

AAAH Collaborative Homeownership Update 11/2/2017

Single Family Acquisitions:

- ✓ 2 – DPAL home purchases
- ✓ 2 – Permanently Affordable purchases
- ✓ 1 – New single family home acquisition (closes 12/5)

Buyer Readiness:

- ✓ 2 program participants are currently ready to purchase/mortgage ready

Olin Project:

- ✓ Olin and Lombard - (12 units-all 3 bedrooms)
- ✓ Permits have been submitted – estimated approval by the City in March
- ✓ Demolition on property complete/site has been cleared
- ✓ Construction will begin immediately upon receiving permits

Kilpatrick Project:

- ✓ Kilpatrick and Intestate Phase 1 (12 Homes)
- ✓ Habitat is scheduled to close on the purchase November 10.
- ✓ Underwriting with PHB will then begin, along with finalizing the architecture design to be submitted for permits - August 2018
- ✓ Construction which will be on a one year schedule
- ✓ Homeownership counselors have been meeting with families to purchase these units
- ✓ First mortgage amounts will be \$130,000-\$230,000 for 2/3 bedroom units

Townhomes:

The AAAH Collaborative has been looking for opportunities to partner with private developer to build townhomes. We have been in discussions with a private developer that has a number of sites in the N/NE area where they plan to build 6-unit townhome style condos. We are working with them on determining price point and timing that will work for our buyers, and to find the additional subsidy that would be needed to make them affordable.



INNOVATIVE HOUSING, INC.

November 1, 2017

N/NE Oversight Committee
c/o Leslie Goodlow, MSW
Business Operations Manager
Portland Housing Bureau
421 SW 6th, Suite 500
Portland, Oregon 97204

Dear Committee Members:

As requested, an update on IHI's Magnolia 2 project. If you have any questions or concerns, feel free to call or email.

Project status:

- The team held our second MWESB subcontractor outreach event with MCIP, NAMC, Bremik and IHI on 9/21/17. As of 10/27/17, design build subs are all on board; as a result of the team's outreach efforts, all four are MBE or ESB certified (Mechanical, Electrical and Plumbing are all registered MBEs, Fire Protection is an ESB).
- The team had our Early Assistance meeting with Bureau of Development Services (BDS) on 9/21/17 regarding preliminary discussions relative to zoning, building codes and design standards.
- IHI submitted our application for Prosper Portland's Community Livability Grant for funding of the Maker Space on 9/29/17.
- A preliminary Fire/Life/Safety meeting at BDS took place on 10/9/17.
- The Schematic Design drawing set was completed 10/11/17.

Issues or changes since last presented to the committee:

- No major changes or issues; unit count remains the same; parking count remains the same; elevations in process; unit layouts in process.

Community engagement process:

- As noted above, second MWESB subcontractor outreach event with MCIP, NAMC, Bremik and IHI occurred on 9/21/17. Building upon the success of the design/build subcontractor outreach, IHI will continue to work with MCIP and NAMC to prepare for bidding for the rest of the trades in the spring.
- We will be reaching out to the Eliot Neighborhood Association by mid-November to present the project (waiting to have elevations to a point where they're set enough to show).
- Coordination continues to with Constructing Hope to finalize scope and needs for the Maker Space.

Groundbreaking Date if scheduled and/or Open House:

- Groundbreaking date not scheduled; project remains targeted to begin construction in May/June 2018.

Sincerely,

David C. West
Project Coordinator



North Williams

Project Milestones

- ◆ Design — Circulated for Comment October/November 2017
- ◆ Engagement — Community, Service Partner and Neighborhood Assoc. Meetings
- ◆ Conditional Use Application — Submitted October 2017
- ◆ Environmental Testing (Concrete/Soils) — Completed October 2017
- ◆ HUD Environmental Review Process — November 2017
- ◆ Financing — Identified Sources for \$1.2M of \$2.2M Gap

COLAS Construction Selected for North Williams Project

BRIDGE Housing issued an RFQ to five general contractors in September, 2017 for the North Williams project. After a competitive process, COLAS Construction, an African-American owned general contractor, was selected. COLAS' longstanding connections and deep commitment to the North and Northeast Portland community made them stand out among the competition. Their track record in exceeding DMWESB goals, especially minority participation, and workforce training efforts were the strongest. COLAS has committed to exceeding DMWESB participation goals for the North Williams project.

Next Steps

- ◆ Financing — Identify Funding Sources for Remaining \$1M Gap
- ◆ Contractor Pricing (based on current plans) — Fall 2018
- ◆ Conditional Use Approval — Targeting January 2018
- ◆ Construction Documents — Winter/Spring 2018
- ◆ Community Design Workshop (Site/Landscaping)— Spring 2018
- ◆ City of Portland Permit Review and Approval — Summer/Fall 2018
- ◆ Existing Building Demolition — Summer/Fall 2018
- ◆ Construction Start — Fall/Winter 2018 (approximately 1 year)

Unit Mix by MFI			
Median Family Income (MFI)	1-BDR	2-BDR	3-BDR
50%	1	2	1
60%	3	9	4
Section 8 – 0%-30%	5	23	12
MGR			1
Subtotal	9	34	18
Total Units	61		





1. Status of the project

We are currently updating the design and Walsh Construction is getting an updated cost estimate to get a better understanding of the hard cost budget.

Since the last meeting we have raised \$400,000 in philanthropic funds for the project from two local foundations.

2. Issues or changes since last presented to the committee

At the September meeting REACH staff updated the oversight committee regarding the financial challenges the project faced given market conditions. We reported the project was changing from mixed-income to 100% affordable. Since that time, TriMet has agreed to remove the commercial requirement from the project. The reason TriMet approved the change was related to the BOLI commercial wages. Removing the commercial portion saved approximately \$3.5M in commercial wages and makes the overall financial feasibility of the project more certain. Although the removal of the commercial was a tough decision we are able to add a few family sized affordable units back into the project.

3. Community engagement process

As noted in previous meetings we started our community engagement in December 2016. That has included meetings with:

Kenton Neighborhood Association
Kenton Business Association
Public meeting at Disjecta Arts Center
Patton Park Apartments & McCuller Crossing Apartments Resident meetings (REACH family apartments in N/NE)

This week we presented the project to the National Association of Minority Contractors and met with PHB staff to discuss and prepare for the preference policy.

We will do additional community outreach with the updated architectural drawings and as we prepare for the preference policy.

4. Groundbreaking Date if scheduled and/or Open House

Groundbreaking is planned for Fall 2018

The Beatrice Morrow

Portland Community Reinvestment Initiatives



Building Profile

Project Type	New Construction
Total Units	80
Address	3368 NE MLK Blvd
Urban Renewal Area	Interstate

Units

By Type		By Income	
Studio	4	30% MFI	16
1-Bedroom	32	50% MFI	7
2-Bedroom	32	60% MFI	48
3-Bedroom	12	Manager	1

MFI = Median Family Income

Estimated Development Cost

Total	\$26,700,033
Portland Housing Bureau TIF loan	\$7,350,000 + land

Development Team

PCRI, Sponsor
Gerding Edlen, Development Consultant
Carleton Hart Architects, Architect
Colas Construction, Construction Firm
Cascade Management, Property Management



The Beatrice Morrow is named to honor Portland civil rights pioneer Beatrice Morrow Cannady. When completed, it will encompass 80 affordable apartments prioritized for historic residents of north and northeast Portland. In addition, the development will offer community space and community-serving commercial retail at street level.



Project Status:

- Construction began 5/2017, est. completion 8/2018
- On budget and on schedule; no recent issues or changes
- 1st floor concrete completed; 2nd floor concrete in progress
- Regular expressions of interest from prospective renters coming from site signage and construction activity
- Ongoing engagement with prospective renters, neighbors and community via web and email (and renters via phone)
- Future engagement to include pre-leasing workshops and at completion, grand opening and open house (est. 8/2018)

PCRI TOWNHOMES

Building Profile

Project Type	New Construction
Total Units	22
Urban Renewal Area	Interstate

Proposed Mix of Homes

2-Bedroom, 1.5 bath	8	1005 SF, 2 stories
3-Bedroom, 2.5 bath	14	1508 SF, 3 stories

Timeline

Groundbreaking (anticipated)	December 2017
Completion date (anticipated, first site)	Summer/Fall 2018

Development Team

PCRI, Sponsor
 Brett Schulz, Architect
 Albina Construction, Construction Firm



Project Overview

Twenty-two townhomes are designed to be built at existing PCRI-owned properties in North and Northeast Portland. The townhomes are designed with families in mind, offering two or three bedrooms, and will be two to three stories, respectively. Each home will include a private back patio and a porch along the entry walkway. Construction of the first units is anticipated to begin December 2017 with targeted completion in late-Summer of 2018.

Project Status

- Permits submitted for N Williams site 8/2017
- Currently updating plans based on permit feedback
- Feedback to be incorporated for next sites prior to submission
- Collaborative pre-bid meetings with NAMC-Oregon, MCIP and four prospective contractors NAMC-Oregon identified
- Bid proposals requested 8/2017, received 9/2018
- Albina Construction selected 10/2018 to build homes at first site based on equity goals, bid pricing (subsequent sites TBD)
- PCRI, architect and contractor currently meeting to refine design
- Groundbreaking est. 12/2017 for N Williams site (event TBD)
- Ongoing engagement with neighborhood associations and neighbors



Participant Status

- Continuing progress toward readiness with existing households
- Ongoing communication with households regarding forthcoming homes and timeline
- Added four new households as of late-October
- One household over income limit is exploring Prosper Portland resources



Charlotte B Rutherford Status Update and Next Steps-November 2017

- The 6905 N Interstate Project has been re-named as Charlotte B. Rutherford Place in honor of Honorable Charlotte Rutherford, a community activist and former civil rights attorney, journalist, administrative law judge and entrepreneur whose parents, Otto G. Rutherford and Verdell Burdine, were major figures in Portland's black civil rights struggle.
- Construction of our 51 unit affordable housing rental project began in August 2017 and completion is expected in August 2018.
- Geopiers to stabilize the soil are installed and construction of the building foundation is in process.
- Our General Contractor, Silco Construction, is working with the Albina Head Start program next door to provide "show and tell" discussions with the preschoolers to explain the construction process to them as we go.
- Silco Construction, located in north Portland, continues to look for qualified DMWESB subcontractors in select trades in order to exceed our DMWESB goals. DMWESB subcontractors interested in working on the construction of this project please contact Rory Antis at Rantis@Silco.info. We continue our work through Tony Jones/MCIP-PDX.org to provide potential qualified DMWESB subcontractors with the needed training and information on how to get certified as a DMWESB contractor.
- PHB is developing a wait list process for units at Charlotte B. Rutherford Place, similar to what PHB has defined for the Cascadia Behavioral Health building (a new multifamily rental project which will open in early 2018 utilizing N/NE Preference Policy guidelines).
- PHB has set up an email and telephone hotline for questions on this process relating to all projects falling under the N/NE Preference Policies, accessed at PHBwaitlist@portlandoregon.gov and (503) 823-4147.
- The PHB waitlist for rental units at Charlotte B. Rutherford Place is expected to be open for applicants early 2018.