



Welcome! Online Meeting Protocols and Tips

1. Be patient and respectful. *This is a new experience for all of us!*
2. Check speakers and microphone work properly.
3. Mute your microphone/phone when not speaking.
4. Introduce yourself before speaking.
5. The chat will be open at the end for Public Testimony.*

**This public meeting will be recorded, including the chat.*



Portland Housing Bureau

Mayor Ted Wheeler • Director Shannon Callahan

Portland's Housing Bond

Investing Together in Affordable Homes

Bond Oversight Committee Meeting

Thursday, July 16, 2020

Agenda

TOPIC

LEAD

TIME

Welcome	Dr. Steven Holt	9:30 - 9:40
Portland's Housing Bond Updates: <ul style="list-style-type: none">• Project Progress Dashboard• 2020 Bond Issuance• Expenditure Report	PHB Staff	9:40 - 10:00
Impact of COVID-19 on New Bond Investments	Jill Chen	10:00 - 10:10
Project Updates	Project Team Staff	10:10 – 10:50
Public Testimony (2 minutes per person)	PHB Staff	10:50 - 11:00



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Portland's Housing Bond Updates

Bond Projects Dashboard Report



1

THE ELLINGTON

Acquisition

Units: 263

Target Populations:
Families, including households experiencing homelessness.



2

3000 SE POWELL

New Construction

Units: 180

Target Populations:
Families, including communities of color, intergenerational families; households experiencing homelessness.



3

EAST BURNSIDE

New Construction

Units: 51

Target Populations:
Families, communities of color; households experiencing homelessness.



4

CATHEDRAL VILLAGE

New Construction

Units: 110

Target Populations:
Families, including immigrant and refugee communities; households experiencing homelessness.



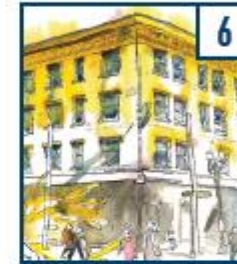
5

THE SUSAN EMMONS

New Construction

Units: 144

Target Populations:
Seniors, veterans, communities of color, individuals with disabilities.



6

THE JOYCE

Rehab

Units: 66

Target Populations:
Chronically homeless adults, communities of color.



7

THE WESTWIND

New Construction

Units: 100

Target Populations:
Chronically homeless adults; communities of color.



8

ANNA MANN HOUSE

New Construction/Partial Rehab

Units: 88

Target Populations:
Families, including immigrant and refugee communities; households experiencing homelessness.



9

NE PRESCOTT

New Construction

Units: 50

Target Populations:
Families, communities of color.



10

LAS ADELITAS

New Construction

Units: 141

Target Populations:
Families, including immigrant and refugee communities; households experiencing homelessness.



11

115TH AT DIVISION ST

New Construction

Units: 138

Target Populations:
Families, including immigrant and refugee communities; communities of color.



12

STARK ST PROJECT

New Construction

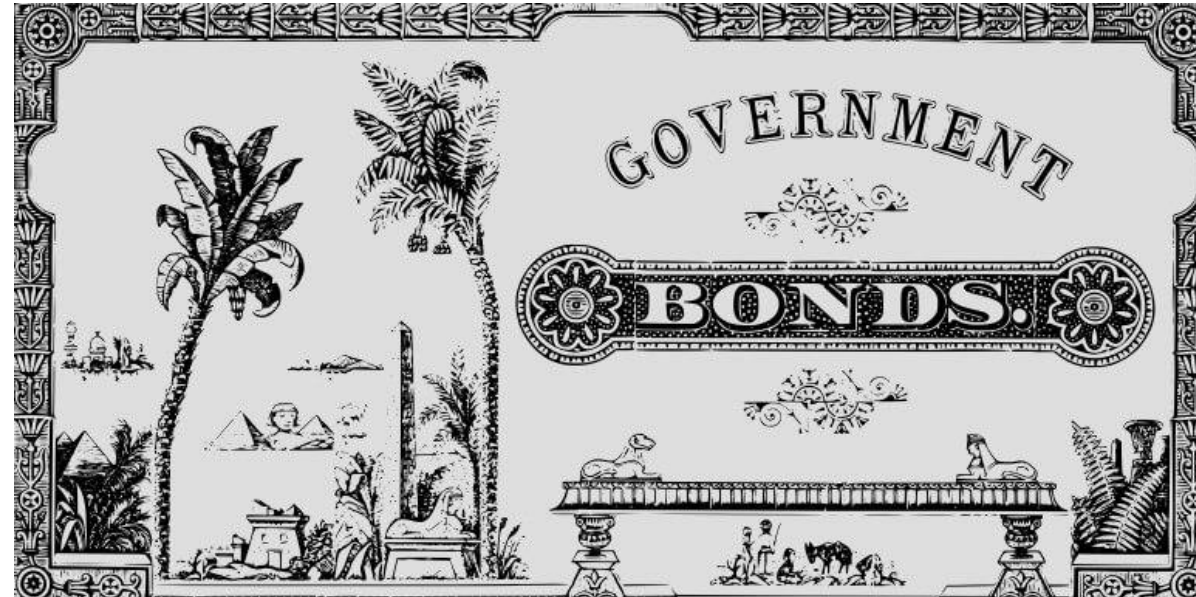
Units: 93

Target Populations:
Families, communities of color.

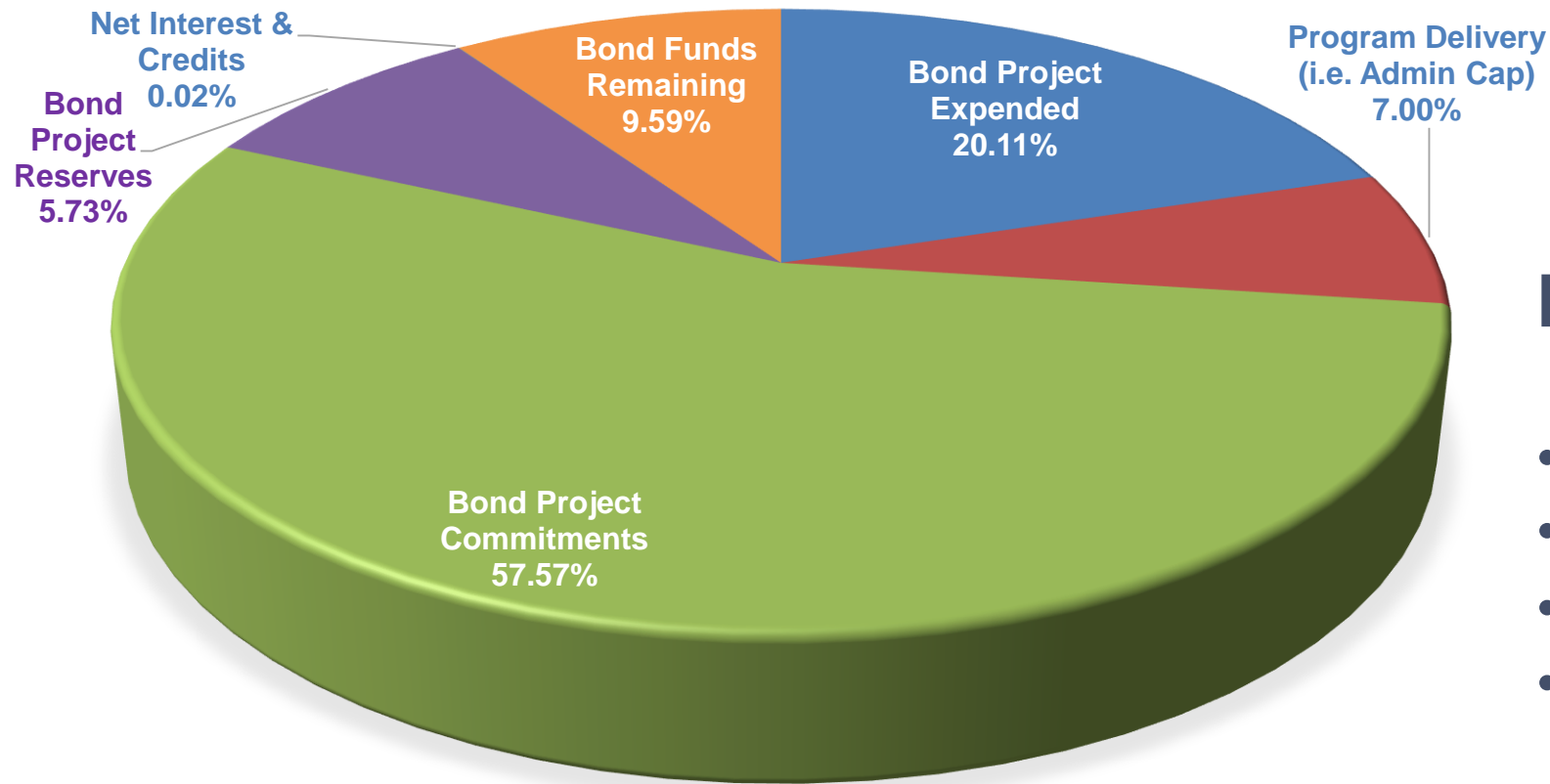
2020 Bond Issuance

Portland Housing General Obligation Bonds Series 2020B

- \$164.2 million in taxable bonds
- Overall borrowing cost 1.997%
- Sale occurred June 3rd; funds deposited June 11
- \$217.3 million in bonds issued to date.



Expenditure Report highlights



Bond funds

- Expended 20.11%
- Committed 57.57%
- Reserved 5.73%
- Remaining 9.59%



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Investing Together in Affordable Homes

Impact of COVID-19 on Bond Investments

PHB COVID Stabilization & Recovery Workgroups

Four Workgroups:	Affordable Housing Development Stabilization & Recovery Affordable Housing Operational Stabilization & Recovery Renter Stabilization & Recovery Homeowner Stabilization & Recovery
Outcome Goals:	Assess the short- and long-term potential impacts of COVID-19
Areas of Focus:	Affordable Housing Development <ul style="list-style-type: none">- Overall Development- Construction- Financing- Project Stabilization
Outcome:	Recommendations for a crisis response, immediate post-crisis response and recovery, and stabilization plan post-crisis.

Workgroup Process

Needs assessment:

- What relief efforts and assistance are currently available?
- Where are the gaps?

Feasibility:

- What tools in PHB's control?
- What are potential barriers?
- What kind of projects are most affected by COVID?

Impact exploration:

- What aspects need to adjust/shift?
- What extent and for how long?
- What housing development strategies make sense? ST and LT?
- What considerations in addressing inequities?

Participants

- Stef Kondor, Related
- Michael Fu, Home Forward
- Sarah Schubert, Human Solutions
- Kurt Creager, BRIDGE
- Travis Phillips, Catholic Charities

Affordable Housing Development Workgroup - Developers in 1st meeting 5/27/20

Take Aways

- Construction delays
- Permitting concerns / delays
- Lack of financing interest for new projects
- Decline in tax credit pricing
- Current projects “going sideways”
- Reduced rental income across existing properties, especially commercial
- Requesting financing flexibility / forbearance
- Opportunity for land banking
- Potential for increased competition in contracting
- Limit regulations / policies affecting affordable housing

Participants

- Nate McCoy, NMAC
- Kenechi Onyeagusi, PBDG
- Dan Snow & Mike Steffen, Walsh
- Maurice Rahming, O’Niel
- Erin Storlie, Andersen
- Andrew Colas , Colas
- Chris Duffin, LMC
- Han-Mei Chiang, Hoffman
- Seyon Belai, Zana
- Jodi Bailey & Ezra Hammer, Home Builder’s Assn
- Mary Bradshaw, HDC

Affordable Housing Development Workgroup – Contractors, Subs and Assns in 2nd Meeting 6/16/20

Take Aways

- “Keep the Money Flowing”
- Balance worker safety with owners’ demands
- Lack PPE
- Liability of each GC and Sub
- Safety protocols / HIPAA
- Some workers choosing furlough/unemployment
- Construction delays
- Need Construction Contingency for unknowns
- Force Majeure / add’l contract language
- Toughest on renovations / no occupied rehabs
- Waive certain requirements (i.e. fees, street improvements)
- Technological solutions (i.e. BDS inspections, design review)

Participants

- Nate McCoy, NMAC
- Kenechi Onyeagusi, PBDG
- Dan Snow & Mike Steffen, Walsh
- Maurice Rahming, O’Niel
- Erin Storlie, Andersen
- Andrew Colas , Colas
- Chris Duffin, LMC
- Han-Mei Chiang, Hoffman
- Seyon Belai, Zana
- Jodi Bailey & Ezra Hammer, Home Builder’s Assn
- Mary Bradshaw, HDC

Continued – 2nd Meeting 6/16/20

Additional Take Aways focus on Equity in Contracting

- Smaller certified, less established firms has smaller “war chest” to withstand current environment
- Significant number of Black-owned and/or smaller subs going out of business
- For large projects, consider potential for set-aside for certified firms
- Consider more rehabs and preservation for certified firms
- Productivity drop-off; smaller firms perceived to have lower production rates
- Observed fewer women on job sites (childcare?)

Participants

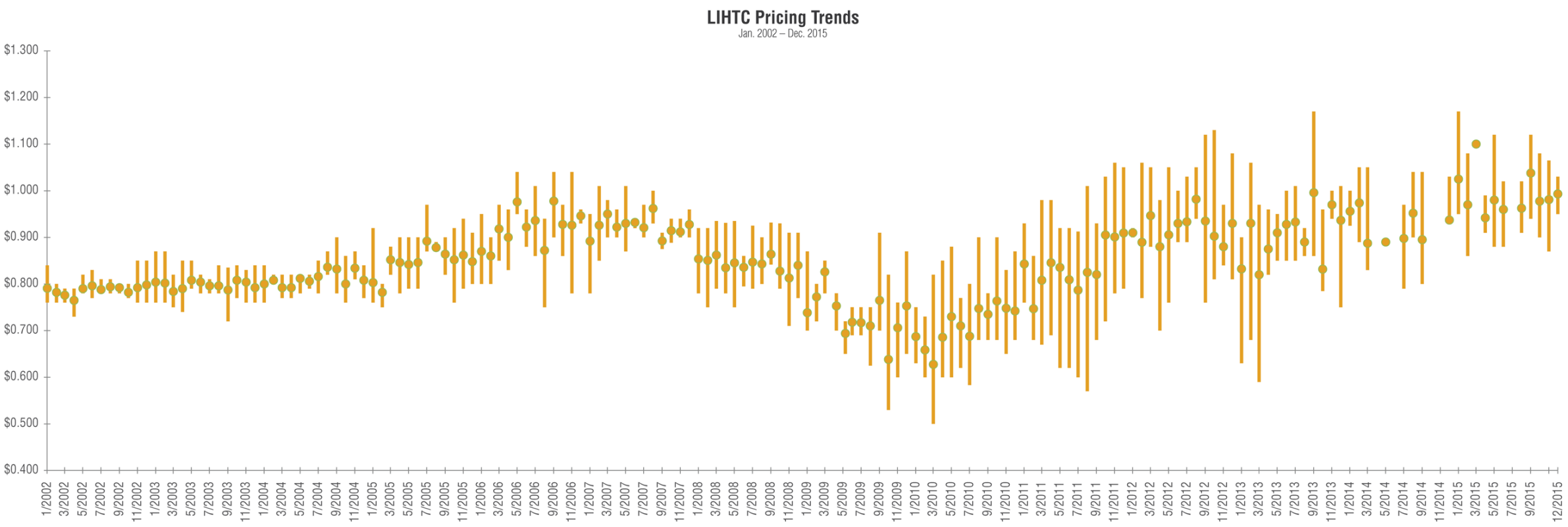
- Paul Cummings, NAHT
- Christopher Walvoord, Enterprise
- Kathleen Swift, Heritage Bank
- Lisa Gutierrez, USBank
- Bill Van Vliet, NOAH
- Andrea Sanchez, HDC

Affordable Housing Development Workgroup – Funders / Investors in 3rd meeting 7/10/20

Take Aways

- Conservative underwriting for loans and LIHTC equity
- Capital very selective
- Decline in tax credit pricing, expect drops to ~90 cents
- Commitments in 2020 maybe okay, 2021 uncertain
- “Wait & See” for August 2020 (\$600/week expires)
- Focus on strong developers with track record and balance sheet (implications for BIPOC)
- Mixed use difficult; mixed income difficult
- Funders to focus on existing portfolio
- Non-profits fundraising for own space taking longer
- Opportunity for land banking, A++ land

Low Income Housing Tax Credit Pricing



Source: Novogradac & Company LLP



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Bond Project Team Updates

Anna Mann House and SE 115th & Division

Anna Mann House

1025 NE 33rd Avenue

Innovative Housing, Inc.



Anna Mann

Service Partners:

- Innovative Housing
- IRCO (The Immigrant and Refugee Community Organization)
- Luke Dorf, Inc.

Priority Communities Served:

- Families
- Communities of color
- Immigrants, refugees
- Individuals experiencing homelessness or at risk of homelessness

Unit Mix

Income Restriction	Studio/ SRO	1-Bdrm	2-Bdrm	3+ Bdrm	Total	Family-size	PSH
0-30%		24	13	5	42	18	12
31-60%		42	35	9	85	44	0
TOTAL		66	48	14	128	62	12

Estimated # People Housed: 315

Project Funding Sources

Portland Housing Bonds	\$15,939,542
Historic Tax Credits	\$1,357,256
Low Income Housing Tax Credits, if any	\$12,236,703
Senior Commercial Debt, if any	\$6,738,111
OHCS direct funding, if any (energy)	\$83,287
Developer Loan (deferred fee)	\$1,442,430
Total Funding	\$37,797,329
Gap in Funding, if any	\$0
Total Project Costs	\$37,797,329



Portland's Housing Bond funding = \$15,939,542, leveraged 2.4 times

Development Progress

Current stage of development

- Pre-development, Architectural Design Development

Project Highlights / Partners

- Tree survey complete, saving significant trees
- Addition of 40 more units, increasing number of 2 bedrooms
- Exploring partnerships for resident gardening, and dance/yoga classes for children

Upcoming Milestones

- Landmarks application responses soon

Material Changes since funding award

- Zoning change - increased the density allowed on the property through Better Housing by Design to RM1
- Approval to add another building, and 40 additional units, to the project.

DMWESB-SDV Updates

- Design-build trades (mechanical, electrical, plumbing and fire sprinkler)
 - Estimated participation approximately 70 – 80%
 - On track for 30% utilization for the entire project
- Planning extended outreach programs now
- Will have early meetings for certified subs prior to bid period opening

Issues / Challenges

Continued building investigations

- Replace sewer main inside existing building
- Exterior sewer lines will be reused

Preservation of street trees

- Proposal to PBOT to narrow driveway

Community Engagement

Highlights:

- IHI and IRCO crafting service delivery program
- Gathering resident feedback on outdoor amenities and community space



115th @ Division

11514-11518 SE Division St.



Social Service Partners



115th @ Division

Priority Communities Served:

- Families
- Communities of color
- Immigrants, refugees
- Individuals experiencing homelessness or at risk of homelessness

Unit Mix

Income Restriction	Studio/ SRO	1-Bdrm	2-Bdrm	3+Bdrm	Total	Family-size	PSH
0-30%	9	14	15	8	46	23	7
31-60%	18	28	31	15	92	46	
TOTAL					138	69	7

Estimated # People Housed: 343

Project Funding Sources

Portland Housing Bonds	\$15,658,807
Deferred Development Fee	\$ 2,680,070
Low Income Housing Tax Credits, if any	\$12,284,973
Senior Commercial Debt, if any	\$ 7,449,336
OHCS GAP funds	\$ 1,251,340
OHCS MEP	\$ 100,000
Total Funding	\$39,424,526
Gap in Funding, if any	\$
Total Project Costs	\$39,424,526



Portland's Housing Bond funding = \$15,658,807, leveraged 2.5 times

Development Progress

Pre-Development

- Building permit submitted May 2020.
- Financing scheduled to close October 2020.

Project Highlights / Partners

- 100% affordable family development with supportive services provided by three esteemed social service providers:
 - Central City Concern will provide comprehensive resident services.
 - Boys and Girls Club will administer after-school programs.
 - IRCO will offer programs, outreach and educational opportunities.

Upcoming Milestones

- Going out to bid late July.
- Debt/equity partners have been selected.

DMWESB-SDV Updates

- Latest pricing exercise on target for 31% DMWESB-SDV participation on hard costs
- 20% aspirational DMWESB – SDV goal is projected to be over 35% on project soft costs



Issues / Challenges

- Uncertainty with BDS permit review timeframe given city furloughs and impacts of COVID-19.
- COVID environment in general and its impact on construction, lease-up.

Community Engagement

Highlights:

- Neighborhood association outreach
- Presentation to EPAP
- Hosted neighborhood outreach meeting in February 2020 with a focused agenda.
- Posted development notice at the site and acquired prospective leasing calls immediately.
- Met with local residents and stakeholders; received positive neighborhood support for this very significant development.



Public Testimony

Two minutes per person.

Submit your testimony via the Chat feature.

Next Meeting Date: October 1, 2020

Portland's Housing Bond

GOAL: 1,300 TOTAL UNITS

EXCEEDED: 1,454 UNITS ✓

GOAL: 600 UNITS AT 30% AMI

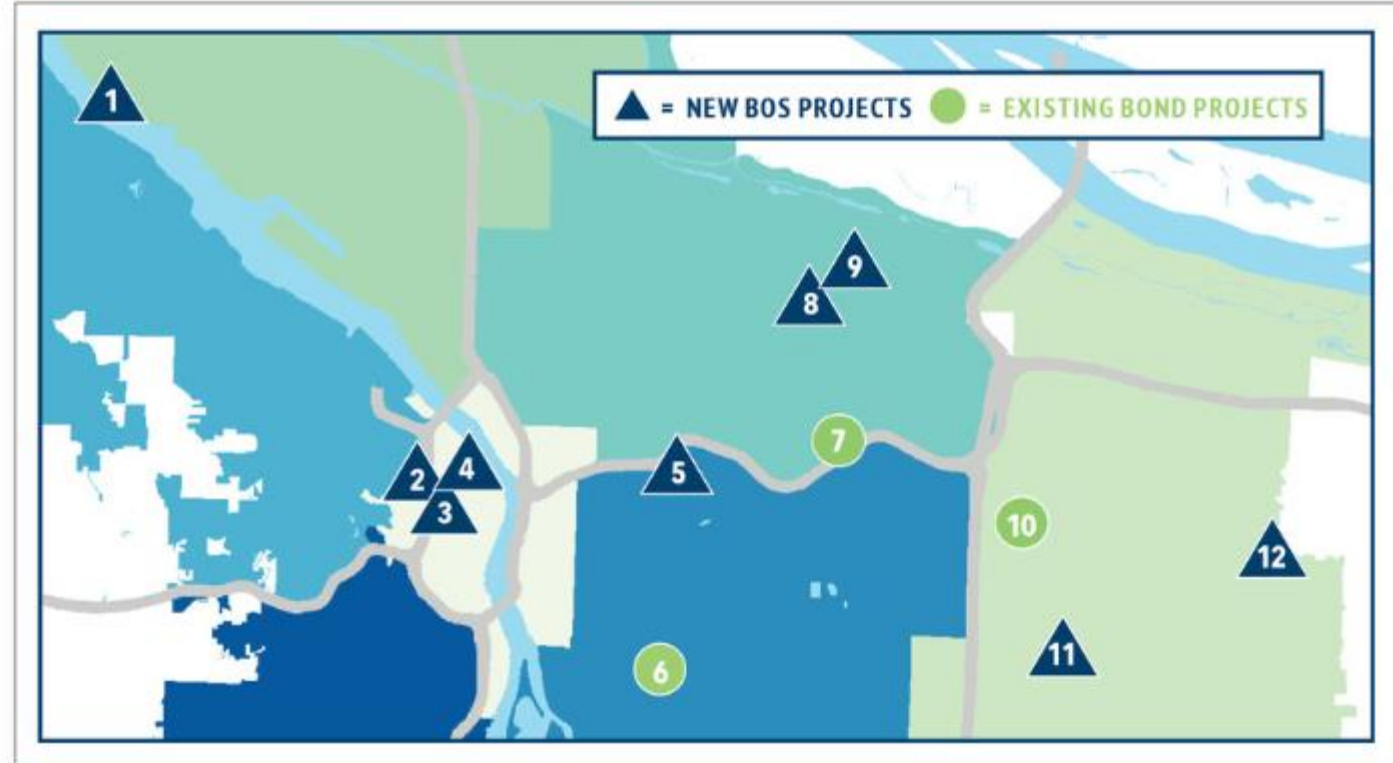
EXCEEDED: 609 UNITS ✓

GOAL: 300 UNITS OF PSH

EXCEEDED: 313 UNITS ✓

GOAL: 650 FAMILY-SIZE UNITS

EXCEEDED: 669 UNITS ✓



Updated April 30, 2020