignment of Housing Assistance Payments Contracts;
(gg) UCC-1 Financing Statement(s);
(hh) Borrower Administrative Questionnaire;
(ii) Rate Lock Confirmation and Agreement;
(jj) Rate Lock Guaranty;
(kk) Such other documents as required in connection with the closing of the Bank Loan;

Sponsor Loan Documents
(ll) Promissory Note(s);
(mm) Trust Deed(s);
(nn) Such other documents as required in connection with the closing of the Sponsor Financing;

Real Estate Documents
(oo) Ground Lease Agreement(s) (for Eastwood Court, Fir Acres, and Stark Manor);
(pp) Memorandum of Ground Lease Agreement (for Eastwood Court, Fir Acres, and Stark Manor);
(qq) Purchase and Sale Agreement(s) (for Eastwood Court, Fir Acres, and Stark Manor);
(rr) Bargain and Sale Deed(s) (for Eastwood Court, Fir Acres, and Stark Manor);
(ss) Bill(s) of Sale by Home Forward (for Eastwood Court, Fir Acres, and Stark Manor);
(tt) Assignment(s) of Contracts and Intangibles (for Dahlke, Eastwood Court, Fir Acres, and Stark Manor);
(uu) Assignment(s) of Leases and Rents (for Dahlke, Eastwood Court, Fir Acres, and Stark Manor);
(vv) Lease Agreement (for Dahlke Manor)
(ww) Memorandum of Lease Agreement (for Dahlke Manor);
(xx) Priority and Subordination Agreement among the Partnership, Home Forward, and

lenders;

(yy) Such other documents as are required in connection with the conveyance of the property and closing of the transaction;

HUD Documents

(zz) Rental Assistance Demonstration (RAD) Conversion Commitment (Public Housing; First Component) among HUD, the Partnership and Home Forward, together with any amendments thereto;

(aaa) Consolidated Owner Certification – Rental Assistance Demonstration by the Partnership and Home Forward;

(bbb) Certification and Assurances by the Partnership and Home Forward;

(ccc) Rental Assistance Demonstration Use Agreement among HUD, the Partnership Home Forward for each of the RAD Projects;

(ddd) Rental Assistance Demonstration (RAD) for the Conversion of Public Housing to the Section 8 Project-Based Voucher (PBV) Program Housing Assistance Payment Contract (Parts 1 and 2) between the Partnership and Home Forward for each of the RAD Projects;

(eee) Section 8 Project-Based Voucher Program PBV Housing Assistance Payment Contract (Parts 1 and 2) for Dahlke Manor between the Partnership and Home Forward;

(fff) Deed of Release of Declaration of Trust for each of Dahlke Manor and each of the RAD Projects, each between Home Forward and HUD;

(ggg) Such other documents as are required in connection with the HUD transaction associated with the Development;

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director and Secretary-Treasurer of Home Forward and keeper of the records of Home Forward, CERTIFY:

1. That the attached Resolution 21-03-07 (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of Home Forward, as adopted at a meeting of Home Forward held on March 16, 2021, and duly recorded in the minute books of Home Forward.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of March, 2021.

HOME FORWARD

____

Michael Buonocore, Executive Director and Secretary

hope. access. potential.

MEMORANDUM

To: Board of Commissioners

Date: March 16, 2021

From: April Berg, Assistant Director Development and Community Revitalization
503.502.8326

Michael Fu, Project Manager, Development and Community Revitalization
503.802.8499

Lewis Lyles, Project Manager, Development and Community Revitalization
503.802.8484

Subject: Authorize Amendments to the Design/Build Contracts for Construction Services with Walsh Construction and LMC Construction Co. for 85 Stories, Group 7 Properties
Resolution 21-03-08

REQUEST

The Board of Commissioners is requested to approve Resolution 21-03-08 authorizing the Executive Director, or his designee, to amend the current design/build contracts with Walsh Construction Co. and LMC Construction for construction services to rehabilitate the properties in 85 Stories Group 7.

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.

BACKGROUND

Since 2007, it has been a stated goal of Home Forward to reposition our existing portfolio of rental housing to maintain ownership oversight 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.

In July 2019, Home Forward selected Walsh Construction Co. through a competitive process to serve as the Design/Build contractor for rehabilitation of Dahlke Manor. In August 2019 Home Forward selected LMC Construction through a competitive process to serve as the Design/Build contractor for the rehabilitation of the Group 7 family properties: Eastwood, Fir Acres and Stark Manor Apartments.

This resolution seeks to authorize amendments to increase the contracts with Walsh Construction Co. (Dahlke Manor) and LMC Construction (family properties) to include all current scopes for pre-development, design, construction.

As is typical for major construction and rehabilitation efforts, this resolution also seeks authorization for the expenditure of a construction contingency amount controlled by Home Forward. This contingency is sized at $2,939,569 (approximately 10% construction scope) allows for Home Forward to respond to unexpected field conditions, increase the scope of work and/or upgrades in the materials that we utilize.

OVERVIEW

85 Stories Group 7 consists of 209 public housing units. Current contract approvals, requested construction scopes and contingency approval amounts include:

Walsh Construction Co.: Dahlke Manor Apartments (115 units)

- Current design/build GMP contract: $1,599,854
- Add Construction Scope: $13,095,555 (*includes approved long lead items*)
- Total not to exceed GMP design/build contract: $14,695,409
- Authorize Contingency controlled by Home Forward: $ 1,386,537

LMC Construction: Eastwood Court (32 units), Fir Acres (32 units), Stark Manor (30 units)

- Current design/build GMP contract: $1,324,888
- Add: Construction Scope: $15,347,491
- Total not to exceed GMP design/build contract: $16,672,379
- Authorize Contingency controlled by Home Forward: $1,553,032

From the current bidding and subcontractors, both Walsh Construction Co. and LMC Construction anticipate attaining our new aspirational MWESB goals of 28%.

The renovation work at these four 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 April 22, 2021.

Staff presented a draft of this memo and resolution to the READ committee on March 5, 2021.

CONCLUSION

The Board of Commissioners is requested to authorize the Executive Director to amend the current Home Forward design/build contract with Walsh Construction Co. for Dahlke Manor, amend the current design/build contract with LMC Construction for the rehabilitation work at Eastwood Court, Fir Acres and Stark Manor Apartments and authorize the usage of a construction contingency fund controlled by Home Forward.

RESOLUTION 21-03-08

RESOLUTION 21-03-08 AUTHORIZES THE EXECUTIVE DIRECTOR TO AMEND THE CURRENT DESIGN/BUILD CONTRACTS WITH WALSH CONSTRUCTION AND LMC CONSTRUCTION FOR CONSTRUCTION SERVICES TO REHABILITATE THE PROPERTIES IN 85 STORIES GROUP 7

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 acknowledged the need to rehabilitate Dahlke Manor Apartments, Eastwood Court, Fir Acres and Stark Manor for the benefit of residents and the surrounding communities, 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 Dahlke Manor Apartments; and

WHEREAS, Home Forward awarded LMC Construction Company the contract to undertake preconstruction and design services for Eastwood Court, Fir Acres and Stark Manor Apartments; and

WHEREAS, Home Forward's authorized the Walsh Construction Co. contract for early purchase of construction materials to support the construction schedule and the planned start date; 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 execute amendments or contracts for construction services with Walsh Construction Co., at the 85 Stories Group 7 property Dahlke Manor Apartments, in an amount not to exceed $14,695,409.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Executive Director, or his designee, to execute amendments or contracts for construction services with LMC Construction Company at the 85 Stories Group 7 properties of Eastwood Court, Fir Acres and Stark Manor, in an amount not to exceed $16,672,379.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Executive Director, or his designee, to execute amendments to the contracts with Walsh Construction Co. and LMC Construction Company to spend a construction contingency controlled by Home Forward in the amount of $2,939,569 to respond to unexpected conditions and/or achieve project upgrades not currently included in the Group 7 construction contracts.

ADOPTED: MARCH 16, 2021

Attest:	Home Forward:
_______________________________	_______________________________
Michael Buonocore, Secretary	Damien R. Hall, Chair

STAFF REPORTS

Procurement & Contracts Department
MONTHLY CONTRACT REPORT
Contracts Approved 01/01/21 - 02/28/21

PUBLIC IMPROVEMENT
(CONSTRUCTION & MAINTENANCE SERVICES)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2664	0	Western States Fire Protection Co,	$ 743.00	NMW Elevator Pit Sprinkler Removal	DCR	1/6/2021	3/31/2021
C2666	0	Interstate Roofing	$ 3,429.00	Roofing work at NMW	IFS	1/11/2021	7/15/2021
C2671	0	Kennedy Restoration	$ 55,232.50	Scattered site tree fall emergency restoration. Emergency C2101	Property Management	1/21/2021	4/30/2021
C2698	0	Kennedy Restoration	$ 3,619.04	Flood remediation on ground floor of NW Tower	Property Management	2/22/2021	6/1/2021
Subtotal			**$ 63,023.54**				**4**

GOODS & SERVICES

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2669	0	American Heating, Inc	$ 5,125.00	HVAC maintenance at SCC	Property Management	1/13/2021	12/31/2021
C2676	0	Portland Mechanical Contractors	$ 12,000.00	HVAC maintenance at Sellwood	Property Management	1/21/2021	1/31/2024
C2675	0	Pacific Pro Services	$ 2,400.00	Appliance moving services for 10 units at Hunter's Run properties.	DCR	1/25/2021	4/30/2021
C2682	0	Pacific WRO	$ 2,321.32	Furniture purchase sit/stand desks for NMW	DCR	1/28/2021	6/30/2021
C2679	0	Carbonell Cleaning Solutions	$ 44,410.00	Landscaping at Dekum, Carlton, Celilo	Property Management	2/1/2021	2/21/2022
C2680	0	ValleyScapes Landscape Solutions	$ 29,967.00	Landscaping for Tamarack and Camelia	Property Management	2/1/2021	1/31/2022
C2684	0	Metro Access Controls	$ 800.00	Replace door latches at two Schrunk stair doors.	DCR	2/3/2021	6/30/2021

C2690	0	Soha Sign Company	$ 2,704.50	Temporary signage for Eastwood Court	DCR	2/8/2021	4/30/2021
C2692	0	IRS Environmental	$ 9,765.00	Baldwin abatement and testing	DCR	2/11/2021	6/30/2021
C2688	0	Lovett Inc	$ 6,964.54	Repair dry wall lid at Madrona	Property Management	2/12/2021	4/5/2021
C2693	0	Harrity Tree Specialists Inc	$ 4,010.00	Tree removal and replanting at Tillicum north and Tillicum south	DCR	2/17/2021	5/31/2021
C2691	0	Tonkin Wilsonville Nissan	$ 189,733.59	9 Nissan Cargo Vans	IFS	2/21/2021	4/8/2021
Subtotal			**$ 310,200.95**				**12**

PERSONAL SERVICE CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2660	0	Megan Ashlock	$ 15,000.00	Online Youth Leadership Academy for students aged 12-18	Community Services	1/4/2021	12/31/2021
C2662	0	Trash for Peace	$ 7,000.00	Resident support and services for Clackamas County	Community Services	1/11/2021	12/31/2021
C2663	0	Trash for Peace	$ 43,700.00	Resident support and services at Gateway, Gladstone, Multnomah Manor, and Sequioa	Community Services	1/11/2021	12/31/2021
C2665	0	Trash for Peace	$ 5,200.00	Environmental Education at Home Forward Hope VI Sites - Humboldt, New Columbia, Stephens Creek Crossing	Community Services	1/11/2021	12/31/2021
C2667	0	Trash for Peace	$ 38,576.00	Youth Services at the Ellington Apartments	Community Services	1/13/2021	12/31/2021
C2668	0	Trash for Peace	$ 15,600.00	Environmental Education and services at Fairview Oaks, Rockwood Station, and Madrona Place apartments	Community Services	1/13/2021	12/31/2021
C2655	0	Birdee Media	$ 10,000.00	Website design and maintenance	Executive	1/21/2021	10/15/2021
C2661	0	Worksystems, Inc.	$ 47,500.00	Workforce development partnership	Community Services	1/22/2021	12/31/2022
C2677	0	Portland Tree Consulting	$ 1,000.00	Arborist consulting at Baldwin	DCR	1/22/2021	7/31/2021
C2681	0	Workplace Changes	$ 75,000.00	Consultation and recruitment assistance to hire HR positions at HF; Rule 46-0340	Executive	1/26/2021	4/30/2021

C2683	0	Nora Mattingly	$ 12,000.00	Assist with the planning, logisitcs and implementation of Covid19 Vaccine Clinics at 13 HFproperties	IFS	2/2/2021	3/26/2021
C2686	0	Christo Valikov	$ 20,000.00	Artist installation of mural painting at Tillicum South Playground on a 54'L 6'H CMU wall. Contract to include materials and labor to complete the mural.	DCR	2/6/2021	4/30/2021
C2674	0	Catholic Charities	$ 9,000.00	Financial Education Services for SCC,The Ellington,New Columbia, and East County	Community Services	2/8/2021	12/31/2021
C2695	0	Bryan Potter Design	$ 49,999.00	On-call graphic design services	DCR	2/12/2021	3/1/2022
C2694	0	Impact Northwest	$ 227,045.52	Case management for CHSP residents at 5 HF properties; Rule 46-0340	Community Services	2/15/2021	12/31/2021
C2696	0	Nemariam Engineers & Associates, LLC	$ 7,031.00	Traffic study at Albina head start building	DCR	2/17/2021	5/31/2021
C2699	0	Catholic Charities	$ 12,000.00	Financial Education Services for FSS/GOALS Participants	Community Services	2/17/2021	12/31/2021
C2700	0	Lymantria Consulting	$ 10,000.00	Consultation for Moving to Work - FY2021-FY2023	Executive	2/22/2021	3/31/2024
Subtotal			**$ 605,651.52**				**18**

PROFESSIONAL SERVICE CONTRACTS (A&E)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2654	0	Boxx Modular Inc.	$ 11,652.00	Notice to Proceed will be for the design development phase; Cooperative NCPA 19-16	DCR	1/4/2021	12/13/2021
C2672	0	Peter Meijer Architect, PC	$ 18,000.00	Feasibility study for Fairfield Apts	DCR	1/21/2021	4/30/2021
C2687	0	TRC Environmental	$ 9,000.00	Complete post-project Phase I reports for Bel Park, Eliot Square, Maple Mallory, and Schrunk Riverview Tower.	DCR	2/3/2021	6/30/2021
C2689	0	Forensic Building Consultants	$ 2,000.00	Isolated leak assessment at BCC	DCR	2/4/2021	5/31/2021
C2701	0	W.B. Wells & Associates, Inc	$ 27,990.00	Updated ALTA surveys at Group 6-1, 6-2, Harold Lee Village properties	DCR	2/26/2021	6/30/2021
Total			**$ 68,642.00**				**5**

AMENDMENTS TO EXISTING CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2433	3	Epic Land Solutions	$ 8,165.00	Resident relocation at Powellhurst Woods; amended to extend contract and add funds	DCR	1/4/2021	2/28/2021
C2447	2	Hacker Architects	$ 22,500.00	Killingsworth A&E additional services	DCR	1/6/2021	9/30/2021
C2381	4	Overland, Pacific, and Cutler LLC	$ 5,000.00	Temporary relocation at Headwaters; amended to add funds	Asset Management	1/8/2021	6/30/2021
C2430	1	MercuryPDX	$ -	Mail Service for NMW; amended to add time	FAAM	1/8/2021	1/14/2022
C2126	15	LMC, Inc.	$ (71,271.19)	Schrunk Tower maintenance, CO, misc changes	DCR	1/11/2021	1/31/2021
C2560	1	Motus Recruiting & Staffing Inc.	$ 5,000.00	Temporary staffing for HR Recruiter	HR	1/11/2021	3/31/2021
C1994	9	LMC, Inc.	$ 74,682.14	red group 1 CO 6	DCR	1/12/2021	1/31/2021
C1994	10	LMC, Inc.	$ 21,984.97	red group 1 CO 7	DCR	1/12/2021	1/31/2021
C2160	5	NW Enforcement	$ 29,600.00	Security services at BCC; extending contract	Property Management	1/12/2021	12/31/2021
C2228	2	Otis Elevator	$ 30,500.00	Labor and material for adding cables in cars for security cameras for Medallion; amended to add time due to COVID delays	DCR	1/12/2021	3/31/2021
C2330	2	USA Mechanical	$ 15,084.00	HVAC maintenance at BCC; amended to extend contract	Property Management	1/12/2021	12/31/2021
C2535	1	Carlson Testing, Inc.	$ 500.00	Special inspection Floresta	DCR	1/13/2021	4/30/201
C2241	6	Bridgewater Group Inc	$ 24,510.00	Additional work related to purchase of 3032 SE Powell site.	DCR	1/14/2021	12/31/2021
C2333	2	Background Investigations, inc	$ 4,000.00	Tenant screening services; amended to extend contract	Property Management	1/14/2021	6/30/2021
C1849	8	Merryman Barnes Architects	$ 5,322.00	Additional architectural services for Powellhurst	DCR	1/15/2021	3/31/2021
C2083	3	KPFF Consulting Engineers	$ 7,500.00	ALTA surveying at Medallion; amending to update the survey	DCR	1/15/2021	3/31/2021
C2084	3	KPFF Consulting Engineers	$ 6,800.00	ALTA surveying at Williams Plaza; amended to update scope	DCR	1/15/2021	3/31/2021

C1994	11	LMC, Inc.	$ 282,296.44	red group 1 CO 8	DCR	1/19/2021	1/31/2021
C2320	3	Cascade Radon Inc.	$ 97.00	Radon re-testing office due to unforeseen conditions at Eastwood Court.	DCR	1/19/2021	3/31/2021
C2643	1	Cascade Radon Inc.	$ 665.00	Radon re-testing due to unforeseen conditions at Alderwood	DCR	1/19/2021	3/31/2021
c1968	30	Walsh Construction Co.	$ (13,823.00)	Medallion CO #13	DCR	1/20/2021	2/28/2021
C2431	1	Transition Projects, Inc.	$ 18,025.00	Resident Services at Peter Paulson, Gretchen Kafoury, and St. Francis; amended to extend contract	Community Services	1/20/2021	3/31/2021
C2098	5	Hedgehog Tree Care Inc.	$ -	Create tree protection plans for Hunters Run, Alderwood, Floresta, and Powellhurst Woods; amended to add time	DCR	1/21/2021	4/30/2021
C2255	5	Walsh Construction Co.	$ 707,577.00	Early materials purchase Dahlke	DCR	1/22/2021	4/1/2022
C2631	1	Environmental Works	$ 3,650.00	Lexington radon mitigation additional mitigation system install	DCR	1/23/2021	3/31/2021
C2422	2	Friendly House Inc.	$ 60,000.00	Health and wellness programs at Dahlke, Grace Peck, Holgate House, Rosenbaum, and Unthank; Rule 46-0340	Community Services	1/25/2021	12/31/2021
C2408	2	Cascade Radon Inc.	$ 2,401.00	Additional radon testing at New Columbia	DCR	1/26/2021	3/31/2021
C2620	1	Wannamaker Consulting	$ 7,987.75	additional environmental Assessment work for Dekum	DCR	1/27/2021	12/31/2021
C2671	1	Kennedy Restoration	$ 14,094.86	Scattered site tree fall emergency restoration. Emergency C2101 amendment for scope and PWR adjustment	Property Management	1/28/2021	4/30/2021
C2109	5	Holst Architecture	$ 89,249.00	Powell A&E scope amendment	DCR	1/29/2021	12/31/2023
C2607	1	Lile Moving & Storage	$ 25,000.00	Packing and moving services for relocation; amended to add funds	DCR	1/29/2021	3/31/2020
C2411	4	Amanda Morris	$ 3,238.00	Foot care clinics at NW Tower, HWE, Gallagher Plaza, Medallion, Williams Plaza, Ruth Haefner, Sellwood, & Schrunk, The Jeffrey, Unthank, Grace Peck, Dahlke, Rosenbaum, Pearl Court, Holgate House; amended to update scope for covid vaccine clinics	Community Services	1/29/2021	12/31/2021
C2287	3	Homewatch CareGivers of Portland	$ -	Provides bathing assistance and personal care services for CHSP; amended to update scope and extend contract	Community Services	2/1/2021	12/31/2021
C2531	2	Greenfield Geotechnical	$ 10,945.00	Geotechnical investigation for Baldwin site; amended scope and add time	DCR	2/2/2021	9/1/2022
C1856	1	Signal 88 Security	$ -	Security Services for SCC	Prop Mgmt	2/3/2021	12/31/2021

C2395	4	W.B. Wells & Associates, Inc	$ 5,900.00	85 stories group 7: updated ALTA and boundary surveys for Stark Manor and Fir Acres	DCR	2/3/2021	2/5/2022
C2505	1	Centric Elevator	$ 17,350.00	Elevator modernization Dahlke including alternates	DCR	2/4/2021	6/30/2022
C2540	1	Merryman Barnes Architects	$ 4,050.00	Added drawing time for New Market West Security Improvements permits	DCR	2/8/2021	12/31/2021
C2232	1	Elevator Consulting Services	$ -	Construction administration for modernizations of Medallion, Williams; amended to add time	DCR	2/11/2021	3/31/2021
C2442	2	NW Enforcement	$ 1,150.00	Security services at Prescott House; amended to extend services	Asset Management	2/11/2021	4/15/2021
C2456	2	NW Enforcement	$ 3,450.00	Security services at Powell Project; amended to extend contract	Asset Management	2/11/2021	9/30/2021
C2092	12	Lorentz Bruun Construction	$ 132,628.00	Amending scope to Fountain Place Design build	DCR	2/12/2021	9/30/2021
C2497	1	Ella Marra-Ketelaar	$ -	Extending contract to account for pandemic delay.	DCR	2/17/2021	12/31/2021
C2397	1	Portland State University	$ -	Executive leadership trainings; amended to extend contract	Executive	2/18/2021	12/31/2021
C2339	2	Elevator Consulting Services	$ -	Time extension to account for schedule changes from modernizer.	DCR	2/19/2021	6/30/2021
C2344	4	KO Construction	$ 1,200.00	Additional mounting block installations at Carlton Court & Eastwood Court	DCR	2/19/2021	6/30/2021
C2372	3	Environmental Works	$ -	added time to accommodate pandemic delay	DCR	2/19/2021	6/30/2021
C2408	3	Cascade Radon Inc.	$ 475.00	Additional radon testing at Humboldt	DCR	2/19/2021	3/31/2021
C2403	3	Snugs Services	$ 2,500.00	On-call snow removal services	Prop Mgmt	2/22/2021	3/31/2022
C1968	31	Walsh Construction Co.	$ 8,896.37	Medallion CO #14	DCR	2/25/2021	3/31/2021
C2214	2	Allied Universal Security Services	$ -	Security Services for HWE, NW Tower, NW Tower Annex, Sellwood, Gallagher; amended to add time	Prop Mgmt	2/25/2021	3/31/2021
C2246	2	RDH Building Sciences, Inc.	$ -	architectural and building sciences work for the window replacement at Gretchen Kafoury Commons; amended to add time	DCR	2/25/2021	2/23/2022
C2395	5	W.B. Wells & Associates, Inc	$ -	Boundary & Topo Surveys and ALTA/NSPS Land Title Surveys at Demar Downs, Fir Acres, Stark Manor, Townhouse Terrace	DCR	2/25/2021	5/30/2021
C2542	1	Nancy Davis Consulting	$ 25,000.00	Policy work group formation; amended to extend contract	Executive	2/25/2021	12/31/2021

C2582	1	Arrakis Professional Services	$ 96,708.00	Stationed security at NWT & Annex; amended to add funds for additional security during pandemic	Prop Mgmt	2/25/2021	8/31/2021
C2619	1	Nicole Updegrove	$ 1,080.00	Eviction Report presentation; amended to update scope	Executive	2/25/2021	10/15/2021
C2635	1	Bridge City Contracting	$ -	Beam replacement at Madrona; amended to add time	Property Management	2/25/2021	4/15/2021
C2394	3	KPFF Consulting Engineers	$ -	Boundary & Topo Surveys and ALTA/NSPS Land Title Surveys at Eastwood, Carlton, Celilo, Madrona	DCR	2/26/2021	5/30/2022
C2578	1	KPFF Consulting Engineers	$ -	Civil boundary and topo survey at Albina Clegg Head start Building (Dekum)	DCR	2/26/2021	5/30/2022
C2587	1	KPFF Consulting Engineers	$ -	Updated ALTA survey for Tamarack Apts for as-built changes that occurred during construction	DCR	2/26/2021	5/30/2021
Subtotal			**$ 1,701,667.34**				**60**

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

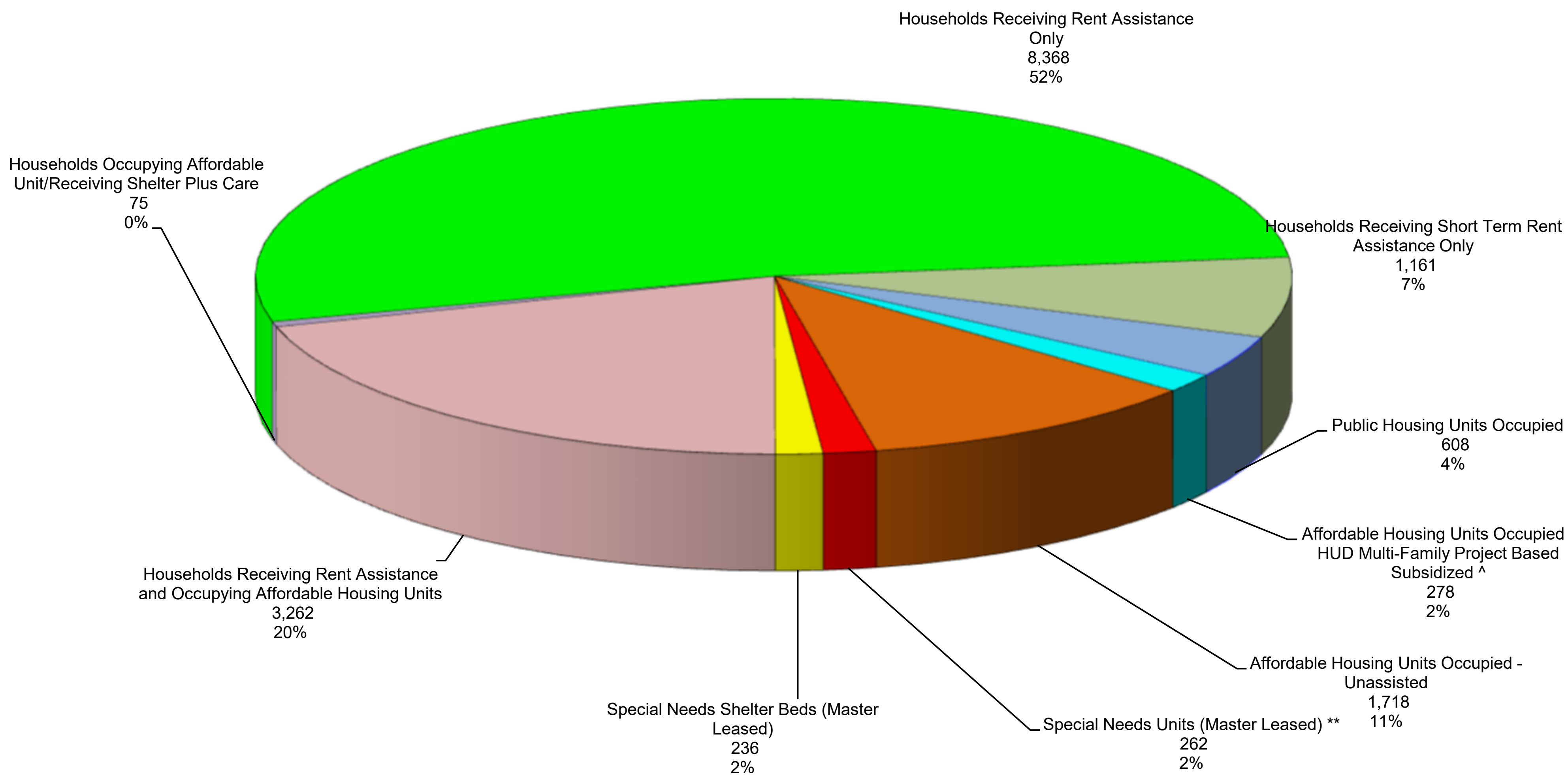
Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
Subtotal			**$ -**				**0**
Total			**$ 2,749,185.35**				**99**

Procurement & Contracts Department
FUTURE FORMAL PROCUREMENTS
6-Month Look Ahead - March 2021

Estimated Contract Amount	Description	Dept.	Solicitation Period
$9.4 million	Design/Build - Grace Peck	DCR	March 2021
$16 million	A&E - Troutdale	DCR	April 2021
$20 million	CM/GC - Troutdale	DCR	May 2021
$600,000	Window replacement at Gretchen Kafoury	DCR	Re-Bid Postponed TBD
$1.5 million	CHSP Housekeeping & Personal Care	Community Services	TBD
$11 million	A&E - Fairfield	DCR	TBD
$16 million	CM/GC - Fairfield	DCR	TBD

HOUSEHOLDS SERVED REPORT

Total Households Served: Rent Assistance and Occupied Housing Units February 2021



Total Households Served 15,968

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

* Includes Local Blended Subsidy

** 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 2021

Rent Assistance	All Programs		Moving to Work Programs		Non-MTW Programs	
Rent Assistance Vouchers - Home Forward Fundec		11,630		7,990		1,874
Tenant Based Vouchers	5,591		5,591			
Project Based Vouchers	1,588		1,588			
Hi Rise Project Based Vouchers	811		811			
RAD Project Based Vouchers	1,357					
Section 18 Project Based Vouchers	409					
Single Room Occupancy (SRO)/MODS	122				122	
Family Unification Program	215				215	
Mainstream Vouchers	87				87	
Veterans Affairs Supportive Housing (VASH)	685				685	
Rent Assistance - PORT IN From Other Jurisdiction	765				765	
Short Term Rent Assistance Programs		1,236		44		1,192
Shelter + Care	464				464	
Locally Funded Short Term Rent Assistance	728				728	
Earl Boyles	39		39			
MIF Funded Short Term Rent Assistance	-		-			
Alder School	-		-			
New Doors	5		5			
Employment Opportunity Program	-		-			
Work Systems Inc. - Agency Based Rent Assistance	-		-			
Total Rent Assistance		**12,866**		**8,034**		**3,066**
Subsidized Housing Units						
Public Housing Units Occupied		608		608		-
Traditional Public Housing units Occupied	608		608			
Affordable Housing Units Occupied (excluding PH subsidized		5,333				4,924
Affordable Housing Units - Tenant Based Vouchers	220				220	
Affordable Housing Units - Shelter + Care	75				75	
Affordable Housing Units - Project Based Vouchers	-				-	
Affordable Housing Units - Hi Rise Project Based Vouchers	811				811	
Affordable Housing Units - RAD Project Based Vouchers	1,357				1,357	
Affordable Housing Units Section 18 Project Based Vouchers	409					
^ Affordable Housing Units - HUD Multi-Family Project Based	278				278	
Affordable Housing Units - VASH Vouchers	442				442	
Affordable Housing Units - Family Unification Program	-				-	
Affordable Housing Units - Section 8 Port In	23				23	
Affordable Housing Units - Unassistec	1,718				1,718	
Special Needs		498				498
Special Needs Units (Master Leased) **	262				262	
Special Needs Shelter Beds (Master Leased)	236				236	
Total Households Occupying Housing Units		**6,439**		**608**		**5,422**
Total Housing Supports Provided to Household		**19,305**		**8,642**		**8,488**
Household Occupying Affordable Unit/Receiving Home Forward Rent Assistance		(3,262)				(3,262)
Households Occupying Affordable Unit/Receiving Shelter Plus Car‹		(75)				(75)
Total Households Served		**15,968**		**8,642**		**5,151**

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	Total
Public Housing	17	645	616	8	98.7%	8	323	186	122	6	0	645
Affordable Owned	26	2401	2,401	85	96.5%	867	704	618	182	30	0	2,401
Tax Credit Partnerships *	37	3,183	3,103	86	97.2%	969	1,071	602	386	138	17	3,183
Total Affordable Housing	63	5584	5504	171	96.9%	1,836	1775	1220	568	168	17	5,584
Combined Total PH and AH	80	6,229	6,120	179	97.1%	1,834	2,098	1,406	690	174	17	6,219
Special Needs (Master Leased)	27	262	262									
Special Needs (Shelter Beds)	3	236	236									
Total with Special Needs	110	6,727	6,618									

* Excludes Louisa Flowers- has not fully leased up yet

Financial

	Fiscal YTD ending 9/30/20: # 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)		09/30/20: # of Properties meeting Debt Coverage	# of Properties not meeting DCR	# of Properties DCR Not Applicable
Public Housing	17	645	0	0					
Affordable Owned	26	2,308	1	93			20	1	5
Tax Credit Partnerships	26	1,870	10	1,233	1	80	14	2	21

Public Housing Demographics

	Households: # of Households	% of Households	Average Family Size	Average Unit Size	% Family Type (head of household): Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Race % (head of household): Black African American	White	Native American	Asian	Hawaiian/ Pacific Islnd	Hispanic/ Latino	
Public Housing Residents															
0 to 10% MFI	115	18.7%	2.5	2.0	46.1%	54.0%	22.6%	22.0%	19.1%	65.2%	5.2%	1.7%	2.6%	27.0%	
11 to 20%	251	40.8%	1.7	1.5	78.5%	22.0%	64.1%	70.0%	21.5%	68.9%	2.4%	4.0%	1.2%	10.8%	
21 to 30%	124	20.2%	1.9	1.5	75.0%	25.0%	63.7%	58.0%	16.1%	69.4%	2.4%	8.9%		12.9%	
31 to 50%	86	14.0%	2.7	2.2	54.7%	45.0%	43.0%	34.0%	22.1%	68.6%	1.2%	1.2%	2.3%	19.8%	
51 to 80%	33	5.4%	2.5	2.2	48.5%	52.0%	42.4%	24.0%	24.2%	63.6%	3.0%	9.1%		30.3%	
Over 80%	6	1.0%	2.8	2.3	66.7%	33.0%	33.3%	17.0%	16.7%	66.7%		16.7%		16.7%	
All	**615**	**100%**	**2.1**	**1.7**	**67%**	**34%**	**52%**	**50.6%**	**20.2%**	**68.0%**	**2.8%**	**4.6%**	**1.3%**	**16.6%**	
Waiting List															
0 to 10% MFI	3,806	40.7%	2.1	1.7			40.7%	4.7%	49.7%	31.3%	2.6%	1.3%	5.2%	6.7%	2.0%
11 to 20%	2,868	30.7%	2.1	1.7			56.1%	10.7%	52.3%	29.5%	4.5%	1.1%	4.6%	4.4%	0.4%
21 to 30%	1,450	15.5%	2.5	1.9			37.0%	14.2%	48.6%	25.7%	7.4%	1.5%	6.1%	7.9%	0.3%
31 to 50%	907	9.7%	2.6	2.0			30.5%	12.8%	47.9%	26.9%	8.7%	1.7%	5.1%	8.2%	0.1%
51 to 80%	222	2.4%	2.6	2.0			24.3%	10.4%	49.6%	18.5%	12.2%	4.1%	5.0%	5.9%	0.0%
Over 80%	90	1.0%	2.2	1.8			30.0%	6.7%	34.4%	42.2%	5.6%	2.2%	3.3%	6.7%	0.0%
All	**9,343**	**100.0%**	**2.2**	**1.8**			**43.4%**	**9.0%**	**50.0%**	**29.2%**	**4.8%**	**1.4%**	**5.1%**	**6.3%**	

Other Activity

Public Housing	
Names pulled from Wait List	162
Denials	2
New rentals	4
Vacates	4
Evictions	0

Rent Assistance Performance Measures

Utilization and Activity

	Current Month Status: Authorized Vouchers	Utilized Vouchers	Utilization	Average Voucher	HUD Subsidy Over / (Under)	Remaining Waiting List	Current Month Activity: Waiting List Names	New Vouchers Leased	Vouchers Terminated	Voucher Inspections Completed	Calendar Year To Date: Utilization	Average Voucher	HUD Subsidy Over / (Under)	New Vouchers Leased	Vouchers Terminated
Tenant Based Vouchers	5,909	5,591	95%	$791	-269,663	1,134	0	34	6	325	95%	$791	-528,897	79	9
Project Based Vouchers	2,933	2,808	96%	$861	103,840			19	16	44	96%	$872	267,361	53	24
VASH Vouchers	970	685	71%	$768	-28,280			6	1	38	70%	$772	-53,421	14	3
FUP Vouchers	244	215	88%	$915	37,190			1	0	8	87%	$926	73,737	4	1
Mainstream Vouchers	229	87	38%	$923	-111,703			0	0	1	38%	$467	-303,680	1	1
RAD Project Based Vouchers	1,419	1,357	96%	$448	-262,459			7	11	19	95%	$224	-1,132,177	20	18
SRO/MOD Vouchers	130	122	94%	$487	-1,428			1	0	80	94%	$484	-3,162	2	2
All Vouchers	**11,834**	**10,865**	**92%**	**$765**	**-532,503**			**68**	**34**	**515**	**92%**	**$736**	**-1,680,239**	**173**	**58**

Demographics

Tenant Based Voucher Participants *	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	Black African American	White	Native American	Asian	Hawaiian/ Pacific Islnd	Hispanic/ Latino
0 to 10% MFI	1,133	17.1%	2.4	1.9	50.4%	50.0%	21.6%	30.0%	38.3%	48.3%	3.8%	1.7%	1.0%	8.8%
11 to 20%	2,588	39.0%	1.8	1.7	78.6%	21.0%	62.0%	71.0%	34.4%	54.0%	1.8%	6.3%	0.5%	5.5%
21 to 30%	1,504	22.7%	2.2	1.9	69.9%	30.0%	56.6%	58.0%	32.9%	57.4%	1.1%	4.5%	0.7%	6.3%
31 to 50%	1,053	15.9%	2.8	2.3	50.5%	49.0%	38.1%	38.0%	40.8%	47.8%	2.1%	3.5%	1.8%	9.3%
51 to 80%	321	4.9%	2.8	2.5	46.9%	53.0%	26.1%	23.0%	50.9%	38.5%	2.8%	3.1%	0.9%	6.2%
Over 80%	36	0.5%	2.7	2.4	58.3%	42.0%	13.9%	19.0%	41.7%	44.4%		5.6%	2.8%	8.3%
All	**6,635**	**100%**	**2.2**	**1.9**	**65.7%**	**34.1%**	**48.0%**	**53.2%**	**36.6%**	**52.0%**	**2.1%**	**4.5%**	**0.9%**	**6.9%**

* (Includes Tenant Based, FUP, VASH, Mainstream and Port In Vouchers)

Project Based Voucher Participants	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	Black African American	White	Native American	Asian	Hawaiian/ Pacific Islnd	Hispanic/ Latino
0 to 10% MFI	1062	26.6%	1.9	1.1	63.6%	36.0%	28.0%	31.0%	22.8%	65.1%	3.7%	1.3%	1.5%	15.0%
11 to 20%	1705	43.0%	1.6	0.9	82.4%	18.0%	60.9%	71.0%	23.7%	65.3%	3.5%	3.5%	0.7%	9.2%
21 to 30%	705	17.7%	1.8	1.1	77.6%	22.0%	61.8%	59.0%	21.7%	68.7%	2.6%	3.0%	0.7%	7.5%
31 to 50%	376	9.4%	2.8	1.9	51.7%	48.0%	40.5%	31.0%	28.8%	60.3%	3.5%	1.9%	1.3%	23.2%
51 to 80%	111	2.8%	2.8	2.1	46.9%	53.0%	36.0%	20.0%	31.5%	55.9%	7.2%	2.7%	0.9%	27.0%
Over 80%	17	0.4%	3.1	2.6	47.1%	53.0%	29.4%	12.0%	23.5%	76.5%				29.4%
All	**3,976**	**100%**	**1.9**	**1.1**	**72%**	**27%**	**50%**	**52.7%**	**23.8%**	**65.1%**	**3.4%**	**2.6%**	**1.0%**	**12.4%**

Waiting List	Households				% Family Type (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	Not Reported
0 to 10% MFI	350	32.2%	2.0				2.9%	26.0%	30.3%	56.3%	4.0%	2.3%	0.9%	7.0%	0.6%
11 to 20%	296	27.2%	1.9				17.6%	55.4%	26.0%	59.8%	2.0%	5.7%	1.4%	4.6%	0.7%
21 to 30%	221	20.3%	2.0				18.6%	43.0%	19.5%	67.9%	0.9%	3.6%	0.9%	5.3%	0.9%
31 to 50%	182	16.7%	2.5				9.9%	23.6%	27.5%	55.5%	3.9%	5.0%	1.1%	5.5%	0.6%
51 to 80%	31	2.9%	2.2				16.1%	19.4%	41.9%	35.5%		6.5%		10.3%	3.2%
Over 80%	7	0.6%	2.9						28.6%	42.9%			14.3%	4.6%	
All	**1,087**	**100.0%**	**2.1**				**11.6%**	**36.7%**	**26.8%**	**58.8%**	**2.7%**	**4.0%**	**1.1%**	**5.8%**	**1.0%**

Short Term Rent Assistance

	# of Households Participating	$ Amount of Assistance Provided	Average Cost per Household
Shelter Plus Care	464	$448,221	966
Short Term Rent Assistance	772	$803,816	1,041

Resident Services

Resident Programs

	Housing Program Served	Households Served/	Monthly Funding Amount	Average Funds per Participant
Congregate Housing Services	Public Housing	146	$80,273	$549.81

* as of previous month

		# Services	# of Programs	# Event Attendees	# Notice/Violation Meetings	# Eviction Notices	# Housing Stability Meetings
Resident Services Coordination	Public Housing	967	9	152	9	28	25

Agency Nine months ending 9/30/20

The below data represents unaudited financial data.

	Fiscal Year to Date	Prior YTD	Increase (Decrease)
Subsidy Revenue	$89,669,376	$83,761,013	$5,908,363
Grant Revenue	$17,365,787	$16,424,309	941,478
Property Related Income	$15,804,516	$16,158,864	(354,348)
Development Fee Revenue	$6,210,824	$7,847,025	(1,636,200)
Other Revenue	$10,913,485	$9,621,847	1,291,638
Total Revenue	**$139,963,989**	**$133,813,058**	$6,150,931
Housing Assistance Payments	$87,906,367	$78,894,504	9,011,863
Operating Expense	$42,487,753	$39,010,186	3,477,567
Depreciation	$3,180,901	$3,387,122	-206,221
Total Operating Expenses	**$133,575,021**	**$121,291,811**	**12,283,210**
Operating Income	**$6,388,968**	**$12,521,246**	**-$6,132,279**
Other Income(Expense)	-$895,857	$11,009,280	-11,905,138
Capital Contributions	$932,068	-$194,963	1,127,031
Increase(Decrease) Net Assets	**6,425,179**	**23,335,564**	**-16,910,385**
Total Assets	**$ 991,551,358**	**$ 861,350,221**	**$ 130,201,137**
Liquidity Reserves	33,530,304	29,928,641	3,601,663

Development/Community Revitalization

New Development / Revitalization	Units	Construction Start	Construction End	Current Phase	Total Cost	Cost Per Unit
North Group Rehab Project	350	18-Dec	30-Sep	Post -Construction	$101,323,805	$289,496
East Group Rethab Project	315	19-Jun	21-Mar	Construction	$79,925,247	$253,731
Fountain Place Rehab Project	74	20-Mar	21-Dec	Construction	$32,804,443	$443,303
Capital Improvement						
Gretchen Kafoury Windows Replacem	N/A	21-Mar	21-Sep	Pre-Construction	$875,000	N/A
Sequioa Elevated Deck	N/A	21-Mar	21-Sep	Pre-Construction	$1,822,000	N/A
Schiller Way Elevated Deck Project	N/A	21-Mar	21-Jun	Pre-Construction	$204,000	N/A
Kelly Place Elevated Deck	N/A	21-Mar	21-Jun	Pre-Construction	$136,016	N/A