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300 West Fairview Dr., Springfield, OR 97477 • PH 541-682-4090 • FAX 541-682-3875



Homes. People. Partnerships. Good. www.homesforgood.org

HOMES FOR GOOD HOUSING AGENCY

BOARD OF COMMISSIONERS MEETING WEDNESDAY, DECEMBER 19TH, 2018

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AGENDA

Homes for Good Housing Agency



BOARD OF COMMISSIONERS

Location of the meeting:

Board of County Commissioners Conference Room, Public Service Building, 125 East 8th Avenue, Eugene, OR, 97401

Phone: 541.682.2506

The meeting location is wheelchair-accessible. Anyone needing special accommodations (deaf, people with hearing loss, language translation, chemical sensitivity needs, and large print copies of agenda), please make your request at least 48 hours prior to the meeting.

Wednesday, December 19th, 2018

(2:30 p.m.) (Board of County Commissioners Conference Room)

PUBLIC HEARING (HOMES FOR GOOD ANNUAL AGENCY PLAN)

Public Comment on Proposed Significant Amendment to the Annual Agency Plan for Fiscal Year effective October 1, 2018 (Changes to the Public Housing Admissions and Continued Policy – ACOP)

1. #PUBLIC COMMENTS

(Expected maximum time 10 minutes: Speakers will be taken in the order in which they sign up and will be limited to 3-minutes per public comments. If the number wishing to testify exceeds 10 speakers, then additional speakers may be allowed if the chair determines that time permits or may be taken at a later time.)

2. COMMISSIONERS' RESPONSE TO PUBLIC COMMENTS AND/OR OTHER ISSUES AND REMONSTRANCE (2 min. limit)

3. ADJUSTMENTS TO THE AGENDA

4. COMMISSIONERS' BUSINESS

5. EMERGENCY BUSINESS

6. ADMINISTRATION

- A. Approval of Minutes: 11/28/2018
- B. Homes for Good Staff Recognition & Introductions to the Board
- C. Executive Director Report (estimated time 15 minutes)
- D. **Order/18-19-12-01H** – In the Matter of Authorizing the Executive Director to Apply for 4% Low Income Housing Tax Credits and Lottery Backed Bonds for Preservation for the RAD phase II projects. (Spencer McCoy, Project Developer) (estimated time 10 minutes)
- E. **Order/18-19-12-02H** – In the Matter of Authorizing the Execution of a Ground and Building Rooftop Lease Agreement with Verizon Wireless for the Purposes of Installation, Operation and Maintenance of Communications Equipment (Jacob Fox, Executive Director) (estimated time 15 minutes)
- F. **Order/18-19-12-03H** – In the Matter of Authorizing a Loan from Homes for Good Housing Agency to MD Commons LLC (Steve Ochs, Real Estate Development Director) (estimated time 15 minutes)

7. OTHER BUSINESS

Adjourn

MINUTES

Homes for Good Housing Agency



BOARD OF COMMISSIONERS

Location of the meeting:

Board of County Commissioners Conference Room, Public Service Building, 125 East 8th Avenue, Eugene, OR, 97401

Phone: 541.682.2506

The meeting location is wheelchair-accessible. Anyone needing special accommodations (deaf, people with hearing loss, language translation, chemical sensitivity needs, and large print copies of agenda), please make your request at least 48 hours prior to the meeting.

Wednesday, November 28th, 2018

(2:30 p.m.) (Board of County Commissioners Conference Room)

PUBLIC HEARING (CM/GC)

This public hearing is being held regarding the Joint Order of the Board of Commissioners and Local Contract Review Board Exempting the Construction of the RAD Phase II projects and the Housing First project from Competitive Bidding Requirements and Directing the Use of the CMGC Alternative Contracting Method.

No public comment

1. #PUBLIC COMMENTS

(Expected maximum time 10 minutes: Speakers will be taken in the order in which they sign up and will be limited to 3-minutes per public comments. If the number wishing to testify exceeds 10 speakers, then additional speakers may be allowed if the chair determines that time permits or may be taken at a later time.)

No public comment

2. COMMISSIONERS' RESPONSE TO PUBLIC COMMENTS AND/OR OTHER ISSUES AND REMONSTRANCE (2 min. limit)

None

3. ADJUSTMENTS TO THE AGENDA

Item G: Order 18-28-11-05H will be moved to the first order for discussion.

4. COMMISSIONERS' BUSINESS

Pat Farr is excused from the meeting at 2:59pm

5. EMERGENCY BUSINESS

None

6. EXECUTIVE SESSION I – estimated time 15 minutes

“On November 28th, 2018, the Homes for Good Board will hold an executive session pursuant to ORS 192.660(2)(e), to conduct deliberations with persons designated by the Homes for Good Board of Commissioners to negotiate real property transactions

7. ADMINISTRATION

A. Approval of Minutes: 10/17/2018

Motion to approve Minutes: Sid Leiken

Motion seconded: Michelle Thurston

Motion approved 6/0 with Commissioner Gary Williams being excused

B. Executive Director Report (estimated time 15 minutes)

Jacob Fox:

- Across the nation affordable housing providers are working more intentionally with healthcare systems. Char has been a leader in thinking about how these two systems can work more closely together. So, we are starting to see more partnerships between Homes for Good and Lane County by convening the healthcare system leaders including Trillium, Peace Health, Pacific Source, and Kaiser. I just wanted to make sure you knew of the growing partnerships that will create more health system connections onsite with our affordable housing.
- Next, I wanted to update the board on the Housing First project with a healthcare lens. As you know Trillium has already committed half million dollars to this project. We will also hear in December whether Kaiser and Peace Health will support the project. We have asked for \$750,000 from both of those systems. Lastly, Nora Cronin who is here today has been working with Pacific Source on a request for funding that will go to this project as well.
- Related to healthcare, I am on the Sacred Heart/Peace Health Community Health Board and we had a retreat in Bend where boards from the metro area and Florence were all in attendance. The top priority for all three boards was around affordable housing and healthcare connections. There is some real synergy there that I believe is going to improve the lives of people with low incomes.
- Lastly, I am involved in a work group that is meeting for 3 hours tonight. The workgroup is planning to make some proposals to Eugene City Council around a variety of different possible changes to code and also a new funding structure that can support an expansion of affordable housing with what has been called, “missing middle housing.” There is a growing concern that there will not be enough units on the ground in place to address this middle housing issue for the community. The group is made up of community leaders,

private sector developers, and individuals with positions in affordable housing with jobs like mine.

Pete Sorensen: What could make a dent in the affordable housing picture, specifically what could make these ADU's more economical for people to build or is that the reason they are not being built? Is there any emphasis on rehabilitation of current affordable housing i.e. taking "bad housing" and transforming it to "good housing" through rehabs instead of new builds to put more housing back in the community?

Jacob Fox: In my opinion there just needs to be more funding that is available for affordable housing whether that is done through construction excise tax or levy. There just needs to be more funds available. In my email exchanges with Pete, he thinks we can bring in someone with expertise in voter approved affordable housing sources of funding. I feel that would be educational for the board. I will work with Pete and Char to determine who that might be.

Jacob Fox: In Homes for Good updates, we developed a group, "Future Focus League" which works on process improvement and improving customer service for the community we serve. Previously, people coming to Homes for Good without appointment as a walk-in situation would not come out to assist them because staff was too busy. Currently, through staffing changes, we are rebooting customer service and walk-ins will not be turned away and the culture of better customer service is underway in all divisions within the agency.

G-Order/18-28-11-05H – In the Matter Authorizing the Executive Director or Executive Director's designee to execute the sale of Lot 7 of the Oregon BILDS subdivision on Hope Loop

Steve Ochs: We have had a great partnership with Habitat for Humanity in the past and out on Hope Loop where the Oregon BILDS staff has been building housing. In the past we have sold lots to Oregon BILDS. There is an additional lot off the pan handle and we would like to transfer this lot to Oregon BILDS to build additional housing. Kelly Devore, ED Habitat is here to talk about the lot they are requesting from Homes for Good.

Kelly Devore: We as an organization have been through a lot of transition. We are about to finish house number 72 and have a dedication coming up. We have a future home buyer, a single veteran and lot 7 was the one for us and we appreciate Homes for Good for transferring this lot to us. We are ready to plan the build for this house for him which will be a 2-bedroom home. Then we will be working on lot 9 and then a project in Springfield.

Steve Ochs: We hope to find more opportunities to work with Oregon BILDS and Habitat.

Kelly Devore: We are a small piece in the housing puzzle, but we are excited to always be a part of the conversation even though we are a small slice of the piece.

Pete Sorensen: Can you take a moment to give us a big picture view of what local officials can do different than they do now in this area of housing.

Kelly Devore: I am so new but a few things I have observed; opportunities to look for efficiencies. A high priority is often placed for multi-family housing. I would like to see making more lots available for home ownership. We would like to do more small renovations and build a home repair program. We also would like more opportunities partnerships for more lots and land to build homes for home ownership.

Steve Ochs: I would like to point out that they have also had a name change to Habitat for Humanity of Central Lane.

Motion to approve: Jay Bozievich

Motion seconded: Sid Leiken

Motion approved 5/0 with Commissioner Gary Williams and Pat Farr being excused

C-Order/18-28-11-01H – In the Matter of the Joint Order of the Board of Commissioners and Local Contract Review Board Exempting the Construction of the RAD Phase II projects and the Housing First project from Competitive Bidding Requirements and Directing the Use of the CMGC Alternative Contracting Method. (Steve Ochs, Real Estate Development Director)

Steve Ochs: This is the order that allows us to use the CMGC process to move forward

Motion to approve: Sid Leiken

Motion seconded: Michelle Thurston

Motion approved 5/0 with Commissioner Gary Williams and Pat Farr being excused

D-Order/18-28-11-02H – In the Matter of Approving Contracts 19-P-0019 Architectural Services and 19-C-0020 Construction Management/General Contractor Services for the construction of the RAD phase II projects (Steve Ochs, Real Estate Development Director)

Steve Ochs: This project is a split site. The construction projects will be built simultaneously. We had a good response to the RFP and ultimately, Meili and Bergsund were selected. When we entered this process, we had some good competition. We had good discussion but ultimately, these two scored the highest among the RFP respondents.

Motion to approve: Sid Leiken

Motion seconded: Jay Bozievich

Motion approved 5/0 with Commissioner Gary Williams and Pat Farr being excused

E-Order/18-28-11-03H – In the Matter of Approving Contract 19-C-0021 (Construction Management/General Contractor Services) for the Housing First Apartment Community in Eugene, Oregon (Nora Cronin, Project Developer)

Nora Cronin: I am here to talk about the CMGC RFP issued back in October. We received 2 responses and Meili was selected among the contractors with the highest score.

Nora Cronin: During the design process, the architects were able to find space for an additional room so now it will be a 51-unit facility. There was also a naming committee that decided upon the name for this project which will be, "The Commons on MLK." So you will see this name used on future resolution brought to the board.

Jacob Fox: I would like to add a relevant data point about this project. A chronically homeless person costs approximately \$80K a year in emergency services. When they go into a Housing First building they cost around \$15K a year for housing and supportive services.

Nora Cronin: The added unit will only cost \$80K where it would typically be \$165K for a unit. This is due to the creative work of our architects.

Motion to approve: Sid Leiken

Motion seconded: Michelle Thurston

Motion approved 5/0 with Commissioner Gary Williams and Pat Farr being excused

F-Order/18-28-11-04H – In the Matter of Authorizing Development and Financing of Market District Commons Apartments (Steve Ochs, Real Estate Development Director)

Steve Ochs: This order allows all the funds to be used for the project. After our last board meeting, we received corrections from the bank and the City of Eugene. You will see those in #9 in the memorandum. It allows the receipt of HOME loans. The fixes the bank wanted are highlighted in blue.

Sid Leiken: Thank you for sending me the information on the interest rates.

Steve Ochs: From the time we started this project, we held aside around \$340K for interest. Now it is over \$500K.

Motion to approve: Jay Bozievich

Motion seconded: Michelle Thurston

Motion approved 5/0 with Commissioner Gary Williams and Pat Farr being excused

H Discussion/In the Matter Scheduling 2019 Homes for Good Board of Commissioners Meetings (Jacob Fox, Executive Director)

- Discussion on the best time of day for the 2019 Homes for Good Board Meeting was decided upon.
- It was determined that Wednesdays 1:30pm – 3:00pm will be the new time for the board meetings in 2019 as the earlier time would work better for those commuting from out of the area and with late afternoon meetings that may cause conflict.

8. OTHER BUSINESS

Adjourn

Please note this is a short excerpt of the proceedings, a full recording of the meeting is available upon request by emailing amccoy@homesforgood.org.



When our employees regardless of their function and place in the organization are empowered to take action in a coordinated manner think about the increased energy and creativity that can be used to better serve the people with low incomes here in Lane County.

A continual focus of my time is tracking and understanding how funding resources for our work continue to change and grow as local, state and federal systems respond to the affordable housing crisis across the State of Oregon. On November 29th I was invited as an affordable housing professional to meet with Governor Brown as she shared her proposed budget that includes an unprecedented level of funding for our work. I was able to share with her some early thinking I have about how housing authorities across Oregon could create a preference into our housing programs for kids in schools whose families are experiencing homelessness. She responded by sharing with the group how ideas like ours could help further her plans for help address homelessness and improves the educational experience for all kids in our schools. That same day I came back from Salem and attended the Lane Workforce Partnership Board meeting where Homes for Good was recognized throughout the meeting for being a community leader in supporting the implementation the Apprenti Tech Apprenticeship Program here in Lane County. A Homes for Good employee, Travis Stewart, is a model participant in this program and is growing his career through this program and by working here at Homes for Good. When we partner and engage with organizations like the Governor's Office and Lane Workforce Partnership we grow our opportunities to share our story and grow the funding resources for our work. I attend many meetings like these and our reputation for achieving excellence is growing at an unprecedented rate.

Nora, Ela and I with support from many employees across the organization continue to move forward with our planning for the new administrative offices at 100 W 13th. We have completed the test fit phase, which allowed us to determine where each Division will be located within the new building along with other key space planning like where the reception area and conference rooms will be located. We are closing in on making a decision on what contractor we will select as well as developing some early cost estimates for the total project cost.

What is becoming more clear is how this move will continue to sharpen our focus as an organization and also continue to transform the culture of our organization. In particular, I'm excited about the synergy between our key divisions that are in service to people with low-incomes in our community and how we can use this synergy to address our client's needs in a more holistic way. For example, I can envision a system in our new building where a person attends a briefing and is issued a Section 8 voucher, they apply for Family Self-Sufficiency, they are assigned a Resident Services Community Health Worker, they are income qualified for our Weatherization programs and we give them a priority into a Homes for Good tax credit building where their voucher can be leased up. All of this could happen in one appointment by having staff members that are trained to help in common aspects for all of our programs.



Jacob Presenting Matty Arena with Employee of the Year Award



Homes for Good Holiday Party

The holiday season is a time of celebration for our team here at Homes for Good. On December 7th we held our annual holiday party at Willamalane's Bob Keefer Center for Sports and Recreation. This celebration had a tropical theme and was organized by teams from Accounting/Finance, Fee for Service and Energy Services. Over three hours we ate delicious food, played games and honored our employees with raffle prizes and the Employee of the Year award. Our Employee of the Year for 2018 is Matty Arena. Matty started his employment with us as a painter and worked in this capacity for numerous years. Over the past two years he has grown his skills beyond painting and has taken on numerous special assignments, because of his dedication to growing his skill sets. Most recently Matty has successfully passed the certification exam to become a Weatherization Auditor, which is a very difficult certification test. Matty has a wonderful sense of humor, he is dedicated to the mission of Homes for Good and he supports his fellow employees whenever they need his help. In an all staff meeting in October Matty presented in front of over 80 employees and shared information about his position and his team. I'm honored that Matty chooses to work here at Homes for Good and I hope you join me in congratulating him for his Employee of the Year award.

In terms of big organizational tasks over the next few months we are working to select a consultant to help guide the development of our Equity and Inclusion Initiative and after this consultant is on under contract we will begin working on the 2019-2022 Strategic Plan. We wanted to launch our Equity and Inclusion Initiative first because this body of work will over arch our 2019-2022 Strategic Plan. The Homes for Good Board will be actively engaged in the development of both of these plans.

HAPPY HOLIDAYS



AGENDA CHECKLIST

AGENDA INFORMATION TO BE SUBMITTED TO THE BOARD OFFICE
(Aisha McCoy, Administrative Specialist ext 2525)

AGENDA TITLE: In the Matter of Authorizing the Executive Director to Apply for 4% Low Income Housing Tax Credits and Lottery Backed Bonds for Preservation for the RAD Phase II projects.

➤ **One Title Memo**

📎 **Agenda Packet**
One Original Hard Copy plus
One copy e-mailed to
amccoy@homesforgood.org

📎 **Material Due**
Due by 12 pm Wednesday
preceding the week it will be
included in the agenda notice

DEPARTMENT	Real Estate Development		
CONTACT	Spencer McCoy, Project Developer	EXT	2514
PRESENTER	Spencer McCoy, Project Developer	EXT	2514

AGENDA DATE: **12/19/2018**

THIS ITEM WILL INVOLVE:

- | | | | |
|--|--|--|--|
| <input type="checkbox"/> Consent Calendar | <input type="checkbox"/> Report | <input type="checkbox"/> Appointments | <input type="checkbox"/> Committee Reports |
| <input checked="" type="checkbox"/> ORDER/Resolution | <input type="checkbox"/> Discussion & Action | <input type="checkbox"/> Discussion Only | |
| <input type="checkbox"/> Ordinance/Public Hearing | | | |
| Public Comment Anticipated? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Estimated Time ___15 min___ | |

NOTE: DEPARTMENT MANAGER MUST SIGN OFF BEFORE SUBMITTING TO BOARD OFFICE

Executive Director/: **Jacob Fox** Date **12/11 /2018**

Deputy Director _____

Legal Staff-Review by: _____ Date _____

*if required _____

Management Staff- _____ Date _____

Review by: _____



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HOMES FOR GOOD MEMORANDUM

TO: Homes for Good Board of Commissioners

FROM: Spencer McCoy, Project Developer

AGENDA ITEM TITLE: In the Matter of Authorizing the Executive Director to Apply for 4% Low Income Housing Tax Credits and Lottery Backed Bonds for Preservation for the RAD phase II projects.

AGENDA DATE: December 19th, 2018

I MOTION

That the Executive Director or Real Estate Development Director is authorized to apply for 4% Low Income Housing Tax Credits and Lottery Backed Bonds for Preservation from Oregon Housing and Community Services for the RAD Phase II Projects.

II ISSUE

Homes for Good Housing Agency began Rental Assistance Demonstration (RAD) conversion planning in 2013. Since then, Homes for Good Housing Agency obtained a multi-phase award to convert 112 public housing scattered site subsidies to a section 8 platform in a multifamily setting. The first phase, containing 12 units, has recently been completed. This resulted in 12 scattered site units converting these subsidies into the Richardson Bridge Apartments as part of a larger rehab. The RAD application for the second phase, containing 100 units, was submitted in June of 2018. Homes for Good Housing Agency received a conditional award (CHAP) from HUD in August of 2018 these units. As a condition of this conditional award, Homes for Good Housing Agency must identify replacement housing for the scattered sites. In this case the replacement housing will be newly constructed at Thurston Heights in Springfield and Taney Place in Eugene.

A board order is required to authorize Homes for Good Housing Agency to apply for specific program funds, accepting program regulations and responsibilities, and indicating the authorized signers. This memorandum requests such board authorization.

III DISCUSSION

A. Background/Analysis

Since 2013, Homes for Good has been evaluating the RAD program as a way to preserve its aging public housing portfolio in Lane County. Many public housing units are old and in disrepair due to years of federal disinvestment. RAD allows public housing agencies to leverage public and private debt and equity in order to reinvest in the public housing stock. After a successful demonstration with RAD Phase I converting 12 scattered site public housing units into Richardson Bridge, RAD phase II will

convert the remaining 100 public housing scattered sites in the Homes for Good portfolio to a Section 8 subsidy platform at Thurston Heights and Taney Place.

Thurston Heights will be a 53 unit development located at 250 S 67th St, while Taney Place will be a 49 unit development located at 1600 Taney. Both of these developments will include 3 story buildings, a playground, and a community room with service programming. The site located at 250 S 67th St has slopes that will make it more challenging and costly to develop than a flatter parcel. This replacement housing is a required component of the RAD program and will contain the same bedroom sizes as the scattered sites. This conversion will not only allow for the new construction of 100 units with rental assistance, but will allow Homes for Good to sell the 100 scattered sites. The proceeds will fund construction of the replacement housing and also allow Homes for Good to initiate a comprehensive preservation effort of other properties in the real estate portfolio.

Project Financing – Homes for Good intends to apply for approximately \$2,650,000 in Lottery backed bond proceeds and 4 million dollars in Oregon Affordable Housing Tax Credit (OAHTC) Funds. The remaining proceeds will come from a variety of sources: 4% Low-Income Housing Tax Credits (LIHTC), General Housing Account Program (GHAP) funds, HOME Funds, Scattered Site Sale Proceeds, Deferred Developer Fee, and other private and public funds.

B. Recommendation

Approval of the attached order is necessary to allow Homes for Good Housing Agency to apply to Oregon Housing and Community Services for 4% Low Income Housing Tax Credits and Lottery Back Bonds and OAHTC for Preservation.

C. Timing

The 4% LIHTC pre-application will be submitted to Oregon Housing and Community Services in early 2019.

IV IMPLEMENTATION/FOLLOW-UP

Same as Item III. C. above.

V ATTACHMENTS

None

IN THE BOARD OF COMMISSIONERS OF THE
HOMES FOR GOOD HOUSING AGENCY, OF LANE COUNTY OREGON

ORDER #18-19-12-01H

In the Matter of Authorizing the Executive
Director to Apply for 4% Low Income Housing
Tax Credits and Lottery Backed Bonds for
Preservation for the RAD Phase II projects.

WHEREAS, the Authority dba Homes for Good Housing Agency is a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes of the ORS 456.055 to 456.235 (the "Housing Authorities Law"); and

WHEREAS, a purpose of Homes for Good Housing Agency under the Housing Authorities Law is to construct, acquire, manage and operate affordable housing for persons of lower income; and

WHEREAS, Homes for Good Housing Agency recognizes the need to address the community issue of preserving the availability of affordable housing for low-income individuals and families to allow them access to safe, good, housing;

WHEREAS, Homes for Good Housing Agency has undertaken the development of the RAD phase II projects to address this community need; and

WHEREAS, Homes for Good Housing Agency wishes to obtain assistance from the State of Oregon Housing and Community Services (OHCS) to provide funding for this housing development.

NOW IT IS THEREFORE ORDERED THAT:

Homes for Good Housing Agency resolves to develop an approximately 102-unit split-site affordable housing development for RAD phase II;

The Executive Director or Real Estate Development Director is authorized to apply to Oregon Housing and Community Services for 4% tax credit funding as well as other funding offered from the State of Oregon, including lottery backed bonds for preservation funding, Oregon Affordable Housing Tax Credit Program (OAHTC) funding and General Housing Account Program (GHAP) for the RAD phase II projects;

Homes for Good Housing Agency will accept the responsibilities and requirements of the funds requested through the OHCS application(s);

That the Executive Director or Real Estate Development Director is authorized to execute the program and legal documents associated with accepting the tax credit & lottery backed bonds for preservation funding;

That the Executive Director or Real Estate Development Director is authorized to release project information to OHCS from the financial partners listed in the application and authorizes OHCS to verify any application information as required to complete its due diligence; and

That the Executive Director or Real Estate Development Director is authorized to sign all draw requests, monthly progress reports, and miscellaneous forms associated with the tax credit funds and lottery backed bond funds awarded to the project.

DATED this _____ day of _____, 2018

Chair, Homes for Good Board of Commissioners



AGENDA CHECKLIST

AGENDA INFORMATION TO BE SUBMITTED TO THE BOARD OFFICE
(Aisha McCoy, Administrative Specialist ext 2525)

AGENDA TITLE: In the Matter of Authorizing the Execution of a Ground and Building Rooftop Lease Agreement with Verizon Wireless for the Purposes of Installation, Operation and Maintenance of Communications Equipment.

One Title Memo

Agenda Packet
One Original Hard Copy plus
One copy e-mailed to
amccoy@homesforgood.org

Material Due
Due by 12 pm Wednesday
preceding the week it will be
included in the agenda notice

DEPARTMENT	Public Housing		
CONTACT	Jacob Fox,	EXT	2527
	Executive Director		
PRESENTER	Jacob Fox,	EXT	2527
	Executive Director		

AGENDA DATE: **12/19/2018**

THIS ITEM WILL INVOLVE:

- | | | | |
|--|--|--|--|
| <input type="checkbox"/> Consent Calendar | <input type="checkbox"/> Report | <input type="checkbox"/> Appointments | <input type="checkbox"/> Committee Reports |
| <input checked="" type="checkbox"/> ORDER/Resolution | <input type="checkbox"/> Discussion & Action | <input type="checkbox"/> Discussion Only | |
| <input type="checkbox"/> Ordinance/Public Hearing | | | |
| Public Comment Anticipated? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Estimated Time | ___15 min___ |

NOTE: DEPARTMENT MANAGER MUST SIGN OFF BEFORE SUBMITTING TO BOARD OFFICE

Executive Director/: **Jacob Fox** Date **12/11 /2018**

Deputy Director _____

Legal Staff-Review by: _____ Date _____

*if required _____

Management Staff- _____ Date _____

Review by: _____



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HOMES FOR GOOD MEMORANDUM

TO: Homes for Good Board of Commissioners

FROM: Jacob Fox, Executive Director

AGENDA ITEM TITLE: In the Matter of Authorizing the Execution of a Ground and Building Rooftop Lease Agreement with Verizon Wireless for the Purposes of Installation, Operation and Maintenance of Communications Equipment.

AGENDA DATE: December 7, 2018

I MOTION

It is moved that the Agency is authorized to negotiate, execute and deliver on behalf of the Agency the necessary documents to enter into a Ground and Building Rooftop Lease Agreement with Verizon Wireless for the purposes of installation, operation and maintenance of communications equipment on the rooftop of Parkview Terrace, located at 255 High Street in Eugene, Oregon.

II ISSUE

Homes for Good Housing Agency strives to maximize revenues on all properties, with the intention of putting those revenues to use improving the properties. Homes for Good would like to enter into a Third-Party lease agreement with Verizon Wireless to generate revenue that will be earned from the installation of a cell phone tower and used for the needs of Parkview Terrace apartment community.

III DISCUSSION

A. Background/Analysis

Homes for Good entered discussions with Verizon Wireless regarding the potential placement of communications equipment on the rooftop of Parkview Terrace in 2016. Verizon Wireless wishes to lease approximately two hundred twenty-eight (228) square feet on the rooftop of Parkview Terrace located at 255 High Street, Eugene, for the installation, operation and maintenance of communications equipment; together with such additional space on the roof of the Building sufficient for the installation, operation and maintenance of antennas; together with one hundred fifty (150) square feet for equipment in the parking area (the "ground space") at the Property; together with such additional space within the Building and on the roof of the Building for the installation, operation and maintenance of wires, cables, conduits and pipes running between and among the Rooftop Space and Antenna Space and to all necessary electrical and telephone utility sources located within the building or on the property.

Under the proposed lease agreement, Verizon Wireless would be responsible for providing the funding

required to ensure the following: secure necessary permits; contract and provide the labor, materials and all other items related to installation, operations and maintenance of communications tower. Verizon's access to the leased areas are limited to a route approved by Homes for Good and Verizon has agreed to inform the Property Manager of Parkview Terrace prior to accessing the areas. Revenue from the lease will be \$15,600 per year for the first five years and will increase by 10% for each five -year increment that the lease remains in force.

The agreement with Verizon was thoroughly reviewed by Homes for Good counsel and signed in April 2017. Homes for Good management has recently been advised by HUD that this agreement requires board authorization and that is the reason for this action today.

B. Recommendation

Approval of the proposed motion.

IV IMPLEMENTATION/FOLLOW-UP

Upon approval of the Order, the Agency may provide Verizon with a notice to proceed with construction activities.

V ATTACHMENTS

None.

IN THE BOARD OF COMMISSIONERS OF THE
HOMES FOR GOOD HOUSING AGENCY, OF LANE COUNTY OREGON

ORDER 18-19-12-02H

In the Matter of Authorizing the Execution of
a Ground and Building Rooftop Lease
Agreement with Verizon Wireless for the
Purposes of Installation, Operation and
Maintenance of Communications Equipment

WHEREAS, Homes for Good Housing Agency recognizes the need to secure alternative funding sources that support our Agency programs;

WHEREAS, Homes for Good Housing Agency has undertaken the planning process to secure third-party funding by means of leasing otherwise unusable space atop an Agency-owned building;

WHEREAS, Homes for Good Housing Agency has need to enter into a Ground and Building Rooftop Lease Agreement with Verizon Wireless to increase revenue.

NOW IT IS THEREFORE ORDERED THAT:

The Executive Director or (whomever else is designated) is authorized to enter into a Lease Agreement with Verizon Wireless (VAW) LLC d/b/a Verizon Wireless.

DATED this _____ day of _____, 2018

Chair, Homes for Good Board of Commissioners



AGENDA CHECKLIST

AGENDA INFORMATION TO BE SUBMITTED TO THE BOARD OFFICE
(Aisha McCoy, Administrative Specialist ext 2525)

AGENDA TITLE: In the Matter of Authorizing a Loan from Homes for Good Housing Agency to MD Commons LLC

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preceding the week it will be
included in the agenda notice

DEPARTMENT	Public Housing		
CONTACT	Steve Ochs, Real Estate Development Director	EXT	2530
PRESENTER	Steve Ochs, Real Estate Development Director	EXT	2530

AGENDA DATE: **12/19/2018**

THIS ITEM WILL INVOLVE:

- | | | | |
|--|---|--|--|
| <input type="checkbox"/> Consent Calendar | <input type="checkbox"/> Report | <input type="checkbox"/> Appointments | <input type="checkbox"/> Committee Reports |
| <input checked="" type="checkbox"/> ORDER/Resolution | <input type="checkbox"/> Discussion & Action | <input type="checkbox"/> Discussion Only | |
| <input type="checkbox"/> Ordinance/Public Hearing | | | |
| Public Comment Anticipated? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Estimated Time ___15 min___ | |

NOTE: DEPARTMENT MANAGER MUST SIGN OFF BEFORE SUBMITTING TO BOARD OFFICE

Executive Director/: **Jacob Fox** Date **12/18/2018**

Deputy Director _____

Legal Staff-Review by: _____ Date _____

*if required _____

Management Staff- _____ Date _____

Review by: _____



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HOMES FOR GOOD M E M O R A N D U M

TO: Homes for Good Board of Commissioners

FROM: Steve Ochs, Real Estate Development Director

AGENDA ITEM TITLE: In the Matter of Authorizing a Contingent Loan from Homes for Good Housing Agency to MD Commons LLC

AGENDA DATE: December 19, 2018

I MOTION

It is moved that the Agency is authorized to provide a construction loan to MD Commons LLC as provided below and in the Board Order.

II ISSUE

The Homes for Good Board has authorized the development of Market District Commons, a 50-unit permanent affordable housing development at the northwest corner of 6th Avenue and Oak Street in Eugene Oregon. A construction loan financing gap has been created due to loan to value requirements from Wells Fargo Bank. It is now necessary to obtain Board authorization to provide, if the need should arise, a loan to the project.

III DISCUSSION

A. Background/Analysis

In 2013 the Lane County Board of Commissioners accepted the responses of Homes for Good and Obie Companies to the County's request for proposals for the redevelopment of County owned property on Sixth Avenue and Oak Street in Eugene. In 2013 Homes for Good entered into a Lease Option Agreement with the County. As required by the option agreement Homes for Good and Obie companies advertised and held three public meetings to allow feedback on proposed design and use. Feedback from these meetings was incorporated into a "Use and Development Plan" which was approved by the Lane County Board of Commissioners in 2016.

Homes for Good and its development team have been working closely with Obie Companies over the last 3 years to develop a coordinated and thoughtful development plan for the Market District area. Homes for Good, acting through MD Commons LLC, a limited liability company managed by Homes for Good as authorized by the Homes for Good Board of Commissioners (the "LLC"), will develop 50 affordable units in four stories over ground floor commercial space. The units will serve much needed downtown workforce housing as well as provide a preference for veterans seeking to rent a number of units.

The Obie Companies will acquire the commercial space from the LLC. The payment by Obie Companies will in part repay a portion of the construction loan obtained by the LLC to construct the housing and the commercial space. Based on the Loan to Value maximum of 70 percent that the Obie Companies' lender can provide to the Obie Companies, there is a possibility that just over \$300,000 will be required to timely retire the construction loan pending sale and receipt of full payment for the commercial space.

Homes for Good will receive over \$600,000 in reimbursed development expenses at finance closing for expenditures on the project so far. Homes for Good would then agree, if the need arose, to lend the just over \$300,000 to MD Commons LLC in the form of a promissory note. When the commercial condo is formed and sold in early 2020 this loan would be repaid from the proceeds of the sale.

B. Recommendation

Approval of the proposed motion.

IV IMPLEMENTATION/FOLLOW-UP

Upon approval of the Order, the required loan documents will be drafted and executed upon the finance closing of Market District Commons

V ATTACHMENTS

None

IN THE BOARD OF COMMISSIONERS OF THE
HOMES FOR GOOD HOUSING AGENCY, OF LANE COUNTY OREGON

ORDER 18-19-12-03H

In the Matter of Authorizing a Loan from
Homes for Good Housing Agency to MD
Commons LLC

WHEREAS, Housing and Community Services Agency of Lane County doing business as Home for Good Housing Agency (the "Authority") is a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes of the ORS 456.055 to 456.235 (the "Housing Authorities Law"); and

WHEREAS, a purpose of the Authority under the Housing Authorities Law is to construct, acquire, manage and operate affordable housing for persons of lower income; and

WHEREAS, the Authority is authorized by ORS 456.120 to form, finance and have a nonstock interest in, and to manage or operate, partnerships, nonprofit corporations and limited liability companies in order to further the purposes of Homes for Good Housing Agency; and

WHEREAS, consistent with its purposes and powers, the Authority intends to cause an affiliate entity to construct on a parcel at the northwest corner of 6th Avenue & Oak Street in Eugene Oregon, a mixed use structure which will become a condominium to be known as Market District Commons Condominium with two units: one condominium unit with approximately 50 units of affordable housing (the "Housing Project"); and a second condominium unit of approximately 6,800 square feet on the ground floor (the "Commercial Unit") to be acquired, upon completion, by an affiliate of the Obie Companies (together, the development of the Housing Project and the Commercial Unit are referred to as the "Project"); and

WHEREAS, by prior Commission Order 18-22-08-04H, the Authority authorized the formation of MD Commons LLC (the "LLC") to develop the Project and own the Housing Project, and authorized formation of MD Manager LLC ("Manager LLC") to serve as the Managing Member of the LLC; and

WHEREAS, by a separate Commission Oder, the Authority is to be authorized to enter certain grant agreements and loan agreements pursuant to which the Authority will be making long-term loans from grant funds to the LLC; and

WHEREAS, the Project will be constructed on land owned by Lane County, Oregon (the "Property"); and the County is willing to enter into a long-term ground lease of the land for a period of at least 99 years; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, and the Housing Project to provide a contingent loan to the LLC in the maximum amount of \$375,000,

NOW, THEREFORE, THE AUTHORITY IN ITS OWN CAPACITY, ON BEHALF OF THE LLC, AND ON BEHALF OF MANAGER LLC ADOPTS THE FOLLOWING RESOLUTIONS:

1. Authorize Loan of Funds from Authority to LLC.

BE IT RESOLVED, that the Authority is authorized to negotiate, execute and deliver on behalf of the Authority and/or the LLC, as the case may be, such documents as required to provide a contingent Loan not to exceed \$375,000 to the LLC all in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

2. Authorized Representatives.

BE IT RESOLVED that the following identified persons shall be the Authorized Representatives as that term is used in these Resolutions and authorized, empowered and directed to perform the actions authorized herein on behalf of the Authority whether acting on behalf of the Authority or the LLC.

Jacob Fox
Steve Ochs

Done and dated this ____ day of _____, 2018.

BOARD OF COMMISSIONERS

Chair, Homes for Good Board of Commissioners

Exhibit A

Well Fargo Syndication Documents

1. Amended and Restated Operating Agreement of the LLC;
2. Guaranty Agreement;
3. Development Services Agreement;
4. Joint Marketing Agreement;
5. Company Management Fee Agreement;
6. And such other document as required in connection with the closing of the Investment by Wells Fargo.

Wells Fargo Bank, National Association Construction Loan Documents

1. Promissory Note Secured by Deed of Trust;
2. Building Loan Agreement;
3. Construction Deed of Trust With Absolute Assignment of Leases and Rents, Security Agreement, and Fixture Filing;
4. Pledge and Security Agreement;
5. Completion Guaranty
6. Repayment Guaranty
7. Assignment and Subordination of Development Agreement;
8. Assignment of Construction Agreements;
9. Hazardous Materials Indemnity Agreement;
10. Assignment of Architectural Agreements and Plans and Specifications;
11. Assignment of Property Management Agreement;
12. Collateral Assignment of Contract (AHAP);
13. Subordination Agreements and Master Priority Agreement as required;
14. Borrower's Certificate;
15. Such other certificates, agreements, indemnities, hold harmless agreements, or other documents reasonably necessary to the effectuation of the resolutions adopted as of this date and reasonably related to the Construction Loan from the Bank and the development of the Project with such amendments, additions or other changes as Authorized Representative shall deem reasonable and prudent and in furtherance of the Project.

Senior Mortgage Loan Documents

1. Loan Purchase Agreement among NOAH, Bank and the Company with all Exhibits thereto to which the Authority or the Company is (or is to be) a party.