

V. HOME Narrative

Assessment of Relationship of HOME Funds & Consolidated Plan Goals & Objectives

In 1991, the Cities of Portland and Gresham along with the urban Multnomah County formed a Consortium for the purposes of applying for and administering the HOME grant. Each member of the Consortium plans and executes within their own jurisdiction and when the opportunity arises, the Consortium may collaborate on joint projects and system-wide programs. The Consortium Agreement was renewed again in 2009 and that document runs through FY 2012.

The Portland HOME Consortium proposed to use the FY 2010-2011 HOME funds to expand and improve the supply of affordable housing to low and moderate income families in accordance with the priorities set out in the 2005-2011 Consolidated Plan.

The Consortium has utilized its HOME funds to expand and preserve the supply of affordable housing in Gresham, Multnomah County, and Portland – an activity listed as a high priority in the Consolidated Plan. HOME resources were utilized to assist both rental and owner units. Specifically, the following table illustrates how the Consortium distributed HOME funds across the categories of housing needs set out in the Consolidated Plan.

Housing Priorities and Outcomes

Housing Need Category	HOME-funded Program	Outcome
<p>Priority One Programs to provide affordable rental housing for homeless individuals or families and very low-income households (earning less than 50% MFI) who pay more than 50 percent of their income in housing related expenses. This includes people with special needs such as mental and physical disabilities, people with AIDS, and the elderly.</p>	<ul style="list-style-type: none"> • Rental Housing Development • Home Forward-STRA Program • Multnomah County and Gresham Special Needs Housing Development 	<p>PHB closed, committed and reserved a total of \$3,707,061 in HOME funds to rental housing projects in Priority One during FY 2010-2011.</p> <p>Home Forward's Rent Assistance Program provided 103 households with rent assistance during FY 2010-2011</p> <p>The City of Gresham provides 111 households with emergency short term rent assistance in FY 2010-2011 through a contract with Human Solutions.</p>
<p>Priority Two Programs to provide assistance for very low-income existing homeowners to maintain their homes. Programs should preserve the stock of affordable housing and stabilize neighborhoods by providing basic support services such as case management, job training, childcare, and education. Programs should provide funds for the rehabilitation and maintenance of basic systems (plumbing, structural, electrical, and roofs) and to make improvements to allow elderly and persons with disabilities to remain in their homes.</p>	<p>No HOME funds allocated to this priority. Programs of this nature are funded with CDBG.</p>	
<p>Priority Three Programs should assist first-time homebuyers. These programs should focus on innovative types of housing and lower-income populations unable to access the increasingly unaffordable market. Homebuyer programs should also be targeted as an important community development tool to reinvest in and stabilize deteriorating neighborhoods. Public funding of these programs should emphasize the leveraging of private funding.</p>	<ul style="list-style-type: none"> • No Home funds allocated to City of Gresham for Home Buyer Assistance 	

Progress Toward Meeting Affordable Housing Goals with HOME Funds

As demonstrated above, HOME funds were spent to assist 201 housing units which included (44 permanent supportive housing units) during the report period.

Assessment of Affirmative Marketing Efforts

The Portland HOME Consortium's Affirmative Marketing Plan are detailed in the Consolidated Plan.

On Site HOME Units Inspections

Total number of HOME-assisted units subject to inspection by your agency during the current Reporting Period? 568 units: PDC: 557; Gresham: 11

How many HOME-assisted units did your agency physically inspect during the current Reporting Period? 162 units or 29%: PDC: 159; Gresham: 3

Of these, how many units passed initial inspection during the current Reporting Period? 162 units or 99% of inspected projects: PDC: 159; Gresham: 3

How many HOME-assisted tenant files did your agency inspect during the current Reporting Period? 172 tenant files or 30%: PDC: 169; Gresham: 3

How many units passed re-inspection after failures from the 2009/2010 Reporting Period.

SITE: 2 Projects (3 units): 1) All 3 units at two projects (Albina Corner (1) and Midland Commons (2) PASSED. 2) Otesha Place, owned by Sabin CDC [a carryover from 2009/10 report]: A combined inspection by PHB and the primary lender, NOAH, was conducted to determine the scope of work for a rehab/ restructure. Closing for the new financing closed August 18, 2011 and the rehab is to begin shortly. Funding: new CDBG (\$229,273.00) / Restructure of existing TIF debt (\$180,000.00) = \$409,273.00

FILE: 2 Projects (4 units): All 4 unit files PASSED re-inspection. Cascade Aids Project and Home Forward (formerly Housing Authority of Portland) obtained additional training from PHB HOME Compliance Specialist and files were in good order at re-inspection of Carriage Hill project. Kearney House's one file was also in good order.

How many units are pending because of inability to schedule both physical and file inspections during this Reporting Period? 0 units.

How many units are scheduled for re-inspection during the 2011/2012 Reporting Period? 9 HOME Tenant Files Only.

HOME Site Inspections: None

HOME Tenant Files: 1) Buka's Place & Roselyn Villa (total of 4 HOME units): for-profit owner, Charles Iheanacho, has relied on Section 8 income certifications to qualify tenants and set rents. PHB management and HOME Compliance Specialist have met to review files, provide additional copies of required income certification forms, step-by-step instructions for how to qualify incomes and maintain files. PHB will continue to

work with this owner to bring these project files into compliance. Tenants appear to be income qualified from information available, rents are set within limits, and unit inspections show units to be in good condition. 2) Fenwick Apartments – prior site manager made numerous errors in calculations, methodology, forms, etc. Following inspection completed September 2010, steps were taken to bring the files back into corporate headquarters to make necessary corrections and re-assign on-site management. Expect 2011 inspection will be in compliance.

NOTE: Asset Management complies with CDBG project monitoring by collection of our annual reporting of all borrowers receiving CDBG funding.

Minority Women and Emerging Small Business Efforts

Portland Housing Bureau (PHB) Minority, Women and Emerging Small Business

(MWESB) Goals: The PHB Business and Workforce Equity Policy represents a key component in the PHB Equity Agenda. It is intended to focus investments and deliver business and employment opportunities to traditionally under-represented communities, especially communities of color. PHB wishes to explicitly link its housing objectives with external partners to impact poverty in under-served communities and believes that an intentional focus and honest community engagement can deliver greater results.

By achieving or surpassing stated equity goals and increasing utilization of minority and women general contractors and subcontractors in projects funded by PHB, we can support and help provide contracting opportunities. Effective policies, goal alignment and equity in contracting are essential and key components to successful minority contracting outcomes. PHB will link our housing stability and community development agenda with the broader public purpose of reversing economic disparities and empowering residents and businesses.

The list provided below points out key steps that PHB Senior Housing Construction Coordinators and key staff follow in project management to meet Business and Workforce Equity goals on projects utilizing PHB funds:

1. Ensure equity goals are kept current and incorporated apply to PHB project solicitations (RFP's and NOFA's) that will be funded with City or Federal dollars. Through the RFP and NOFA process, the team is able to analyze and identify clear targets for MWESB participation, with a focus on businesses owned by people of color and women in construction and professional service industry.
2. Encourage borrower of PHB funds to utilize construction coordinators on external selection panels to ensure transparency in outreach efforts (i.e. RFP, RFQ and bid solicitation) for screening and selecting general contractors through their selection and evaluation process.
3. Ensure general contractors borrowers select submit an equity in contracting plan for outreach and selection process of subcontractors, especially firms owned by minorities and women before closing and disbursements to projects.
4. PHB maintain ongoing relationships and support for technical assistance providers that supplement staff efforts to strengthen opportunities during the bid process and construction for minority and women and emerging small business contractors and subcontractors. Outreach efforts and assistance in monitoring MWESB, prevailing wage and Section 3 requirements for these businesses alongside the general contractors is essential for successful outcomes. In addition to general outreach, relationship building, technical assistance provision, community engagement, during FY2010-11 PHB undertook the following specific activities:
 - Arranged for Bureau Director to meet and interact with National association of Minority Contractors, Oregon Chapter (NAMCO)

- Staff and Manager attend monthly NAMCO meeting
 - PHB arranged and facilitated an 'open house' with Walsh Construction in order for minority, women and small business subcontractors to meet and solicit work with Walsh construction, one of the largest contractors in the state
 - An entire Portland Housing Advisory Commission (PHAC), PHB's Board was dedicated MWESB activities during x/x2010 where previous year's utilization report was reviewed and new approaches discussed and directed
 - Regular weekly or monthly project MWESB utilization evaluation and feedback sessions between Senior Construction Coordinators, their Manager and contractors
5. PHB Senior Housing Construction Coordinator's arrange and facilitate pre-bid meetings as required for city and federal funded projects where MWESB, prevailing wage and Section 3 requirements are applicable. City Procurement and PHB Compliance Specialist brief both the borrowers and contractors of the compliance process and how to satisfy requirements of the policies (see attached MWESB/Section 3 Utilization Plan).
6. HDF staff produces and disseminates annual MWESB utilization reports with the assistance of the City Procurement Office, who tracks the data and results. Tracking projects we fund creates a level of accountability and transparency and measure our successes towards increasing equity in contracting (see attached MWESB utilization report for FY 2010-11).

**Portland Housing Bureau (Data provided by City of Portland, Procurement Services except as noted)
Loan Construction - Contracting Dollars -- reporting Period 7/1/10 Through 6/30/11**

Project Type	Developer/Sp onsor	General Contractor	Total Construction	PHB Invested Amount	PHB Funding Source(s)	Basis for MW/ESB Goal	Majority Firms	ESB	%	WBE	%	MBE	%	Total MW/ESB	% of Basis for MW/ESB Goal
David P. Hooper Center	Central City Concern	Walsh Construction	3,467,135	\$2,000,000	TIF	\$ 3,467,135	\$ 2,397,405	\$ 227,439	6.59%	\$340,818	9.83%	\$ 501,472	14.46%	\$1,069,729	30.85%
Miracles Club Apartments	Miracles/ Guardian	Walsh Construction	6,757,466	\$3,500,000	TIF	\$ 6,757,466	\$ 4,761,931	\$ 656,679	9.72%	\$45,889	0.68%	\$ 1,282,967	19.13%	\$1,985,535	29.53%
Uphur House Apartments	NW Housing Alternatives	Walsh Construction	1,824,986	\$450,000	Section 108	\$ 1,824,986	\$ 1,435,135	\$ 47,252	2.59%	\$54,508	2.99%	\$ 288,091	15.79%	\$368,851	21.36%
Villa De Suenos	Hacienda CDC	LMC Construction	2,476,030	\$2,825,000	Sect 108/HOME	\$ 2,476,030	\$ 1,907,497	\$ 44,952	1.82%	\$3,960	0.16%	\$ 642,858	25.96%	\$691,770	27.94%
Chaucer Court Apartments	ULRA Central City Concern	Walsh Team Construction	5,721,438	\$2,650,000	TIF	\$ 5,721,438	\$ 4,421,043	\$ 291,280	5.09%	\$431,115	7.54%	\$ 578,000	10.10%	\$1,300,395	22.73%
Ramona Ika Pearl Family Housing	Turtle Island Development	Walsh Construction	580,222	\$937,000	HOPWA/GF	\$ 580,222	\$ 460,851	\$ 61,279	10.56%	\$23,224	4.00%	\$ 35,088	6.04%	\$119,571	20.61%
Briarwood Apartments	Human Solutions	Walsh Construction	28,270,500	\$19,000,000	TIF	\$ 28,270,500	\$ 26,595,927	\$ 2,144,453	7.83%	\$1,080,938	3.82%	\$ 642,901	2.27%	\$3,938,292	13.93%
PCRI CDBG-R 4- Scattered Sites	PCRI Solutions	R 8H/Colas Construction	550,658	\$2,246,230	Section 108/HOME	\$ 550,658	\$ 246,705	\$ 93,372	17.60%	\$124,518	23.46%	\$ 86,063	12.45%	\$265,953	53.51%
Rockwood Building	Human Solutions	Walsh Construction	791,636	\$707,506	CDBG-R	\$ 791,636	\$ 222,780	\$ 16,391	2.07%	\$0	0.00%	\$ 289,646	36.59%	\$306,037	38.66%
Bridge Meadows Apartments	Meadows Inc. Management	Walsh Construction	7,349,027	\$1,745,815	HOME	\$ 7,349,027	\$ 7,467,372	\$ 273,017	3.29%	\$519,529	6.25%	\$ 55,421	0.67%	\$947,967	10.20%
Bud Clark Commons Ika RAC	Guardian Management	LMC INC. Walsh Construction	2,311,516	\$700,000	Section 108	\$ 2,311,516	\$ 1,696,220	\$ 44,625	1.93%	\$11,192	0.49%	\$ 559,480	24.20%	\$615,297	26.62%
Block 49 aka Veteran's Housing	Home Forward	Walsh Construction	32,881,172	\$29,500,000	TIF	\$ 32,881,172	\$ 24,249,623	\$ 3,129,450	9.52%	\$3,093,548	9.41%	\$ 2,408,651	7.33%	\$8,651,549	26.25%
Taggart Manor	Reach CDC Central City Concern	Walsh Construction	31,665,792	\$26,189,000	TIF	\$ 31,665,792	\$ 24,227,025	\$ 2,165,208	6.84%	\$1,414,724	4.47%	\$ 3,653,390	11.54%	\$7,233,322	22.84%
The Glen Apartments	Central City Concern	Seabold Construction	405,180	\$301,750	CDBG-R	\$ 405,180	\$ 175,761	\$ 26,600	6.59%	\$202,819	50.06%	\$ -	0.00%	\$29,419	56.62%
Totals			134,401,047	\$97,032,301	TIF	\$ 134,401,047	\$106,688,901	\$10,267,540	7.64%	\$7,559,869	5.62%	\$ 11,803,429	8.78%	\$29,630,838	22.05%

- NOTES:**
 1. Housing set-aside PHB funds
 2. Data provided R&H Colas Construction - no WBE but Women in Trade apprentices built fences and wood tr
 3. Data provided by HomeForward formerly HAP
 4. Data provided by Central City Concern

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$	
B. Total dollar amount of contracts awarded to Section 3 businesses	\$	
C. Percentage of the total dollar amount that was awarded to Section 3 businesses		%
D. Total number of Section 3 businesses receiving contracts		

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$	\$3,725,371
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$	2,891,892
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	78	%
D. Total number of Section 3 businesses receiving non-construction contracts	6	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low-and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

- Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- Other; describe below.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensures that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$ 7,663,270.66
B. Total dollar amount of contracts awarded to Section 3 businesses	\$ 192,400
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	3 %
D. Total number of Section 3 businesses receiving contracts	2

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving non-construction contracts	

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- Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- Other; describe below.

Identified several local community pre-apprenticeship and/or employment programs, for referrals of Section 3 residents, including Portland Youthbuilders, and a program that trains public housing residents, for construction careers.

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Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$ 530,658
B. Total dollar amount of contracts awarded to Section 3 businesses	\$ 92,545
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	17 %
D. Total number of Section 3 businesses receiving contracts	3

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving non-construction contracts	

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- Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- Other; describe below.

Contractor posted job announcement with recipient, a Community Development Corp. that helps low-income and homeless families and provides job readiness training. Unfortunately, responders weren't available to work, or qualified, for jobs.

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