

**IMPACT STATEMENT**

**Legislation title:** \*Authorize new construction financing not to exceed \$17,037,077 to CCC-Westwind Apartments Limited Partnership or a Central City Concern affiliate for development of a 100-unit affordable housing project (Ordinance)

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**Purpose of proposed legislation and background information:**

- This Ordinance requests City Council approval of financing in an amount up to \$17,037,077 using \$12,662,077 of Portland Housing Bonds ("Portland Bonds") and \$4,375,000 of Multnomah County Sales Proceeds from fiscal years 2020-2022.
- The funds will allow CCC–Westwind Apartments Limited Partnership (CCC-Westwind), to construct a new 100-unit affordable housing project at 333 NW Sixth Avenue (Project) and provide authority for the execution of loan documents by the Director of the Portland Housing Bureau.
- The Project will provide 100 units affordable units, including 92 units at 0-30% area median income ('AMI') with 70 being Permanent Supportive Housing ("PSH") units having Project Based Section 8 voucher rental support. The remaining 8 units will be restricted to households earning up to 60% AMI but leased at 50% AMI rents initially.

**Financial and budgetary impacts:**

- PHB is required to regulate and monitor all affordable rental housing projects that contain City allocated funding for sixty years. PHB elects to require a 99-year affordability period for this project.
- The cost of PHB delivery of the units including community outreach, establishment and coordination of a Bond Oversight Committee, Project due diligence, construction monitoring, negotiations, loan documentation, and regulatory agreement are anticipated and included in the PHB FY 20-21 Adopted Budget and is covered in the Program Delivery Fee.
- The financing amount is included in the PHB FY 2020-21 Adopted Budget and is also included in the bureau five-year forecast. The bureau is charging a regulatory compliance fee over the life of the projects to cover compliance monitoring costs.

- CCC-Westwind is applying and qualifies for System Development Charge (“SDC”) and Construction Excise Tax (“CET”) exemption and building permit waivers which are expected to total approximately \$688,773 in foregone City revenue.

### **Community impacts and community involvement:**

- Redevelopment of an under-utilized site with a deteriorating 118-year old building in the Oldtown neighborhood.
- Project will provide a small retail space on the ground floor, one of the top requests from the neighborhood community meetings.
- 100 units of affordable housing in Oldtown including 70 PSH intended to serve the homeless or at risk of homelessness.
- 92 units will be restricted to 30% and under AMI households.
- The Project is on track to meet or exceed PHB’s required equity in contracting goals of 30% for certified DMWESB-SDV for construction costs and 20% for professional services. CCC expects the general contractor, Walsh, to reach 32% of construction costs to certified firms and 76% for professional services

The development team has met with various community stakeholders throughout the design and pre-construction phases of the Westwind project. Early in design, CCC and the architectural team met with the Old Town Community Association, discussed the project and received input regarding the need for the new building to activate the street level and revitalize the corner site. An additional meeting was held with the Old Town Community Association Land Use Committee prior to Design Commission Hearing on the Project. A third neighborhood meeting was held in January of 2020, in which the project design, population, and programming was presented. A repeated theme regarding activation of the ground floor emerged from this discussion. CCC property management staff presented the approach to peer delivered services and management at this meeting.

The current DMWESB-SDV participation rate is expected to be 32% and the budget contains funding for the sub-contractors that will accomplish this. CCC’s general contractor distributed bid opportunity to NAMC, OAME, PDBG, Latinbuilt, and the Urban League to provide to their members. It also advertised the bidding opportunity in the Asian Reporter, Portland Observer, El Latino De Hoy, DIC, and The Skanner. They also sent the bid opportunity by email directly to 2,800 certified bidders in their data base.

### **Unit Mix and Affordability**

#### Project Overview:

Total Units: 100  
 Permanently Affordable: 100  
 (92 affordable at 30% AMI and  
 8 affordable at 60% AMI)

#### Bedroom Mix:

Type	# Units
SROs	70 @ 30% AMI*

	2 @ 30% AMI
Studios	20 @ 30% AMI 8 @ 60% AMI
Total	100

\* PBS8Vs

**100% Renewable Goal:**

The Project will incorporate the PHB Green Building Policy Standards. It is new construction and includes Earth Advantage features, though it will not seek certification due to incremental costs.

**Budgetary Impact Worksheet****Does this action change appropriations?**

- ☐ **YES:** Please complete the information below.  
☒ **NO:** Skip this section