

PUBLIC NOTICE:



Home Forward
BOARD OF COMMISSIONERS
will meet on
Tuesday, April 19, 2022
At 5:30 pm
Zoom Register here:

<https://homeforward.zoom.us/j/86975073982?pwd=VmRtdThuTmFBeW1ERUIYUDBKU0VrUT09>



MEMORANDUM

To: Community Partners

Date: April 12, 2022

From: Ivory Mathews, Executive
Director

Subject: Home Forward Board of
Commissioners April
Meeting

The Board of Commissioners of Home Forward will meet on Tuesday, April 19 at 5:30 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/j/86975073982?pwd=VmRtdThuTmFBeW1ERUIYUDBKU0VrUT09>

The commission meeting is open to the public.

AGENDA



BOARD OF COMMISSIONERS MEETING

HOME FORWARD
135 SW ASH STREET
PORTLAND, OREGON

VIA ZOOM

<https://homeforward.zoom.us/j/86975073982?pwd=VmRtdThuTmFBZW1ERUIYUDBKU0VrUT09>

APRIL 19, 2022, 5:30 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 March 15, 2022 Board of Commissioners Virtual Meeting

CONSENT CALENDAR

Following Reports and Resolutions:			
22-04	Topic	Presenter/POC	Phone #
01	Amend the Dekum Court Redevelopment Phase 1 Permanent Loan Amount Authorized in Resolution 22-03-05	Jonathan Trutt Theresa Auld	503.802.8507 503.802.8311

RESOLUTIONS/REPORTS

Following Reports and Resolutions:			
22-04	Topic	Presenter/POC	Phone #
02	Authorize Amendment to Home Forward Public Contracting Rules and Procedures Manual	Celeste King	503.802.8541
03	Authorize Increase in Construction Contingency for the Renovation of Fountain Place Apartments	Jonathan Trutt Theresa Auld	503.802.8507 503.802.8311

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, May 4, 2022 at 5:30 PM. The next Board of Commissioners meeting will be Tuesday, May 17, 2022 at 5:30 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 SPECIAL MEETING
HOME FORWARD
CONFERENCE CALL
135 SW Ash Street Portland, OR 97204
March 15, 2022**

COMMISSIONERS PRESENT

Chair Damien Hall, Vice Chair Matthew Gebhardt, Treasurer Jenny Kim, Commissioners Dina DiNucci, TomiRene Hettman, Vivian Satterfield, Rakeem Washington

STAFF PRESENT

Elise Anderson, Theresa Auld, April Berg, Ian Davie, Tonya Evans, Dena Ford-Avery, Monica Foucher, Yvette Hernandez, Ivory Mathews, Tara Messier, Kitty Miller, Brian Rutzen, Kandy Sage, Amanda Saul, Shannon Schmidt, Kellie Shaw, Ian Slingerland, Taylor Smiley Wolfe, Aimee Smith, Celia Strauss, Jonathan Trutt, Linda Uppinghouse,

LEGAL COUNSEL

Sarah Stauffer Curtiss

Chair Damien Hall convened the meeting of the Board of Commissioners at 5:35 PM welcoming Executive Director Ivory Mathews to her first board meeting. Executive Director Mathews said she has appreciated the welcome she has received over the past week, the amazing onboarding that has been a thoughtful approach to acclimating her to Home Forward and Portland. Mathews is thrilled to engage with the board, staff, community partners and build on the amazing work being done. She looks forward to developing a five-year and strategic plan and leading this incredible organization. Chair Hall hoped that the board could engage more with Mathews at the upcoming April work session.

Cathy Millis, Dahlke Manor resident updated the board on the construction work at the property. She reported the parking lot is finished, but no access yet. The garbage/recycling have been moved to the street and residents are anxious to get it closer. As the rehab is completed on the upper floors, there are areas of the first floor and lobby that are still shut off with mailboxes being relocated to the third floor. Although there have been some miscommunications there are positive reports such as the laundry room

and its amenities. The elevators continue to be an issue and currently only one is available for staff and construction workers to share.

Chair Hall thanked Millis for keeping the board and staff on task and appreciated hearing about the things she liked.

MEETING MINUTES

Minutes of the February 15, 2022 Board of Commissioners Conference Call Meeting

Chair Damien Hall requested a motion authorizing approval of the minutes for February 15, 2022 Board of Commissioners Meeting.

There being no discussion, Commissioner TomiRene Hettman moved to approve a motion for approval, and Treasurer Jenny Kim seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

RESOLUTIONS

RESOLUTION 22-03-01 Authorize Submission of Moving to Work Twenty Second-year Annual Report

Taylor Smiley Wolfe presented the resolution providing background on why we submit the annual report. The annual report is the second largest report submitted to HUD with the annual plan being the largest. The report measures our achievements. Smiley Wolfe turned it over to Brian Rutzen, Senior Financial Analyst, AKA MTW wizard. Rutzen reported it was a good year and one of adjustments due to Covid. He walked through some of the metrics showing income growth in earned income, a shift to self-sufficiency, opportunities for households to move to a better unit. Although we did not reach our benchmark in some activities, we will take a deeper dive in these areas we missed primarily due to the pandemic.

Treasurer Jenny Kim was surprised to see residents leaving, is that a good thing?

Rutzen said there are a few ways to transition to self-sufficiency. This can be earned income and having a safety net in place when their income doesn't qualify. Taylor Smiley Wolfe said HUD's policy on income allows for 188 days and we plan to ask for flexibility to amend the timeframe with the expectation of seeing this in the future.

Commissioner Vivian Satterfield adding that we hope there is not a boomerang effect. Commissioner Dina DiNucci asked once a resident is not receiving assistance, are they eligible for other supports as they leave the program and what is the timing of their notice. Smiley Wolfe said the program is specific to HUD regulations, which is a 128-day notice with no further assistance at the time of leaving. If they are living in one of our properties, they have the option to stay with a zero subsidy. Deputy Executive Director Ian Davie said we are looking into the impacts of geography, income, household composition as we delve deeper.

Chair Hall appreciated all the work, Rutzen's wizardry and Smiley Wolfe's getting into the weeds on the matrix and report.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 22-03-01. Commissioner Vivian Satterfield moved to adopt Resolution 22-03-01. Commissioner Dina DiNucci seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

RESOLUTIONS

RESOLUTION 22-03-02 Authorize Contract for Architecture and Engineering Services for Peaceful Villa Redevelopment

April Berg, Development Assistant Director presented the resolution. Noting that the information provided in the memo reflects resolution 02 and 03. Berg presented an overview of the property adding it is included in the 85 Stories Initiative. It is one of the

properties that will convert from Public Housing to Section 8 rental assistance as part of the RAD conversion.

Resolution 22-03-02 will authorize the architecture and engineering services. Berg said this process is similar to previous board action with Dekum Court and other 85 Stories projects. Berg highlighted the request for proposals, described the selection process and the ultimate selection of Bora Architects. Adding Chair Hall was on the selection committee.

Resolution 22-03-02 authorizes the General Contractor for pre-construction services. Berg described the process of the RFP and ultimate selection of LMC Construction. LMC is familiar to Home Forward and has performed well through the pandemic.

READ reviewed the resolution at their March 4 meeting.

Commissioner Satterfield said she is familiar with the property and in her day job is working with LMC on a project in the Cully neighborhood.

Berg reported meeting with residents during two sessions in December and January, with one more in April providing a long lead time. These sessions will help shape a road map and provide a better understanding for property management and the residents. Focus groups have been identified and ten residents have joined.

Chair Hall thanked Berg for breaking down the resolutions and requested a separate resolution for each action.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 22-03-02. Treasurer Jenny Kim moved to adopt Resolution 22-03-02. Commissioner TomiRene Hettman seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye

Commissioner Rakeem Washington—Aye

RESOLUTION 22-03-03 Authorize Contract for Construction Management/General Contractor Preconstruction Services for Peaceful Villa Redevelopment

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 22-03-03. Commissioner Dina DiNucci moved to adopt Resolution 22-03-03. Commissioner Vivian Satterfield seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye

Vice Chair Matthew Gebhardt—Aye

Treasurer Jenny Kim—Aye

Commissioner Dina DiNucci—Aye

Commissioner TomiRene Hettman—Aye

Commissioner Vivian Satterfield—Aye

Commissioner Rakeem Washington—Aye

RESOLUTION 22-03-04 Authorize Issuance of Governmental Notes for Dekum Court Redevelopment

Development Director Jonathan Trutt presented the resolution and provided background on the redevelopment, noting it is akin to a HOPE VI project. The renovation conversation dates to 2016, that includes a RAD conversation and S18. We are currently in the first phase of planning the redevelopment of 40 units. Trutt described the one for one replacement that will include rental subsidy. He recognized Julie Livingston, Lewis Lyles, Theresa Auld and Pamela Kambur who are working diligently on the project and have HOPE VI experience under their belt.

With a power point, Trutt was able to walk through a map of the site, highlighting the first phase that will not require residents to move as replacement housing is built. There will be a community building with a sports court and space saved for Albina Head Start to return to the site. He also called out a small parcel of land that we may have the opportunity to purchase as a land bank.

The resolution is standard to development projects. The action will authorize the issuance and sale of two governmental notes that will finance a portion of the costs of construction and equipping the project.

As talked about in the READ meeting, we are seeing volatility in the market with costs up \$2M. As we continue to see an uptick in costs, there is a possibility we may need to sell more bonds.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 22-03-04. Treasurer Jenny Kim moved to adopt Resolution 22-03-04. Commissioner Vivian Satterfield seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

22-03-05 Authorize Execution of Financing Documents for Dekum Court Redevelopment
Trutt continued with resolution 22-02-05 which echoes a continuation of the Dekum redevelopment and reflects a rise in construction costs. The numbers mirror the current inflationary environment. Trutt presented the sources of funding and the expected costs.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 22-03-05. Commissioner TomiRene Hettman moved to adopt Resolution 22-03-05. Treasurer Jenny Kim seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

RESOLUTION 22-03-06 Authorize Amendments or Contracts for Construction

Development Director Trutt reiterated a history of increased construction costs and with a phased construction we will see the lion's share of construction costs in Phase 2. Trutt described the offsetting as we keep the project on track. Home Forward will fund a cost escalation reserve at the financial closing to mitigate the risk that Phase 2 costs could be even more than currently projected.

Chair Hall said there was a robust conversation at the READ about the moving numbers which are an indicator of rising construction costs.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 22-03-06. Treasurer Jenny Kim moved to adopt Resolution 22-03-06. Commissioner Dina DiNucci seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

RESOLUTION 22-03-07 Authorize Property Tax Exemption to Rockwood Village

Jonathan Trutt, Development Director provided the background on the property tax exemption, which has been discussed for some time at the READ meetings. We see this as part of our “one system goal.” This resolution is the second such effort we have brought to the board with the first in late 2021 for an effort in the Portland. Now we are in Gresham working with Community Development Partners and Hacienda on Rockwood Village.

We are working in partnership with the City of Gresham in an effort that doesn't require a local buy in but is important for us to work with the city and their goals. Gresham and Home Forward concur that Rockwood Village meets the eligibility criteria. This resolution allows us to enter into an agreement, which will be crucial for this plan to be delivered.

Commissioner Dina DiNucci, speaking as a Gresham City Councilor has been involved in this project that will bring a lot to the community. They have had some bumps along the way, and she is grateful for the support of Home Forward and the willingness to work with Gresham to find common goals. She thanked Trutt and Home Forward for finding balance and all the hard work.

Chair Hall thanked Trutt for sticking with it, noting this project led to the policy and feels it works well.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 22-03-07. Commissioner Dina DiNucci moved to adopt Resolution 22-03-07. Commissioner Vivian Satterfield seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

ADJOURN

There being no further business, Chair Damien Hall adjourned the meeting at 6:32 PM.

Celia M. Strauss
Recorder, on behalf of
Ivory N. Mathews, Secretary

ADOPTED: APRIL 19, 2022

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Damien R. Hall, Chair

CONSENT CALENDAR



MEMORANDUM

To: Board of Commissioners	Date: April 19, 2022
From: Jonathan Trutt, Director Development & Community Revitalization 503.577.6620 Theresa Auld Finance Manager 503.802.8319	Subject: Amend the Dekum Court Redevelopment Phase 1 Permanent Loan Amount Authorized in Resolution 22-03-05 Resolution 22-04-01

Staff requests the Board of Commissioners approve Resolution 22-04-01. This resolution will increase the maximum permanent loan for Phase 1 of the Dekum Court Redevelopment (the “Phase 1 Perm Loan”).

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

BACKGROUND

Home Forward will complete Dekum Court’s redevelopment in two construction phases to avoid displacing current residents. The project will have two permanent loans, one for each stage of construction.

Resolution 22-03-05 authorized Home Forward to execute permanent loan documents for up to \$4,000,000 for the Phase 1 Perm Loan.

OVERVIEW

Staff has successfully negotiated an increase in the Phase 1’s Perm Loan from its lender: Chase Bank. This increase, which would reduce Home Forward’s contribution to Dekum Court’s redevelopment, stems from adjusting the loan’s amortization period. It does not increase the debt service payment amount, nor does it change the income profile of the households served. (See table below.)

Units Affordable to Households Earning...			
30% AMI		60% AMI	
Studio	24	Studio	32
1BR	5	1BR	8
2BR	34	2BR	36
3BR	34	3BR	7
4BR	4	4BR	3
Total:	101	Total:	86

CONCLUSION

Staff requests the Board of Commissioners adopt Resolution 22-04-01.

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RESOLUTION 22-04-01

RESOLUTION 22-04-01 AUTHORIZING AN INCREASE IN THE PERMANENT LOAN FOR DEKUM COURT APARTMENTS LOCATED IN PORTLAND, MULTNOMAH COUNTY, OREGON

WHEREAS, pursuant to Resolution 22-03-05 (the “**Prior Resolution**”), the Board of Home Forward approved certain Resolutions related to the acquisition and financing of the Dekum Court Apartments (the “**Project**”) which will be owned by Dekum 2 Limited Partnership (the “**Partnership**”), of which Home Forward is the general partner; and

WHEREAS, in the Prior Resolution, the Board of Home Forward approved a permanent loan defined therein as the “Phase 1 Permanent Loan” from JPMorgan Chase Bank, N.A in an amount not to exceed \$4,000,000; and

WHEREAS, Home Forward has determined it to be in the best interests of Home Forward, the Partnership, and the Project to increase the amount of the Phase 1 Permanent Loan to an amount not to exceed \$5,000,000.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF HOME FORWARD, IN ITS OWN CAPACITY AND ITS SEPARATE CAPACITY AS THE GENERAL PARTNER OF THE PARTNERSHIP, ADOPTS THE FOLLOWING RESOLUTIONS:

1. **RESOLVED**, that Home Forward, in its individual capacity, as general partner of the Partnership and on behalf of the Partnership, is authorized and directed to execute and deliver such documents as may be required to close on the Phase 1 Permanent Loan in an amount not to exceed \$5,000,000, and to execute such other documents as reasonably may be required in connection with the closing of the Phase 1 Permanent Loan, all in the form approved by any single Authorized Officer (such approval to be conclusively demonstrated by the signature of any single Authorized Officer on such documents).

2. **RESOLVED**, that any action required by this Resolution is authorized to be taken by Ivory N. Matthews, Executive Director of Home Forward, Damien Hall, Chair of the Board, Kitty Miller, Deputy Executive Director of Home Forward, or Kandy Sage, Deputy Executive Director - Finance of Home Forward, or the respective successors or assigns of each (each individually, an “**Authorized Officer**”), and each of them acting alone, is authorized to take action as an Authorized Officer, and in the absence of such Authorized Officer, may be taken by the duly authorized acting Executive Director of Home Forward, Chair of the Board, acting Deputy Executive Director of Home Forward, or acting Deputy Executive Director - Finance of Home Forward, respectively.
3. **RESOLVED**, that to the extent any action, agreement, document, or certification has heretofore been taken, executed, delivered, or performed by an Authorized Officer named in these Resolutions on behalf of Home Forward (whether in its own capacity, or as the General Partner) or the Partnership and in furtherance of the Project, the same is hereby ratified and affirmed.

This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED: APRIL 19, 2022

Attest:

Home Forward:

Ivory N. Mathews

Damien R. Hall, Chair

RESOLUTIONS



MEMORANDUM

To:	Board of Commissioners	Date:	April 19, 2022
From:	Celeste King, Manager Procurement and Contracts 503.802.8541	Subject:	Authorize Amendment to Home Forward Public Contracting Rules and Procedures Manual Resolution 22-04-02

The Board of Commissioners is requested to authorize and amend the Home Forward Public Contracting Rules and Procedures Manual.

This action supports Home Forward's Strategic Plan, specifically the One Community focus on advancing racial equity. This action also supports Strategic Plan Goal, One Agency: We build our skills and work together in ways that help us constantly evolve and improve our ability to serve our community.

BACKGROUND

Oregon's public contracting laws urge public agencies to utilize prison labor contracts (codified as qualified rehabilitative agencies) to subsidize the costs of the state's support of the prison programs. As a result, public agencies contract with private companies for items such as uniforms, signage, and labor, and profits flow to these private companies as incarcerated laborers receive pennies on the dollar for their work. In alignment with our agency wide equity work, Home Forward will not support such exploitation.

OVERVIEW

By amending the Home Forward Public Contracting Rules and Procedures Manual to eliminate and prohibit its contractors from engaging in or supporting the use of prison labor, Home Forward intends to increase awareness about how public dollars are spent and how prison labor upholds exploitation of incarcerated persons.

To implement this recommendation, Section 46-0120 of the Home Forward Public Contracting Rules and Procedures Manual will be amended. Specifically, the Section will read:

46-0120

Use of Prison Labor on Home Forward's Contracts.

Except to the extent required by the Oregon Constitution, Home Forward prohibits, and requires its contracting parties to prohibit, the use of prison labor, products and services in the performance of any Home Forward Contract. This rule is effective 4/19/2022 and it shall apply to all Contracts advertised or, if not advertised, executed on or after the effective date.

Stat. Auth.: ORS 279A.065

Stats. Implemented: ORS 279A; ORS 279B; ORS 279C

This change will ensure that all contracts entered under this delegated authority are covered with the recommendation and intent of the Board of Commissioners.

CONCLUSION

The Board of Commissioners is requested to authorize and amend the Home Forward Public Contracting Rules and Procedures Manual in the manner prescribed above.



RESOLUTION 22-04-02

RESOLUTION 22-04-02 AUTHORIZES AN AMENDMENT TO THE HOME FORWARD PUBLIC CONTRACTING RULES AND PROCEDURES MANUAL

WHEREAS, currently, the Home Forward Public Contracting Rules and Procedures do not address prison labor in its contracting practices; and

WHEREAS, Home Forward intends to increase awareness about how public dollars are spent and how prison labor upholds exploitation of incarcerated persons; and

WHEREAS, to give effect to this goal, staff of the Procurement and Contracts Department are recommending an amendment of Section 46-0120 to the Home Forward Public Contracting Rules and Procedures Manual to read:

46-0120

Use of Prison Labor on Home Forward's Contracts.

Except to the extent required by the Oregon Constitution, Home Forward prohibits, and requires its contracting parties to prohibit, the use of prison labor, products and services in the performance of any Home Forward Contract. This rule is effective 4/19/2022 and it shall apply to all Contracts advertised or, if not advertised, executed on or after the effective date.

Stat. Auth.: ORS 279A.065

Stats. Implemented: ORS 279A; ORS 279B; ORS 279C

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward amends Section 46-0120 of the Home Forward Public Contracting Rules and Procedures Manual to include the language above.

ADOPTED: APRIL 19, 2022

Attest:

Ivory N. Mathews, Secretary

Home Forward:

Damien R. Hall, Chair



MEMORANDUM

To: Board of Commissioners Date: April 19, 2022

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

Subject: Authorize Increase in Construction
Contingency for the Renovation of
Fountain Place Apartments
Resolution 22-04-03

Theresa Auld, Finance Manager,
Development and Community
Revitalization
503.802.8311

Staff requests the Board of Commissioners to authorize the Executive Director or her designee to

- Approve all documents necessary extend the term of Fountain Place's construction loan and maintain its eligibility for affordable housing financing sources such as tax-exempt bonds and Low Income Housing Tax Credits (LIHTC);
- Approve an increase in Home Forward's investment in Fountain Place's renovation to the not-to-exceed amount of \$2,875,000.

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 the neighborhoods it serves.

BACKGROUND

Fountain Place is an unreinforced masonry building located at 929 SW Salmon Street in downtown Portland. Upon the completion of its seismic upgrades and other renovations, it will have 74 affordable homes. Construction is approximately 80% complete and Fountain Place is slated to re-open for occupancy on May 31, 2022.

In December 2019, the Board authorized \$15.5 million in construction expenditures to renovate Fountain Place. This amount consisted of a Guaranteed Maximum Price (GMP) price contract of \$13,899,995 with Lorentz Bruun Construction and an owner's contingency to cover reasonably unforeseen conditions.

Fountain Place closed on its financing and began construction on March 26, 2020. This was three days after Governor Brown issued Executive Order 20-12: "Stay Home, Save Lives."

Fountain Place has experienced cost increases and significant construction delays. Assuming the project meets its targeted May 31 completion date, it will be 11 months late. Resolution 21-12-06 addressed the issue of cost increases, authorizing the expenditure of an additional \$1,265,000 to enable Lorentz Bruun to complete construction.

OVERVIEW

The attached resolution provides the authorizations needed to extend the initial construction and lease-up timelines underpinning Fountain Place's tax-exempt bond issuance, Low Income Housing Tax Credits (LIHTC), Historic Tax Credits (HTC) and construction and permanent loan agreements.

Over the past three months, staff has successfully negotiated extensions to Fountain Place's construction and permanent loans with Banner Bank. The two key issues in those discussions were:

- 1) Proof that construction is continuing and on track for a May 31, 2022 completion.
- 2) Proof that Home Forward will, through its own resources, ensure the lien-free completion of construction.

On the first point, the bank is satisfied that work is progressing at an appropriate pace. On the second point, the bank will require Home Forward to commit up to \$2,875,000 of additional funds to ensure Fountain Place's completion. This figure is a conservative not-to-exceed number. It stems from the combination of outstanding construction costs and, due to the project's delay, increased soft costs such (e.g. construction loan interest and extension fees) and loss of tax credit equity.

Staff presented a draft of this memo and previous draft of this resolution at the April 1, 2022 READ meeting. Staff subsequently updated the resolution in response to further discussion between Home Forward counsel and the lender's counsel. Staff updated READ

members on the changes made to the resolution prior to the April 19, 2022 board meeting.



RESOLUTION 22-04-03

RESOLUTION 22-04-03 AUTHORIZES THE EXECUTIVE DIRECTOR OR HER DESIGNEE TO INCREASE THE AMOUNT OF THE EXISTING SPONSOR LOAN TO A LOAN AMOUNT OF UP TO \$13,611,000

WHEREAS, Home Forward is the general partner of FP2 Limited Partnership (the “Partnership”), an Oregon limited partnership, which is the owner of Fountain Place Apartments, a 74- unit affordable apartment building located in the City of Portland (the “Project”);

WHEREAS, pursuant to Resolution 19-12-03, Home Forward, in its individual capacity as a public body and as the general partner of the Partnership, was authorized to execute various financing and loan documents with respect to the development of the Project.

WHEREAS, the financing for the Project included a \$17,310,000.00 loan from Banner Bank, of which \$14,310,000.00 was in the form of an Interim Renovation Loan with an initial maturity date of April 1, 2022, with a first extension of six (6) months to October 1, 2022 (the “First Extension”) and a second extension for an additional seven (7) months to May 1, 2023 (the “Second Extension”);

WHEREAS, due to increases in construction costs and delays in the construction schedule, the Partnership exercised the First Extension with Banner Bank and executed and delivered a Loan Modification Agreement, Commercial Pledge and Security Agreement and Certification to Allow Loan Modification;

WHEREAS, pursuant to the Commercial Pledge and Security Agreement, the Partnership deposited \$2,789,825.00 into a Bank Controlled account.

WHEREAS, to cover increased costs in the development of the Project and the required deposit into the Bank Controlled Account, Home Forward desires to increase its current Sponsor Loan from \$10,735,997 to \$13,611,000.

WHEREAS, the Board of Commissioners desires to authorize the Executive Director or her designee (the “Authorized Representative”) to execute and deliver such documents as may be required to document the increased Sponsor Loan;

WHEREAS, the Board of Commissioners desires to provide the Authorized Representative the authority to increase the Sponsor Loan up to an additional \$1,000,000 without further Board of Commissioners’ authorization and to execute and deliver such documents as may be required to document any such additional increase in Sponsor Loan; and

WHEREAS, the Board of Commissioners desires to ratify and affirm all actions previously taken or documents previously executed to accomplish the foregoing.

NOW THEREFORE, BE IT RESOLVED that that the Board of Commissioners of Home Forward hereby authorizes Home Forward to increase the Sponsor Loan by an additional \$2,875,000 bringing the total Sponsor Loan to \$13,611,000 and for the Authorized Representative to execute and deliver all such documents as may be required to increase the Sponsor Loan to \$13,611,000;

FURTHER RESOLVED, that Authorized Representative is authorized to increase the Sponsor Loan up to an additional \$1,000,000 without further Board of Commissioners authorization and to execute and deliver such documents as may be required to document any such additional increase in Sponsor Loan; and

FURTHER RESOLVED, that the Board of Commissioners ratifies and affirms all actions previously taken or documents previously executed to accomplish the foregoing.

ADOPTED: APRIL 19, 2022

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Damien R. Hall, Chair

STAFF REPORTS

Procurement & Contracts Department
MONTHLY CONTRACT REPORT
Contracts Approved 02/01/22 - 03/31/22

PUBLIC IMPROVEMENT
(CONSTRUCTION & MAINTENANCE SERVICES)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2895	0	Fulcrum Construction & Building Services LLC	\$ 210,986.00	Unthank generator replacement	DCR	2/2/2022	1/31/2023
C2448	0	O'Neill/Walsh Community Builders	\$ 103,900.00	Killingsworth Housing CMGC preconstruction	DCR	3/8/2022	12/31/2024
C2919	0	Walsh Construction Co.	\$ 68,000.00	Fairfield Design-Build	DCR	3/11/2022	12/31/2024
Subtotal			\$ 382,886.00				3

GOODS & SERVICES

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2946	0	MercuryPDX	\$ 10,000.00	Currier/mail Service for NMW	FAAM	2/7/2022	12/31/2022
C2963	0	Anderson Heating & Cooling	\$ 14,000.00	Replacement of (2) heat pumps at Hawthorne House.	Asset Mgmt	3/23/2022	4/15/2022
Subtotal			\$ 24,000.00				2

PERSONAL SERVICE CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2947	0	Volunteers of America	\$ 86,726.00	ERAP-2 fee for service	Rent Assistance	7/1/2021	6/30/2022
C2952	0	YWCA	\$ 94,997.33	Resident services programming at Louisa Flowers; Rule 46-0340	Community Services	1/1/2022	12/31/2022

C2940	0	Nancy Davis Consulting	\$ 7,500.00	In a partnership with Tierra Salmon, developing a plan to help engage residents throughout development process.	DCR	2/2/2022	6/30/2023
C2939	0	Nia Musiba	\$ 3,500.00	Artwork for the Hattie Redmond Building	DCR	2/4/2022	11/30/2022
C2944	0	Ideas42	\$ 60,000.00	Behavioral design program - content refinement, consultation, and education	Executive	2/10/2022	4/30/2023
C2945	0	Community Alliance of Tenants (CAT)	\$ 40,500.00	Provide targeted voucher holders with application support for OERAP emergency rent assistance funds.	Executive	2/11/2022	12/31/2022
C2948	0	Environmental Works	\$ 2,860.00	Radon testing at Dahlke Manor	DCR	2/11/2022	5/1/2023
C2941	0	Tierra Salmon Consulting	\$ 6,300.00	In a partnership with Nancy Davis, developing a plan to help engage residents throughout development process.	DCR	2/16/2022	6/30/2023
C2943	0	Home Instead	\$ 152,000.00	Housekeeping and personal care services for the CHSP program	Community Services	2/16/2022	12/31/2022
C2937	0	Friendly House Inc.	\$ 63,600.00	Health and wellness programs & events at CHSP properties	Community Services	2/17/2022	12/31/2022
C2949	0	Applied Archaeological Research, Inc.	\$ 3,600.00	Excavation monitoring at Fairfield	DCR	2/18/2022	12/31/2023
C2957	0	TRC Environmental Corporation	\$ 4,575.00	Asbestos and lead testing at Grace Peck	DCR	3/3/2022	12/31/2023
C2953	0	Community Vision Inc.	\$ 15,000.00	Technology Accessibility training for high-rise residents	Community Services	3/4/2022	12/31/2022
C2959	0	PBS Engineering & Environmental, Inc.	\$ 4,300.00	Pre-Demo Hazmat Survey for ACM and LBP for Dekum Court Redevelopment	DCR	3/10/2022	7/31/2022
C2950	0	Pete Fowler Construction Services	\$ 11,500.00	Consulting services regarding Fountain Place (review of electrical and mechanical plans)	DCR	3/11/2022	12/31/2022
C2954	0	Day One Tech	\$ 8,400.00	Educational support, STEM activities, and summer programming	Community Services	3/21/2022	12/31/2022
C2960	0	Seyoung Sung	\$ 12,600.00	Data Analysis Consulting	Executive	3/21/2022	8/31/2022
C2876	0	Andor Law PC	\$ 453,341.50	Agency-wide legal services; Replaces C2468 Greenspoon Marder	Property Management	3/24/2022	1/31/2025
Subtotal			\$ 1,031,299.83				18

PROFESSIONAL SERVICE CONTRACTS (A&E)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2942	0	KPFF Consulting Engineers	\$ 6,500.00	Group 5 ALTA/NSPS Land Title Survey to document a PGE easement line repair at Tamarack Apartments.	DCR	2/2/2022	7/1/2022
C2958	0	KPFF Consulting Engineers	\$ 37,500.00	Topographic and boundary survey work for Peaceful Villa.	DCR	3/3/2022	6/1/2024
C2951	0	Dudek	\$ 38,910.00	Troutdale HUD NEPA ESA	DCR	3/8/2022	3/1/2023
Total			\$ 82,910.00				3

AMENDMENTS TO EXISTING CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2774	2	KPFF Consulting Engineers	\$ -	Extending contract length	DCR	2/2/2022	12/31/2022
C2748	1	Imagine Energy	\$ -	Design Services for Grid-tied Photovoltaic System at Baldwin; amended to extend contract	DCR	2/4/2022	12/31/2022
C2441	2	Diana's Cleaning Professional Services	\$ 14,400.00	Custodial services of 1st floor bathroom; amended scope of work	IFSS	2/7/2022	2/2/2023
C2841	3	Prime Legacy	\$ 1,025.00	Deck rebuild at Madrona; amended to add siding material and sheetrock repair	Property Management	2/7/2022	12/31/2021
C2874	1	Environmental Works	\$ 8,325.00	Additional mitigation system install, fan replacements, extending completion date; Powellhurst	DCR	2/8/2022	6/30/2022
C2827	4	Paul Brothers	\$ 7,908.99	PCO #005.2 Window Revisions Per CD-02 and PCO #008 Materials Order Error for Head Start Clegg Child Care Facility, 1425 NE Dekum.	DCR	2/9/2022	4/11/2022
C2847	1	Cogan Consulting Partners LLC	\$ -	Re-design of employee orientation and on-boarding program	Talent & Organizational Development	2/9/2022	7/1/2022
C2862	1	Cuenta Conmigo LLC	\$ -	Administrative support and executive assistance to the Director of Equity	Executive	2/10/2022	5/31/2022
C2884	1	TRC Environmental Corporation	\$ 1,195.00	Additional asbestos and lead testing locations, extending duration at Fairfield	DCR	2/11/2022	12/31/2022
C2568	1	Eclipse Security Service	\$ 72,000.00	Security services at Madrona, Alderwood, Eastwood Court, Stark Street Manor, Fir Acres; amended to extend contract	Property Management	2/15/2022	12/31/2023

C2886	1	Asset Protection Partnership LTD	\$ 6,140.10	Re-key NMW; amended to add additional key cores	IFS	2/17/2022	6/15/2022
C2835	2	Global Transportation Engineering	\$ 4,715.00	Parking study for the Troutdale Project; additional scope of work added	DCR	2/18/2022	7/1/2022
C2255	15	Walsh Construction Co.	\$ 112,389.00	Fire Pump, ROW Sidewalks for Dahlke Manor Design-Build CO #8	DCR	2/23/2022	7/25/2022
C2788	1	NW Enforcement	\$ 4,500.00	Security at Richmond Place; adding funds	Asset Mgmt	2/24/2022	12/31/2022
C2436	1	John Keating	\$ -	On- call grant writing, consultation, and fund development	Community Services	2/25/2022	12/31/2022
C2482	8	Bremik Construction	\$ 248,722.00	Change of scope: metal roofing, gypcrete upgrade, plumbing upgrades	DCR	2/28/2022	11/7/2022
C2699	1	Catholic Charities	\$ 20,000.00	Financial Education Services for FSS/GOALS Participants; amended to extend contract	Community Services	2/28/2022	12/31/2022
C2482	7	Bremik Construction	\$ 139,531.00	Added scopes	DCR	2/28/2022	11/7/2022
C1847	6	Central City Concern	\$ 357,352.00	Case Management & Care Coordination services at the Apartments at Bud Clark Commons; amended to extend services	Community Services	3/3/2022	6/30/2022
C2654	3	Boxx Modular Inc.	\$ 25,585.50	Contract amendment to revise the metal ADA handrails as required by the City of Portland Dekum Head start. BOC Resolution 21-08-06	DCR	3/4/2022	4/18/2022
C2827	5	Paul Brothers	\$ 13,508.06	PCO #009, #010, #004.2 for Dekum Head Start Clegg Child Care Facility	DCR	3/4/2022	4/18/2022
C2769	2	MWA Architects Inc	\$ 25,935.00	A&E Services for Troutdale Housing; amended to add consultants for street vacation and lot consolidation	DCR	3/8/2022	12/30/2024
C2219	2	Central City Concern	\$ 42,000.00	On-call Temporary Labor Staffing Firms & Direct Hire Recruiters	DBS-HR	3/9/2022	12/31/2022
C2327	12	LMC, Inc.	\$ 952,010.20	Group 7 GMP CO #9	DCR	3/11/2022	12/31/2022
C2914	1	Pacific WRO	\$ 8,756.70	Additional furniture for Dahlke Manor	DCR	3/14/2022	12/10/2022
C2263	3	NW Surveying Inc	\$ -	ALTA survey at Dahlke; extending contract	DCR	3/23/2022	12/31/2022
C2584	1	Esusu	\$ -	Tenant rent reporting to credit bureaus; adding time	Community Services	3/23/2022	12/31/2022
C2193	3	Squires Electric, Inc.	\$ 100,000.00	On-call electrical services; amended to extend contract	Property Management	3/28/2022	3/31/2024
C2349	1	Bridge City Contracting	\$ 200,000.00	On-Call Painting Services; amended to add funds	Property Management	3/29/2022	10/7/2024

C2918	1	Robert Half International	\$ 60,000.00	Temp position: Staff Accountant; amending to extend contract	FAAM	3/29/2022	7/31/2022
C2204	3	Anytime Plumbing & Drain Cleaning Services	\$ 21,600.00	On-call plumbing services; amended to add funds	Property Management	3/30/2022	3/31/2024
Subtotal			\$ 2,447,598.55	31			

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			\$ 3,968,694.38	57			

**Procurement & Contracts Department
FUTURE FORMAL PROCUREMENTS
6-Month Look Ahead - April 2022**

Estimated Contract Amount	Description	Dept.	Solicitation Period
\$1.5 million	CHSP Housekeeping & Personal Care	Community Services	TBD
TBD	A&E for N. Maryland	DCR	TBD
TBD	CM/GC for N. Maryland	DCR	TBD