

IMPACT STATEMENT

Legislation title: *Authorize new construction financing in an amount not to exceed \$17,454,910 for an affordable housing project to be developed by Cathedral Village Partners Limited Partnership or a Related Northwest, Inc. / Catholic Charities affiliate (Ordinance)

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Presenter name: Shannon Callahan, Director, PHB
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Also present: Rose Bak, Chief Program Officer for Catholic Charities of Oregon,
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Purpose of proposed legislation and background information:

- This Ordinance requests City Council approval of financing in an amount up to \$17,454,910 using Portland Housing Bonds (“Portland Bonds”) from fiscal years 2020-23.
- The funds will allow Cathedral Village Partners Limited Partnership or a Related Northwest, Inc. (Related) / Catholic Charities affiliate to construct a new 110-unit affordable housing project at 8614 N. Crawford Street known as Cathedral Village (“Project”).
- Cathedral Village will provide 37 units at or below 30% of area median income (AMI), including eight (8) Permanent Supportive Housing units for people exiting homelessness. The PSH units will receive service subsidy from the Joint Office of Homeless Services (JOHS). The remaining 73 units will be restricted to households earning up to 60% AMI.

Financial and budgetary impacts:

- PHB is required to regulate and monitor all affordable rental projects that contain City allocated funding for a minimum of sixty years and PHB funded projects are regulated for a term of 99 years.
- The financing amount requested in this legislation is included in the PHB FY 2020-21 Adopted Budget and the bureau five-year forecast.
- 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, and documentation related to the development of the Project are anticipated and included in the PHB FY 20-21 Adopted Budget and covered in the Program Delivery Fee.

- PHB will charge a fee over the life of the project to cover compliance monitoring costs.
- The Project is applying and qualifies for System Development Charge (SDC) waivers, which collectively total an estimated \$1,867,968 in foregone City revenue.

Community impacts and community involvement:

- 110 units of affordable housing in north Portland, in the St. Johns neighborhood.
- 37 (or 34%) of the affordable units will be restricted to households earning 30% AMI or less.
- 8 (or 7%) of the affordable units are targeted to serve homeless or at-risk households, including families.
- 56 (or 51%) of the affordable units will be family sized (two and three bedrooms).
- Catholic Charities will provide case management, peer support and additional services to PSH residents.
- The Project is on track to meet or exceed PHB's required equity in contracting goals of 30% for DMWESB-SDV for construction costs and 20% for professional services.

Community involvement: Related Northwest (Related) and Catholic Charities attended three Cathedral Park Neighborhood Association (CPNA) meetings in spring of 2020 to begin conversations with neighbors about the Project. North Portland Neighborhood Services, St. Johns Business District and Portland Public Schools were also notified about the meetings, and the agendas were shared through the neighborhood association's website and Facebook page. Related provided information about Cathedral Village through a permanent, project-specific website with the opportunity to submit comments via email. In June 2020, Related again engaged the CPNA to assist with informing area residents about minor design changes to the building. Sound mitigation, access to public transit and tenant parking were the primary topics that arose from community engagement. The developers have not received any opposition to the Project from the neighborhood.

Unit Mix and Affordability

Project Overview: New rental housing construction
 Total Units: 110
 Permanently Affordable: 110 (37 at 30% AMI and 73 at 60% AMI)

Unit Mix:

Unit Size	Total No. Units	Total @ 30% AMI	Total @ 60% AMI	PSH Units
Studio	17	11	6	4
1 Bedroom	37	15	22	0
2 Bedroom	45	8	37	4
3 Bedroom	11	3	8	0
Total	110	37	73	8

100% Renewable Goal:

Cathedral Village is on track to meet Earth Advantage Multifamily Gold certification and will contribute to the City's goals to reach 100% of energy needs with renewable energy by 2050.

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

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