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## **HOMES FOR GOOD HOUSING AGENCY**

### **BOARD OF COMMISSIONERS MEETING WEDNESDAY OCTOBER 16<sup>TH</sup>, 2019**

#### **TABLE OF CONTENTS**

(CLICK ON EACH AGENDA ITEM TO NAVIGATE TO THAT SECTION)

- I. AGENDA
- II. APPROVAL OF 09/25/2019 MINUTES
- III. EXECUTIVE DIRECTOR REPORT
- IV. ORDER 19-16-10-01H— IN THE MATTER OF AUTHORIZING FORMATION AND FINANCING OF RAD II LLC PROJECTS
- V. ORDER 19-16-10-02H— IN THE MATTER OF APPROVING THE COMMERCIAL LEASE OF SHARED OFFICE SPACE TO HEAD START OF LANE COUNTY
- VI. PRESENTATION— USE OF INTERFUNDS

# AGENDA

## Homes for Good Housing Agency



### BOARD OF COMMISSIONERS

#### Location of the meeting:

Board of County Commissioners Conference Room, Public Service Building, 125 East 8<sup>th</sup> 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.

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### Wednesday, October 16, 2019

(1:30 p.m.) Board of County Commissioners Conference Room, Public Service Building, 125 East 8th Avenue, Eugene, OR, 97401

#### 1. PUBLIC COMMENTS – 20 Minutes

(Maximum time 20 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 per commissioner)

#### 3. ADJUSTMENTS TO THE AGENDA

#### 4. COMMISSIONERS' BUSINESS

#### 5. EMERGENCY BUSINESS

#### 6. EXECUTIVE SESSION- Estimated 15 minutes

On October 16<sup>th</sup>, 2019 the Homes for Good Board will hold an executive session pursuant to ORS 192.660(d), "To conduct deliberations with persons designated by the governing body to carry on labor negotiations."

#### 7. EXECUTIVE SESSION- Estimated 15 minutes

On October 16<sup>th</sup>, 2019 the Homes for Good Board will hold an executive session pursuant to ORS 192.660(e), "To conduct deliberations with persons designated by the governing body to negotiate real property transactions.."

#### 8. ADMINISTRATION

- A. Approval of Minutes: 09/25/2019
- B. Executive Director Report (Estimated 10 minutes)
- C. **ORDER 19-16-10-01H** In the Matter of Authorizing Formation and Financing of RAD 2 LLC Projects (Spencer McCoy, Project Developer) (Estimated 15 minutes)
- D. **ORDER 19-16-10-02H** In the Matter of Approving the Head Start Lease for Fairview Shared Office Space (Jacob Fox, Executive Director) (Estimated 10 minutes)
- E. **PRESENTATION** Use of Interfunds (Jeff Bridgens, Finance Director) (Estimated 20 minutes)

## **9. 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 8<sup>th</sup> Avenue, Eugene, OR, 97401

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### Wednesday, September 25, 2019

(1:30 p.m.) Board of County Commissioners Conference Room, Public Service Building, 125 East 8th Avenue, Eugene, OR, 97401

#### 1. PUBLIC COMMENTS – 20 Minutes

(Maximum time 20 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.)

Sally Forman

Larry Abel

Above is a list of those who bore public testimony, a recording of public comment is available upon request by emailing [jshaw@homesforgood.org](mailto:jshaw@homesforgood.org).

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

**Pat Farr:** Addresses Larry Abel's concern about the county having not hired a Housing "Czar" yet. He mentions that the county is in the second round of interviews for the position.

**Jacob Fox:** Thanks Sally for coming to the meeting. Mentions that he has gotten to know Sally in the past over other topics and thanks her for her work with some of the other residents who have been facing some challenges. Jacob addresses Sally's comment in reference to "riff-raff" as she included homeless people within that term, Jacob states that Homes for Good does not immediately associate homeless people with people who are committing crimes, but that her comments bring up the point that the area is highly trafficked which creates the issue of privacy. Jacob gives more context for the issue Sally raises. Jacob then goes on to state: the maintenance staff are not acting irresponsibly but are removing vegetation from a fence line. The reason they are removing vegetation from a fence line is because HUD goes through what is called a REAC inspection on a frequent basis which is either every one, two, or three years depending on the score you received on the last REAC inspection. We get points deducted for any vegetation that has made the fence in poor condition. In the context of the chain link fence behind Sally's fence, some of the branches have actually grown so big that it is actually tearing the fence apart. Also when there is overgrowth over the fence, it added up to either 9 or 10 points which can really knock us down into a lower category which would increase the frequency of those inspections. So I can't underestimate the emotional stress that you are going through with the removal, but we are

not just going in and removing things just because we think they should be removed. This is not to make your concern go away, but I did just want folks to know the logic behind the removals.

Larry made a reference that I just wanted to add on, and it was a result of Beth Ochs leadership. Historically when we gave someone a voucher they had to take it to a landlord and rent a whole apartment or a whole house. Beth is in contact with a number of other housing authorities, and we were able to change our administrative plan to include a shared housing option for people. This means that two voucher holders could lease a house together, or a person could go into a house and rent one room in a home. Two good things about this: it gives people housing options, and it lowers some of our costs for monthly HAP payments, so I just wanted to add a little bit of additional context on both of those issues.

**Joe Berney:** This is just a question: has the trumpet plant been removed already?

**Sally Forman:** David, the Maintenance manager, gave me a week with the deadline being this Friday to come up with a solution to the problem. So, what I have been starting to do is to prune it, and I know it is something that has to be topped off every year. But once I got up close and personal with my chainsaw, I realized it is not something I am able to do on my own.

**Joe Berney:** So, did I hear you correctly that the only repercussion is getting points deducted, and the only effect of those points is the frequency of the inspections? Because that does not seem that onerous to me.

**Char Reavis:** It's money too right, doesn't our high scores give us more funding?

**Michelle Thurston:** I would like to say as a resident in housing the more REAC inspections, they don't just affect the Homes for Good staff, but it is extremely stressful on the residents. You have the pre-inspections, and the REAC inspections. You have people coming in and out of your apartment. During REAC time, it is an extremely stressful time for residents because it is a lot of people in and out of your space, your home, lots of work being done, and its very time consuming.

**Sally Forman:** So, the points represent money?

**Jacob Fox:** They are connected to money, if you consistently get low scores on your REAC it will effect your ability to apply for new funding, or different types of funding. But the main financial effect on us as an organization, is that if we have to prepare for REAC every year, it is an enormous amount of staff time. I don't have that number quantified, but I can tell you that hundreds of hours have been spent at McKenzie village preparing for the inspection.

**Joe Berney:** To me that makes total sense, I just wanted to understand the context.

**Heather Buch:** Talks about her experiences with the REAC inspection process, and HUDs priorities on preserving the properties compared to the residents' feelings, and the individual variation of REAC inspectors. She understands that this can be frustrating for managers and for residents.

**Sally Forman:** Talks about the emotions of the residents who take care of these plants and who personally buy the plants.

**Char Reavis:** Is there some alternate solutions that you could come up with and let us know about like privacy slates, or replacing the plant and putting it in another area?

**Jacob Fox:** We definitely want to explore other ideas. I have talked to Wakan and Andrea to see whether we can buy Sally a new trumpet plant, but I think what Sally might say is that the maturity and the screen that the plant provides couldn't be replicated by a new plant.

**Wakan Alferes:** I just wanted to speak to the fact that this issue brings up a lot of concerns. Sally isn't the only tenant impacted, and Andrea and I have talked about if we can do this work at a less impactful point in the growing season, so you are not cutting off flowers that are blooming. But this does bring up the issue of privacy, and it is true that you are more exposed to the bike path. I would like to address the concerns, while still meeting the REAC need, and I think we can do that.

**Sally Forman:** Expresses excitement towards a solution.

### **3. ADJUSTMENTS TO THE AGENDA**

### **4. COMMISSIONERS' BUSINESS**

Pete Sorenson is participating via conference call

### **5. EMERGENCY BUSINESS**

### **6. ADMINISTRATION**

A. Approval of Minutes: 08/28/2019

**Jacob Fox:** Talks about discusses a change in minutes from the original posting. Copies were provided to commissioners in print during the meeting.

Motion to approve Minutes as modified: **Michelle Thurston**

Second: **Heather Buch**

**Minutes have been approved as modified unanimously 7-0**

B. Executive Director Report (Estimated 10 minutes)

**Jacob Fox:** Mentions his recent vacation to Alaska. He discusses the new administration building and how construction is proceeding as planned. Jacob goes in to talking about the Diversity, Equity, and Inclusion initiative, and the staff trainings that are coming up the next week.

**Joe Berney:** What does "equity informed" mean?

**Jacob Fox:** Jacob talks about some of the different equity factors that Homes for Good will be looking at during the Diversity, Equity, and Inclusion initiative including evaluating various systems, eviction notices being the example given, for disparities. Homes for Good will look for where they can provide flexibility within certain rigid systems.

**Joe Berney:** So, you just want to reach out to people who have needs, and make sure they are getting those needs met equitably.

- C. **ORDER 19-25-09-01H—** In the Matter of Authorizing the Acquisition and Financing of Real Property in Springfield, Oregon for Development of the RAD Phase II Projects. (Spencer McCoy, Project Developer) (Estimated 10 Minutes)

**Steve Ochs:** Gives background about the Hayden Bridge Meadows site. Originally Homes for Good was looking at a different site in Springfield on South 67th, but that site was not ideal due to various reasons. The previous owner of the Hayden Bridge Meadows site walked into the office presenting the site, which was more ideal because it was already “shovel ready” with building permits and had already gone through the rezoning process to be a combination of medium/high density. Since the site was ideal, Homes for Good switched its focus to the Hayden Bridge Meadows site instead of the south 67th site. Because of the zoning of the Hayden Bridge Meadows site, Homes for Good will build the RAD replacement housing plus 17 additional one-bedroom units, which is fortuitous because there is a lack of affordable one-bedroom units.

**Spencer McCoy:** Explains that the board order will allow Homes for Good to buy the property, he also explains the funding for the project. He explains that this will allow the property to be transferred to the LLC to complete the building of the project.

Motion to approve: **Joe Berney**

Second: **Michelle Thurston**

**Joe Berney:** Can you explain the capital stack, how much money is in each stack?

**Spencer McCoy:** Explains that for the acquisition the exact numbers are still being confirmed, which will determine that gap that Homes for Good will have to fill with cash. Right now, a \$525,000 loan has been approved through Washington Federal, but Homes for Good is looking to increase that. \$300,000 of CDBG has also been approved, which is hoped to be increased at the October 7th City of Springfield Council Meeting.

**Joe Berney:** This is interesting to me that the capital stack for the acquisition still needs to be hammered out. What is the target date for acquisition?

**Spencer McCoy:** October 10th

**Joe Berney:** What are you looking for from Washington Federal? What is the most amount you want and the least amount your guaranteed to get?

**Spencer McCoy:** We are guaranteed \$525,000, we are hoping to get \$750,000.

**Michelle Thurston:** Asks what CDBG stands for.

**Spencer McCoy:** Community Development Block Grant Fund.

Various commissioners talk about flexible funding ideas for the community involving predevelopment costs and providing support to organizations to cover these costs and promote development.

**This motion passes unanimously 7-0**

D. **ORDER 19-25-09-02H-** In the Matter of Adopting the 2019-2020 Budget (Jeff Bridgens, Finance Director) (Estimated time 50 minutes)

**Ela Kubok:** Starts by introducing the “70<sup>th</sup> Anniversary” video that Homes for Good has had produced. Ela explains the background and shows the video to the commissioners.

**Jeff Bridgens:** Introduces the budget and thanks various staff for helping to put the budget document together. He mentions that as he goes through the budget he will point out major areas of change and explain the influences. He will go through the budget by looking at the individual divisions, and then look at an entire agency summary.

Talks about the addition of the 2018 budget column added to the budget document which provides more information.

P.10- Starts talking about the rent assistance budget and various factors such as the pro-ration factor, amount of vouchers, and average HAP paid.

P.74- Talks about the average HAP paid, and how it has historically been increasing.

P. 75- Talks about program reserves that are set aside including HUD held reserves.

**Pat Farr:** Are the HUD held funds rolled over from year to year?

**Jeff Bridgens:** Yes, they are, the only factor is that if HUD is going through their formula and you are holding too much you can be subject to offset. If you are subject to offset HUD will take away some of your reserves away and redistribute them.

**Joe Berney:** Asks about the scale on the graph on pg. 74 which only goes from \$410 to \$500, and mentions that the increase in average HAP does not reflect the same percent increase as the average rent increase as listed on pg. 76. Is that correct?

**Jeff Bridgens:** Jeff talks about the chart on ph. 76 which shows the rent increase report. He explains the “high” is the highest increase in rent that month, and the “low” is the biggest decrease in rent for the month.

**Heather Buch:** Points out that \$450 is a very big increase.

**Beth Ochs:** Talks about what can cause a huge rent increase like the one Heather Buch points out. Scenario one: the parents have been renting out a unit forever, and they pass away, and it is then willed to the children to take care of, and the children realize that they could be charging a lot more for rent. Scenario two: is rent options that property management companies will send out. This involves lease length. If you sign a lease for twelve months your rent increases by \$100, if you sign a 6 month lease it goes up by \$200, if you don't sign a lease and you go month to month your rent will increase by \$400. Then for a month or two, a family will be in that \$400 increase and realize what an impact that has, and then make a decision to sign a lease or move, and then their rent decreases. So those rent increases usually aren't sustained over a long period of time, but those rent options are becoming more popular.

She talks about the administrative burden this is on the agency, because staff have to process the rent change, and then a couple months later go through the process again for the change down.



**Jeff Bridgens:** Talks about how in future budget documents he would like to break out the “materials and services” line item to provide a better picture of the services provided, because about 18 million of that is the HAP.

P.10- Talks about the Community Services budget, which contains the Real Estate Development budget. This, and the RAD program, causes the revenues to be 20 million dollars higher than previous years because of the sale of the scattered site homes. That money will be reinvested in other projects like Taney Place and Hayden Bridge Meadows. Jeff also goes into the timing of cashflows that he works with Steve Ochs on.

**Jacob Fox:** Talks about pg.13 of the Real Estate Development budget, and the addition of an FTE in this department in order to continue to develop a high volume of projects and units. Homes for Good will create a management position that will supervise the two project developer positions.

**Heather Buch:** Clarifies the addition of one FTE. Talks about the need for more project developers.

**Jeff Bridgens:** Pg. 78- Talks about the timelines of projects that are displayed.

Pg. 27- Talks about the Supportive Housing budget which includes Public Housing and HUD Multifamily Housing. Jeff talks about the AMPs. He mentions that the biggest change to the budgets is affected by RAD and the timing of when RAD issues an effective HAP contract which transfers the unit out of Public Housing and into the Real Estate Development portfolio. If this happens before the end of calendar year 2019, then the AMPs reapply for operating subsidies with less units and get less money in operating subsidies. If the issuance of an effective HAP contract doesn't happen until 2020, then the units will still be in the operating subsidy application for Public Housing. Homes for Good has budgeted for them not to be included when they reapply, and that's why the budgets for AMPs 200 and 300 are about \$200,000 less, to account for the lack of operating subsidies.

**Pat Farr:** Asks what the likelihood of doing this before the end of the year, and if there is anyway that Homes for Good can guarantee it will happen.

**Steve Ochs:** This depends on HUD, Homes for Good first estimated that they would be closing on the RAD process at the end of summer/early fall but having to wait for the environmental reviews has prolonged the process. There are some financial benefits to closing before the end of the year regarding tax credit funding: the entity that is buying the tax credits was planning on that happening this calendar year. But on the other hand, there are benefits to Public Housing getting more operating subsidies if it slips into the next year. Right now we are expecting our November 22<sup>nd</sup> scheduled closing date to slip into December. We are in the process of getting approval from HUD currently.

**Jeff Bridgens:** Talks about the Energy Performance Contracting Contract (EPC) that will be ending this next budget year and the Energy Services Programs. He talks about that there is about a million dollars of work left to be done on that contract. He also talks about the increased amount of data that the agency will be gathering to see what energy savings that work has had in the Public Housing units.

**Joe Berney:** Asks about the EPCs and guarantees that contractors puts on the energy savings.

**Jeff Bridgens and Jacob Fox:** Confirms that there is a cap and a guarantee along with the contract for the energy savings.

**Jeff Bridgens:** Talks about the COCC and the administrative expenses of the organization. One of the biggest changes in the budget involves the move of the new admin building into the COCC budget. He talks about the rent that is added in for the divisions for the debt service on the building.

**Jay Bozievich:** How can you have a negative unrestrictive reserve?

**Jeff Bridgens:** This is due to a use of an interfund and transferring of funds through the agency. This deficit at the end of the year has happened in previous years and he expects it to happen again this year.

**Jay Bozievich:** So, if we are ending the year or month in a deficit are we pulling from other restricted or unrestricted places to cover the needs of administrative expenses?

**Jeff Bridgens:** Restricted programs have to be settled up through interfund. Jeff talks about the interfund account. He explains the process of funds transferring through the interfund account to go to different departments, and that different departments can owe or pay departments throughout the month, year, etc, which then can show up as a deficit at any snapshot point. Jeff gives examples of interfund transferring and the "due to" and "due from" process.

**Jacob Fox:** Suggests elaborating more on the interfund process in another board meeting.

**Joe Berney:** Is this organization looking at enterprise opportunities?

**Jeff Bridgens:** Yes

**Jacob Fox:** Gives the example of Head Start being a potential tenant to the Fairview building.

**Jeff Bridgens:** Pg. 9 – Talks about the agency budget as a whole. He talks about the effect of RAD on the budget as a whole. He mentions that the FTE of the organization will stay at a similar level. Jeff points out pg. 69 which explains the FTE additions and subtractions.

Motion to Approve: **Pat Farr**

Second: **Joe Berney**

**This motion passes unanimously 7-0**

**E. Order 19-25-09-03H – In the Matter of Approving the Public Housing Operating Budget for the Fiscal Year Ending September 30, 2020 (Jeff Bridgens, Finance Director) (Estimated 10 minutes)**

**Jeff Bridgens:** Explains the need for a separate board order for the public housing document.

Motion to approve: **Heather Buch**

Second: **Michelle Thurston**

**This motion passes unanimously 7-0**

## 7. OTHER BUSINESS

**Joe Berney:** Asks for an update on the River Road Property Sale.

**Jacob Fox:** Explains that Homes for Good is still subject to the purchase and sale agreement. In the purchase and sale agreement, it states that the sale tolls until the land-use appeal process exhausted. Joe had emailed and asked about the Alternative Dispute Resolution process, and Jacob spoke with an Attorney who suggested that if Homes for Good did initiate that process with the buyer, that the buyer would not be interested. Jacob recommends not sending a letter to initiate the Alternative Dispute Resolution Process at this time, but will look into more of what the Alternative Dispute Resolution entails to be able to report back to the board. The board can revisit the processes at a later time after more information is found.

### **Adjourn**

Please note this is a short excerpt of the proceedings, a full recording of the meeting is available upon request by emailing [jshaw@homesforgood.org](mailto:jshaw@homesforgood.org)



It was an absolute honor to join my fellow Homes for Good employees at our initial staff education session on Thursday October 3rd to begin our implementation of the Homes for Good Diversity Equity and Inclusion Initiative. I personally learned a great deal about how colorblindness and implicit bias and how we all need to recognize how these societal norms contribute to discrimination and racism in our community. The way that each Homes for Good employee showed up ready to learn and grow as people and professionals in terms of how race and racism influence our society, our organization, the people we serve and us as individuals was powerful and humbling. This work will continue to unfold for us as an organization and it will challenge all of us within the organization to think differently and more equitability about how we approach our work. In particular I want to thank the Core Team, which includes Aisha McCoy, Manny Anaya, Marily Cruz, Beatriz Martinez, Matt Salazar, Emily Yates, Travis Baker and Ela Kubok along with the Leadership Team. The next step in our DEI journey is that our consultants, Daesha and Terrill, will spend a half day with a subset of the Core Team and a subset of the Leadership Team later in October to begin to map out the next steps we will take we take to advance this work to systematically review key decisions, business systems and investments with an Equity Lens.



On Wednesday, October 2nd Kaiser Permanente, Peace Health, Trillium and Pacific Source issued a press release to highlight their \$2.68mm investment in The Commons on MLK. The press release presented numerous opportunities to talk with the media about the importance of this housing first project. It also offered me the opportunity to go on record thanking them for their investment in this project and also to highlight the leadership from Lane County, which made this project possible. In addition, I was able to explain the catalytic FUSE program that Lane County developed in partnership with ShelterCare and many other local jurisdictions and how people experiencing homelessness and whom are high users of emergency services in our community will be prioritized into The Commons on MLK. I'm humbled by the investment from our health care partners and the partnership with Lane County that will bring this project to reality. The closing on the financing will happen on October 17th and we will begin site work within a few business days after this closing.



I would also mention for the Homes for Good Board of Directors that our staff receive performance reviews every 6 months and I've just completed these reviews for my direct reports who are Beth Ochs, Ela Kubok, Wakan Alferes, Jeff Bridgens, Steve Jole and Steve Ochs. I know that our Board members realize that one person can't lead an organization and the performance review documentation process is a good reminder to me what an incredible group of humans and professionals that I get the opportunity to work with. We work together as a team and each member of the Leadership Team are achieving incredible outcomes in service to people with low incomes here in Lane County.



# AGENDA CHECKLIST

**AGENDA INFORMATION TO BE SUBMITTED TO THE BOARD OFFICE**  
(Jordyn Shaw, Communications Administrative Specialist ext 2593)

AGENDA TITLE: **In the Matter of Authorizing Formation and Financing of RAD 2 LLC Projects**

**One Title Memo**

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

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

DEPARTMENT	<b>Real Estate Development</b>		
CONTACT	<b>Steve Ochs</b>	EXT	<b>2530</b>
PRESENTER	<b>Spencer McCoy</b>	EXT	<b>2514</b>

AGENDA DATE: **10/16/2019**

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/Presentation Only |  |
| <input type="checkbox"/> Ordinance/Public Hearing    |  |   |  |
| Public Comment Anticipated?                          | <input type="checkbox"/> Yes                 | <input checked="" type="checkbox"/> No                | Estimated Time <u>15 min</u>               |

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

Executive Director/: **Jacob Fox** Date **10/08/19**

Deputy Director \_\_\_\_\_

Legal Staff-Review by: \_\_\_\_\_ Date \_\_\_\_\_

\*if required \_\_\_\_\_

Management Staff- **Steve Ochs** Date **10/08/19**

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 Formation and Financing of RAD 2 LLC Projects

**AGENDA DATE:** October 16<sup>th</sup>, 2019

### **I. MOTION:**

That the significant to the PHA plan be approved for 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. In order to move close the project financing for RAD phase II, Homes for Good must receive board approval to form RAD 2 LLC, RAD manager LLC, and enter into agreements with all partners to finance the development. The major financing sources and partners for this development include a construction loan and permanent loan with Washington Federal, Housing Preservation Funds and Oregon Affordable Housing Tax Credits (OAHTC) from Oregon Housing and Community Services (OHCS), and tax credit equity from the Richman Group.

### **III. DISCUSSION:**

#### **A. Background**

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 platform at Hayden Bridge Meadows and Taney Place.

Hayden Bridge Meadows will be a 70-unit development located at 1975 5<sup>th</sup> St. in Springfield, while Taney Place will be a 48-unit development located at 1600 Taney in Eugene. These developments will each include 3 story buildings, a playground, and a community room with service programming. 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 public housing scattered sites. In addition it will allow Homes for Good build 17 additional one-bedroom low-income units at Hayden Bridge Meadows that will not have rental assistance. There is a critical shortage of affordable one-bedroom units in the community so these additional units will be a great addition to the portfolio.

The major financing sources and partners for this development include a construction loan and permanent loan with Washington Federal, Housing Preservation Funds and Oregon Affordable Housing Tax Credits (OAHTC) from Oregon Housing and Community Services (OHCS), and tax credit equity from the Richman Group. The proceeds from the sale 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.

Approval of the attached order is necessary to form RAD 2 LLC, RAD manager LLC, and enter into agreements with financing partners.

B. Recommendation

Approval of the proposed Motion.

C. Timing

Once approved Homes for Good will move to close the financing on the RAD phase II projects.

**IV. IMPLEMENTATION/FOLLOW-UP:**

Same as Item III. C. above.

**V. ATTACHMENTS:**

n/a

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

ORDER 19-16-10-01H

In the Matter of Authorizing Formation and  
Financing of RAD 2 LLC Projects.

WHEREAS, Housing Authority 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, by prior Board Order 18-19-12-01H, the Authority was authorized to develop a split-site RAD 2 affordable housing development (the "Project") and to apply for certain funding from the State of Oregon; and

WHEREAS, by prior Board Order 19-25-09-01H, the Authority was authorized to acquire the Hayden Bridge Meadows property in Springfield, Oregon for the Project and to enter into a loan from Washington Federal Bank, National Association and a loan of Community Development Block Grant funds from the City of Springfield to finance the acquisition of that property by the Authority; and

WHEREAS, for the purposes of pursuing development, construction, and operation of the Project, the Authority finds it to be in the best interests of the Authority to authorize the formation of a limited liability company to be known as RAD 2 LLC or such other name permitted by the Oregon Secretary of State (the "LLC"); and

WHEREAS, the Authority has determined that the LLC should be managed by an affiliate of the Agency to be a single-member limited liability company known as RAD Manager LLC or such other name permitted by the Oregon Secretary of State (the "Manager"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project for the Authority to exercise a previously executed option (the "Option") and acquire additional property located near 1600 Taney in Eugene, Oregon (the "Taney Property"); and



WEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project for the Authority to sell the Hayden Bridge Meadows Property and the Taney Property (together, the "Properties") to the LLC for a price substantially equal to the price paid by the Authority for the Properties and for the LLC to acquire the Properties on the same terms; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to enter into agreements with, and to obtain an investment in the LLC from, USA Institutional RAD 2 LLC, a Delaware limited liability company sponsored by The Richman Group Affordable Housing Corporation ("TRG") in the approximate amount of **\$9,165,595** (the "Investment") substantially in accordance with a term-letter dated April 17, 2019, which amount may be larger or smaller depending on further underwriting; and

WHEREAS, as part of the Investment, TRG will require that the initial operating agreement of the LLC be amended and restated in its entirety to reflect the terms of the Investment (the "Amended Agreement"); and

WHEREAS, as part of the Investment, TRG will require that the LLC and the Authority enter into various documents relating to the management of the LLC and to development and/or operation of the Project (the "Syndication Documents") including certain guaranties to be executed by the Authority in its capacities as guarantor and developer; and

WHEREAS, the Authority deems it to be in the best interests of the Authority, the LLC, the Manager, and the Project to take all actions reasonably necessary to facilitate the Investment in the LLC by TRG by entering into any and all agreements with TRG and/or the LLC, on its own account, and as the sole member and manager of the LLC, and to take any and all further actions to facilitate the Investment in the LLC by TRG; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project, for the LLC to seek the issuance of tax-exempt conduit bonds by the State of Oregon for the development and construction of the Project (the "Bonds") and to execute such documents as may be necessary to effect issuance of the Bonds (the "Bond Documents"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project that the LLC obtain construction and permanent financing from Washington Federal Bank ("WaFed") consisting of: (a) a Construction/Bridge Loan in the approximate principal amount of **\$17,000,000** (which amount is subject to further underwriting and negotiation and may increase or decrease) with a maturity of 24 months and an interest rate of approximately 4.02%; and (b) upon conversion, a Term Loan in the approximate principal amount of **\$6,600,000** which, will have a term to maturity of approximately 22 years following conversion, bear interest at an effective rate of approximately 2.00% per annum under the Oregon Affordable Housing Tax Credit Program; and (c) be secured by first-position deeds of trust establishing a lien on the Projects (collectively, the "WaFed Loan"); and

WHEREAS, the WaFed Loan will be funded through the issuance of the Bonds; and

WHEREAS, the terms of the proposed WaFed Loan are satisfactory; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority the LLC, the Manager, and the Project, to cause the LLC to enter into such agreements as are reasonably necessary to obtain a loan in the approximate amount of **\$750,000** of federal HOME Investment Partnership funds (the "Home Funds") from the City of Eugene which loan will have a term to maturity and interest rate to be determined after further underwriting (the "HOME Loan"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority and the LLC to enter into such agreements as are reasonably necessary for the Authority to receive a grant from Oregon Housing and Community Services Department ("OHCS") under its Multifamily Housing Preservation Funds program in the approximate amount of **\$2,650,000** (the "HPF Funds") and, thereafter, to lend such funds to the LLC pursuant to loan documents reflecting a loan in the amount of the HPF funds with a term to maturity of at least 30 years and a rate of interest to be determined, which loan will be secured by subordinate deeds of trust (all of which terms are subject to further underwriting) (the "HPF Loan"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to pursue with the U.S. Department of Housing and Urban Development under Phase 2 of the Rental Assistance Demonstration Project program, authority to sell approximately 100 scatter-site housing units (the "Scatter-site Units") which will be subject to a Rental Assistance Demonstration Use Agreement; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to enter into a line of credit facility with WaFed pursuant to which WaFed will lend the Authority a maximum of approximately **\$12,655,582** (which amount is subject to further underwriting and negotiation and may increase or decrease) which will be secured by the Scatter-site Units and have a term to maturity of approximately 24 months (the "WaFed Line of Credit"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to lend to the LLC, and cause the LLC to borrow from the Authority, the proceeds of the WaFed Line of Credit and, in addition, to cause the Authority to lend, and the LLC to borrow, so much of the RAD Funds received by the Authority as to result in a total loan from the Authority to the LLC of **\$12,655,582** which loan shall have a term to maturity of at least 30 years and a rate of interest to be determined, and be secured by subordinate deeds of trust (all of which terms are subject to further underwriting) (the "RAD Funds Loan"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to authorize the execution and delivery of certain documents pursuant to which the Project will be allocated approximately **\$974,819** of federal low-income housing tax credits annually for a period of 10 years (the "LIHTC Credits") or such other amount as may be set forth in 4% LIHTC Reservation and Extended Use Agreement to be issued by OHCS and executed by the LLC; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the LLC to enter into such agreements as are reasonably necessary to obtain from the City of Eugene a waiver of otherwise applicable

Systems Development Charges payable with respect to development of the Taney Property (the "SDC Waiver"); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to enter into agreements with professionals with technical expertise and, as appropriate, to assign to the LLC the product of such agreements; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the LLC, the Manager, and the Project to cause the Authority to enter into a Development Services Agreement with the LLC pursuant to which the Authority would be paid a developer fee, a portion of which would be deferred and paid from available Project cash flow;

NOW, THEREFORE, THE AUTHORITY IN ITS OWN CAPACITY, AS THE SOLE MEMBER OF THE MANAGER, AND ON BEHALF OF THE MANAGER OF THE LLC IN ITS OWN CAPACITY AND ON BEHALF OF THE LLC, ORDERS:

**1. Authorize Formation of RAD 2 LLC and Creation of Accounts.**

BE IT RESOLVED, that the Authority is authorized to execute and deliver the following documents:

- a) Articles of Organization of RAD 2 LLC, an Oregon limited liability company, to be effective as of the day they are filed with the Oregon Secretary of State; and
- b) An Operating Agreement of RAD 2 LLC, to be effective as of the date the Articles of Organization of the limited liability company are filed with the Oregon Secretary of State; and
- c) Such documents as may be necessary or convenient to establish in the name of the LLC such checking, savings and other accounts in the name of RAD 2 LLC at such state or federally chartered banks as any Authorized Representative may determine;

and

Be it further Resolved, that the LLC shall be managed by RAD Manager LLC.

**2. Authorize Formation of RAD Manager LLC and Creation of Accounts.**

BE IT RESOLVED, that the Authority is authorized to execute and deliver the following documents:

- a) Articles of Organization of RAD Manager LLC, an Oregon limited liability company, to be effective as of the day they are filed with the Oregon Secretary of State; and
- b) An Operating Agreement of RAD Manager LLC, to be effective as of the date the Articles of Organization of the limited liability company are filed with the Oregon Secretary of State; and
- c) Such documents as may be necessary or convenient to establish in the name of the LLC such checking, savings and other accounts in the name of RAD Manager LLC at such state or federally chartered banks as any Authorized Representative may determine.

### **3. Authorize Acquisition of Taney Property.**

BE IT RESOLVED, that the Authority is authorized to exercise the Option and acquire the Taney Property on the terms and conditions set forth in the Option and to execute any and all documents necessary to such purchase, 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).

### **4. Authorize Sale of Properties by Authority to the LLC and Acquisition by LLC.**

BE IT RESOLVED, that the Authority and the LLC are authorized to negotiate, execute, and deliver on behalf of the Authority and the LLC, as the case may be, such documents as are necessary to cause the Authority to sell, and the LLC to purchase, the Properties for a price substantially equal to the price paid by the Authority.

### **5. Approve Amended LLC Operating Agreement, Admission of Investor Member, Execution of Related Agreements.**

BE IT RESOLVED, that the Authority and the Manager are authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, a letter of intent relating to an anticipated Amended and Restated Operating Agreement of the LLC among the Manager and TRG in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document);

BE IT FURTHER RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority and the Manager, as the case may be (whether in its own capacity, its capacity as developer, or its capacity as a guarantor) and/or the LLC the Syndication Documents listed on the attached Exhibit A (whether bearing the name listed or names to similar effect) and such other documents as reasonably may be required in connection with the closing of the Investment by TRG, 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).

### **6. Authorize Bond Documents.**

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute, and deliver on behalf of the Authority, Manager, and/or the LLC, as the case may be, the Bond Documents, 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).

### **7. Authorize WaFed Loan.**

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, the WaFed Loan Documents listed on the attached Exhibit A (whether bearing the name listed or names to similar effect), and such other documents as required to evidence and secure the WaFed Loan, 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).

BE IT FURTHER RESOLVED, that any resolution required by the WaFed to be adopted by the Authority acting in its own behalf or on behalf of the Manager of the LLC as a condition of closing the WaFed Loan is hereby adopted and any Authorized Representative is hereby authorized to certify to such adoption

**8. Authorize HOME Loan.**

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such documents as reasonably may be required in connection with the closing of the HOME Loan 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).

**9. Authorize Receipt of HPF Funds from OHCS and Loan to LLC.**

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and the LLC such documents as may be required for the Authority to obtain the HPF Funds and cause the Authority to lend the same to the LLC, all such documents to be in the form approved by any Authorized Representative (such approval to be conclusively demonstrated by the signature of any Authorized Representative on such document).

**10. Authorize Application Under Rental Assistance Demonstration Project Phase 2 with HUD, Execution of Required Documents, and Sale of Scatter-site Units.**

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and the LLC such documents as may be required to obtain authority from the U.S. Department of Housing and Urban Development under Phase 2 of the Rental Assistance Demonstration Project to sell the Scatter-site Units and use all or a portion of the proceeds thereof for the development, construction, and operation of the Project.

**11. Authorize WaFed Line of Credit.**

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such documents as required to evidence and secure the WaFed Line of Credit to the Authority, 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).

**12. Authorize RAD Funds Loan.**

BE IT RESOLVED, that the Authority, the Manager, and the LLC are authorized to negotiate, execute and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such documents as required to evidence and secure the RAD Funds Loan from the Authority 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).

**13. Authorize Execution of LIHTC Credit Reservation.**

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, a 4% Low Income Housing Tax Credit Reservation and Extended Use Agreement pertaining to the LIHTC Credits anticipated to be allocated in respect of the Project, 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).

**14. Authorize SDC Waiver Documents.**

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 obtain the SDC Waiver 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).

**15. Authorize Agreements for Technical and Professional Services.**

BE IT RESOLVED, that the Authority is authorized to negotiate, execute, and deliver on behalf of the Authority, the Manager, and/or the LLC, as the case may be, such agreements as any Authorized Representative may deem prudent for the provision of financial, accounting, legal, development consulting, engineering, geotechnical, environmental, construction management, property management, or other services, 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.)

**16. Authorize Development Services Agreement.**

BE IT RESOLVED, the Authority, the Manager, and the LLC are authorized to negotiate, execute, and deliver a Development Services Agreement between the Authority and the LLC pursuant to which the Authority is to be paid a developer fee, a portion of which is to be deferred and paid from available Project cash flow.

**17. Authorize Assignment, Assumption, and Reimbursement Agreement between Authority and LLC.**

BE IT RESOLVED that the Authority is authorized to enter in such agreements as may be necessary to assign to the LLC (and obtain reimbursement from the LLC therefor) such development rights, design and construction contracts, and other real and personal property as the Authority may have acquired for purposes of the Project.

**18. 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:

Jacob Fox, Executive Director  
Jeffery Bridgens, Finance Director  
Elzbieta Kubok, Communications Director

In addition to the Authorized Representatives named above, the following named individual(s) shall have authority to execute draw requests, monthly progress reports and miscellaneous forms associated with tax credits, grants, and loans:

Steve Ochs  
Spencer McCoy

**19. General Resolutions Authorizing and Ratifying Other Actions.**

BE IT RESOLVED, that any Authorized Representative is authorized to negotiate, execute, and deliver on behalf of the Authority such other agreements, certificates, and documents, and to take or authorize to be taken all such other actions any Authorized Representative shall deem necessary or desirable to carry out the transactions contemplated by the foregoing resolutions (such determination to be conclusively demonstrated by the signature of any Authorized Representative on such document); and

BE IT FURTHER RESOLVED, that to the extent any action, agreement, document, or certification has heretofore been taken, executed, delivered, or performed by an Authorized Representative named in these Resolutions on behalf of the Authority and in furtherance of the Project, the same is hereby ratified and affirmed.

Done and dated this \_\_\_\_ day of \_\_\_\_\_, 2019.

BOARD OF COMMISSIONERS

\_\_\_\_\_  
Chairperson

## Exhibit A

### Syndication Documents

1. Amended and Restated Operating Agreement.
2. Unconditional Guaranty.
3. Company Administration Services Agreement.
4. Development Fee Agreement.
5. Right of First Refusal/Option

### WaFed Loan Documents

1. Construction and Term Loan Agreement.
2. Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing in favor of the Trustee, for the benefit of the Bondholders and the Issuer.
3. Payment and Performance Guaranty.
4. Reserve and Security Agreement.
5. Hazardous Materials Certificate and Indemnity (Issuer Environmental Indemnity).
6. Hazardous Materials Certificate and Indemnity.
7. Security Agreement (Collateral Pledge of Partnership Interest).
8. Access Laws Certificate and Indemnity.
9. Assignment of Contracts, Agreements and Permits.
10. Consent to Assignment (General Contractor Contract).
11. Consent to Assignment (Architect Contracts).
12. Consent to Assignment (Development Services Agreement).
13. Consent to Assignment (Management Agreement).
14. Such other documents as required in connection with the closing of the WaFed Loan.





# AGENDA CHECKLIST

## AGENDA INFORMATION TO BE SUBMITTED TO THE BOARD OFFICE

(Jordyn Shaw, Communications Administrative Specialist ext 2593)

**One Title Memo**

**Agenda Packet**

One Original Hard Copy plus  
One copy e-mailed to  
jshaw@homesforgood.org

**Material Due**

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

AGENDA TITLE: **In the Matter of Approving the Commercial Lease of Shared Office Space to Head Start of Lane County**

DEPARTMENT **Supportive Housing**

CONTACT **Wakan Alferes** EXT **2508**

PRESENTER **Jacob Fox** EXT **2527**

AGENDA DATE: **10/16/2019**

### THIS ITEM WILL INVOLVE:

Consent Calendar

ORDER/Resolution

Ordinance/Public Hearing

Public Comment Anticipated?

Report

Discussion & Action

Yes  No

Appointments

Committee Reports

Discussion/Presentation Only

Estimated Time 10 min

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

Executive Director/: **Jacob Fox**

Date **10/08/2019**

Deputy Director

Legal Staff-Review by:

Date

\*if required

Management Staff-

Date

Review by:



177 Day Island Rd., Eugene, OR 97401 • PH 541-682-3755 • FAX 541-682-3411  
300 West Fairview Dr., Springfield, OR 97477 • PH 541-682-4090 • FAX 541-682-3875



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## **HOMES FOR GOOD MEMORANDUM**

**TO:** Homes for Good Board of Commissioners

**FROM:** Wakan Alferes, Supportive Housing Director

**AGENDA ITEM TITLE:** Order/In the Matter of Approving the Commercial Lease of Shared Office Space to Head Start of Lane County

**AGENDA DATE:** October 16<sup>th</sup>, 2019

### **I. MOTION**

I move that the Board adopt this Order updating the PHA Annual Plan to reflect the approval of the commercial lease of Fairview (OR 006 AMP 200) shared office space to Head Start of Lane County.

### **II. ISSUE**

The Homes for Good Housing Agency is designated as a Public Housing Authority (PHA) by the Department of Housing and Urban Development (HUD) and PHA's are required to obtain their governing board's approval and HUD approval for 3<sup>rd</sup> party agreements unrelated to the normal use associated with the operation of HUD funded Public Housing. The leasing of office space to Head Start falls outside of HUD's definition of normal operations of Public Housing and will bring in non-rental revenue which per advisement from HUD staff from the Portland Field Office constitutes a significant amendment to PHA Annual Plan.

### **III. DISCUSSION**

In an effort to provide more responsive customer service, our Supportive Housing Division has begun vacating shared office spaces at the McKenzie Village administrative building to move operations out to site offices. These vacant offices provide the perfect opportunity to expand our partnership with Head Start and offer them an opportunity to expand service availability in the McKenzie Village and surrounding community. We have mutually agreed on a nominal lease fee of roughly \$1/sq ft for the lease of this space, which will support continued operations of the McKenzie Village administrative building.

### **IV. IMPLEMENTATION/FOLLOW-UP**

Upon approval of the Order, the plan will be updated accordingly, and the lease will be sent to HUD for formal approval.

### **V. ATTACHMENTS**

Head Start Lease Draft  
PHA Annual Plan Updated New Activities

MCKENZIE VILLAGE OFFICE SPACE  
LEASE AGREEMENT

This lease is entered into by and between Homes for Good, (PHA) and Head Start of Lane County (Lessee) for the purposes of commercial space lease.

RECITALS

Homes for Good owns the land and improvements located at 300 W Fairview, Springfield Oregon, which currently contains 172 residential units, commercial office spaces and community buildings that are used to provide services and other activities that assist the residents and surrounding community.

The Partnership agrees to lease approximately 1,200 square feet of shared office space in Homes for Good Pubic Housing office at 300 W Fairview, Springfield OR 97477 ("Premises") to Head Start of Lane County for the operation of Head Start family programs.

The parties therefore agree as follows:

Section 1. Agreement to Lease

Homes for Good hereby leases to Head Start of Lane County and Head Start of Lane County hereby leases from Homes for Good the Premises as described in Springfield, Oregon on the terms of conditions set forth below.

Section 2. Term

2.1 *Term.* The term of this lease shall begin on November 1, 2019 and shall continue to midnight on October 31, 2020 unless it is sooner terminated as provided in this lease.

2.2 *Renewal.* This lease may be renewed by written agreement of the parties for two additional periods of one year each. Any renewal is subject to all terms and conditions of this lease except as otherwise specifically provided. The renewal shall commence immediately upon expiration of the lease term.

Section 3. Rent

The rent shall be \$1,755 per month for the first year of this agreement. Rent may be renegotiated during the contract renewal period if agreed to by both parties. Rent includes prorated building utilities (water, electricity, gas, garbage and sewer) as well as general building maintenance.

Payment shall be made no later than the 5<sup>th</sup> of each month.

Section 4. Use of Premises

Head Start of Lane County shall cooperate with Lessor to provide Head Start programs and services that support the community.

## Section 5. Taxes and Assessments; Utilities

5.1 *Taxes.* Lessor shall be responsible for payment before delinquency all real and personal property taxes, general and special assessments, and other charges levied on or assessed against the premises, improvements located on the premises or personal property or fixtures located on the premises or in the improvements during the lease term. However, any property taxes assessed against the premises due to County's failure to secure a tax exemption shall be paid by Lessee.

5.2 *Utilities.* Lessor shall pay when due all charges for water, sewage and refuse collection.

## Section 6. *Maintenance; Alternations; Reconstruction*

### 6.1 *Maintenance.*

Lessor shall maintain the Premises exterior in a safe condition, free from any hazard which could result in physical or property damage to its occupants, ordinary wear and tear excepted, and in accordance with all applicable laws, rules, regulations and ordinances of federal, state, county, municipal or other governmental agencies having or claiming jurisdictions. Lessor shall be responsible for major capital repairs and maintenance of the electrical, plumbing and HVAC system.

Lessee shall provide for the routine maintenance of the office interior, including light bulbs and plumbing caused by misuse of occupants. Lessee shall maintain and keep the premises in safe and sanitary order and in good repair, reasonable wear and tear accepted. Lessee shall not intentionally or negligently destroy, deface damage, impair, or remove any part of the premises or knowingly permit any person to do so. Lessee agrees to report promptly to the Lessor's property management agent's office any and all breakage, damage, or need of repair of the dwelling unit, facility, or equipment therein.

6.2 *Alterations.* Lessee may not construct, improve, demolish, remove, replace, alter, reconstruct, remodel or add to any existing improvements in whole or in part ("alterations") without written permission of Lessor

6.3 *Reconstruction After Damage* If any building or other improvement on the Premises is damaged or destroyed by fire or any other cause at any time during the lease term, whether or not covered by insurance, Lessor shall promptly repair the damage and restore the improvement.

## Section 7. Ownership of the Improvements

All improvements constructed on the premises shall be deemed as owned by Lessor, free and clear of all claims of Lessee or anyone claiming under Lessee, and Lessee shall indemnify and defend Lessor against all liability and loss arising from such claims subject to the provisions of Article XI, Section 10 of the Constitution of Oregon and the limitations of the Oregon Tort Claims Act. Nothing in this Section 7 shall alter other provisions of this lease, including without limitation restrictions on removal or alteration of the building on the premises.

## Section 8. Financing, Assignment; Subletting

8.1 *No Lessee Rights to Mortgage the Leasehold.* Lessee has no rights to subject the leasehold estate and any or all improvements to any mortgages or other liens as security for a loan or loans or other obligations.

8.2 *Assignment.* Lessee shall not assign or otherwise transfer Lessee's interest in this lease or the estate created by this lease without the prior written consent of Lessor, which shall not be unreasonably withheld. No consent in one instance shall remove the requirement for consent in any subsequent instance.

The terms of any assignment shall include a covenant by the assignee that it assumes and agrees to pay and perform all of Lessee's obligations under this lease. No assignment shall release Lessee of its obligations under this lease unless Lessor agrees in writing.

8.3 *Right to Sublet.* Lessee may not sublease any or all of the portion of the premises without Lessor's written permission.

## Section 9. Insurance

9.1 *Minimum Insurance Requirements.* Lessee shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by the Lessee.

Coverage shall be at least as broad as: Insurance Commercial General Liability coverage  
Lessee shall maintain limits no less than: General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage.

Lessee shall provide a Certificate of Insurance listing Homes for Good Housing Agency and an Additional Insured endorsement.

9.2 *Fire and Hazard Insurance.* Lessor shall throughout the lease term keep the buildings and improvements insured against loss by fire and other hazards covered by a standard form of fire insurance policy with extended coverage endorsement including vandalism and malicious mischief.

9.3 *Proceeds of Fire and Hazard Insurance.* The proceeds of the policies described above shall be used to repair, restore and replace any damaged or destroyed improvements as provided in Section 6.3.

## Section 10. Condemnation

10.1 *Total or Substantial Taking.* A taking or condemnation shall be considered to be total or substantial if it includes all of the Premises or so much of the premises that a reasonable amount of reconstruction would not make the land and improvements a practical development and reasonably suited for the uses and purposes for which the premises were used just prior to the condemnation.

In the event of a total or substantial taking, the lease shall terminate as of the date title or possession passes to the condemning authority. All rent, additional rent and other charges payable by Lessee under this lease shall be prorated as of the date of termination.

Lessor shall be entitled to receive, regardless of when the taking occurs, the full value of the award.

10.2 *Partial Taking.* This paragraph 10.2 shall apply to any taking or condemnation which is not subject to paragraph 10.1.

Lessor shall be entitled to receive, regardless of when the taking occurs, the full value of the award. Lessor shall promptly restore the building and all improvements on the premises as nearly as reasonably possible to the condition existing prior to the taking or condemnation.

10.3 *Participation and Proceedings.* Either party receiving any notice of intended taking, any service of legal process relating to condemnation or any other notification in connection with any taking, condemnation or purchase, sale or transfer in lieu of condemnation shall promptly give the other party notice of such receipt. Lessor shall have the right to represent its interest in each such proceeding or negotiation and to make full proof of its claim. For purposes of this lease, taking or condemnation includes a sale to a purchaser with the power of eminent domain in the face of a threat or the probability of the exercise of the power.

#### Section 11. Default

Each of the following events shall be a default by Lessee and a breach of this lease:

11.1 *Performance Failures.* Failure of Lessee to perform any other term, condition or covenant of this lease within twenty (20) days after written notice from Lessor specifying the nature of the failure. If the failure is of such a nature that it cannot be completely remedied within the twenty (20) day period, the failure shall not be a default if Lessee begins correction of the failure within the twenty (20) day period and thereafter proceeds with reasonable diligence and in good faith to correct the failure as soon as practicable.

11.2 *Attachment.* Attachment, execution, levy or other seizure by legal process of any right or interest of Lessee under this lease if not released within thirty (30) days.

11.3 *Bankruptcy.* An assignment by Lessee for the benefit of creditors, the filing by Lessee of a voluntary petition in bankruptcy, the filing of an involuntary petition in bankruptcy and failure of Lessee to secure a dismissal of the petition within thirty (30) days after filing, the appointment of a receiver to take possession of the leasehold estate or of Lessee's operations on the estate for any reason. For purposes of this paragraph the term "bankruptcy" includes all arrangements and chapters in the Bankruptcy Code.

#### Section 12. Remedies On Default

As a precondition to pursuing any remedy for a default by Lessee under this lease, Lessor shall notify Lessee of the default and that the notice was for the purpose of notice under this Section.

12.1 *Termination of Lease.* Lessor may by notice to Lessee terminate this lease as of the date of the notice. All of Lessee's rights in the premises and in all improvements on the premises shall terminate as of the date of the termination. Promptly after such notice Lessee shall surrender and vacate the Premises and all improvements clean and in good condition. Termination under this paragraph shall not relieve Lessee from the payment of any sum then due to Lessor or from any claim for damages previously accrued or then accruing against Lessee subject to the provisions of Article XI, Section 10 of the Constitution of Oregon and the limitations of the Oregon Tort Claims Act.

Lessor may elect to use all or any part of Lessee's personal property and trade fixtures remaining on the Premises without compensation to Lessee and without liability for use or damage; or Lessor may store all or any of Lessee's personal property and trade fixtures for the account of and at the cost of Lessee. The election of one remedy for any one item shall not preclude an election of any other remedy for another item or for the same item at a later time.

In the event of a termination, Lessor shall be entitled to damages for the reasonable cost of: re-entry and re-letting, including the cost of any cleanup, broker's or finder's fees and attorney fees subject to the provisions of Article XI, Section 10 of the Constitution of Oregon and the limitations of the Oregon Tort Claims Act.

#### Section 13. Surrender on Termination.

13.1 *Surrender.* Upon expiration of the lease term or renewal term, Lessee shall surrender possession of the Premises to Lessor, including all improvements then located on the Premises, clean and in good condition except for reasonable wear and tear since the last necessary restoration, repair or reconstruction made by Lessor pursuant to the lease. All property that Lessee is required to surrender shall become Lessor's property at the date of expiration of this lease. All property that Lessee is not required to surrender, but that Lessee does abandon shall, at Lessor's election, become Lessor's property on the date of expiration or termination of this lease.

13.2 *Holdover.* Failure by Lessee to vacate the Premises at the time specified in this lease shall not constitute a renewal or extension or give Lessee any rights in or to the Premises or any improvements. Upon such a holdover, Lessee shall defend and indemnify Lessor from all liability and expense resulting from the failure or delay of Lessee to timely surrender the premises including, without limitation, claims made by any succeeding tenant founded on or resulting from Lessee's failure to so surrender.

#### Section 14. Miscellaneous

14.1 *Non-waiver.* Waiver by either party of strict performance of any provision or term of this lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision or any other provision.

14.2 *Notices.* All notices under this lease shall be effective on the earlier of actual receipt or two (2) days after deposit as registered or certified mail, return receipt requested, postage prepaid and addressed to Lessor or Lessee at the addresses stated below, or to such other address as either party may specify by notice to the other party:

Lessor: Homes for Good Housing Agency  
Attn: Jacob Fox  
177 Day Island Road  
Eugene, Oregon 97401

Lessee: Head Start of Lane County  
Attn: Annie Soto  
211 B St.  
Springfield, OR 97477

14.3 *Indemnification.*

a. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against Head Start of Lane County, , or Homes for Good with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.

b. With respect to a Third Party Claim for which Head Start is jointly liable with Homes for Good (or would be if joined in the Third Party Claim ), County shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Homes for Good in such proportion as is appropriate to reflect the relative fault of Head Start on the one hand and of Homes for Good on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Head Start on the one hand and of Homes for Good on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. County's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if County had sole liability in the proceeding.

c. With respect to a Third Party Claim for which Homes for Good is jointly liable with Head Start (or would be if joined in the Third Party Claim), Homes for Good shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Head Start in such proportion as is appropriate to reflect the relative fault of Homes for Good on the one hand and of Head Start on the other hand in connection with the events which resulted



in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Homes for Good on the one hand and of Head Start on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Homes for Good's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.

d. The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement and Supplemental Project Agreements. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.

14.4 *Severability.* The invalidity or illegality of any provision of this lease shall not affect the remainder of the lease.

14.5 *Governing Law.* This lease and the party's rights under it shall be construed and regulated by the laws of the State of Oregon.

**Lessor: Homes for Good**

By: \_\_\_\_\_

Jacob Fox

Title: Executive Director, Homes for Good Housing Agency

Date: \_\_\_\_\_

**Lessee: Head Start of Lane County**

By: \_\_\_\_\_

Annie Soto

Title: Executive Director, Head Start of Lane County

Date: \_\_\_\_\_



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



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Attachment 2

## New Activities

### Demolition and/or Disposition

Homes for Good is evaluating the remaining public housing portfolio to determine if Demo/Disposition or a RAD conversion is appropriate. Homes for Good has submitted a letter of interest (LOI) to HUD regarding the conversion of the remaining Public Housing Portfolio. If it is determined to be appropriate, Homes for Good may submit a Demo/Dispo application for a portion or the remainder of its public housing portfolio but there is not yet a timeline for when such an application would occur.

### Conversion of Public Housing to Project-Based Assistance under RAD

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing access to private sources of capital to repair and preserve its affordable housing assets. Homes for Good submitted applications for participation in the RAD program in November of 2013 to convert 112 of its scattered sites to Project Based Vouchers (PBV) and transfer assistance to new sites under the guidelines of PIH Notice 2012-32, REV-2 and any successor notices. Homes for Good submitted a revised multi-phase application in May of 2016 which allowed conversion of 12 units into Richardson Bridge Apartments as part of a major rehabilitation and sold 12 units of scattered site housing.

Homes for Good received a Commitment to enter into a Housing Assistance Payment (CHAP) for the remaining 100 units in August of 2018 for AMP 200 and 300 as described below.

AMP 200 Springfield Sites (Partial Conversion): AMP 200 OR000600200 included 20 scattered site units. A multi-phase application was approved in August 2016 for the initial phase that converted 3 units of public housing and transferred the assistance to Richardson Bridge (an existing Homes for Good development). Homes for Good disposed of the 3 former PH units for affordable housing purposes. The next phase will transfer the remaining 17 units to two new housing developments. Construction of the replacement housing will begin in the fall of 2019 and disposal of the units will begin at that time. The remaining units in AMP 200 will remain unchanged.

AMP 300, Eugene Scattered Sites (Partial Conversion): AMP 300 OR000600300 includes 92 scattered site units. A multi-phase application was approved in August 2016 for the initial phase that converted 9 units of public housing and transferred the assistance to Richardson Bridge (an existing Homes for Good development). Homes for Good disposed of the 9 former PH units for affordable housing purposes in 2018. The next phase will transfer the remaining 83 units to two new housing developments. Construction of the replacement housing will begin in the fall of 2019 and disposal of the units will begin at that time. The remaining units in AMP 300 will remain unchanged.

Homes for Good is evaluating the remaining public housing portfolio to determine if Demo/Disposition or a RAD conversion is appropriate. Homes for Good submitted a letter of interest (LOI) to HUD regarding the conversion of the remaining Public Housing Portfolio in the fall of 2018.



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## **Project Based Vouchers**

It is Homes for Good's intention to publish Request for Proposal(s) in 2019 in order to award approximately 50 Project Based Vouchers. No geographic area has been identified to target these vouchers, but Homes for Good is committed to increasing the resources dedicated to rural communities in Lane County. Since 2017 Homes for Good has awarded over 100 Project Based Vouchers through this competitive process. Homes for Good intends to utilize Project Based Vouchers to increase the availability of affordable housing stock in our community along with potentially increasing access to supportive services for families that we serve. In implementing the use of Project Based Vouchers Homes for Good will adhere to the Administrative Plan for; owner proposals, Housing Quality Standards, development and completion of Rehabilitated and Newly Constructed units, Housing Assistance Payment Contracts, selection of Project Based Program participants, occupancy of Project Based units, determining rents to owners and distributing payments to owners.

## **Other Capital Grant Programs**

Homes for Good expects to apply for Emergency Safety and Security Grants Capital Fund Grants and/or Emergency and Non-Presidentially Declared Disaster Grants in 2019. The agency does not plan to apply for any other Capital Grants.

## **Commercial Lease of Shared Office Space**

Homes for Good has agreed to enter a commercial lease with Head Start of Lane County for the use of 1,200 sq/ft of shared office space located at 300 W. Fairview, Springfield OR 97477. This commercial lease will provide non-rental revenue of roughly \$21,060 annually, which will be used to support operations of the Fairview and new Administrative Buildings.

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

ORDER 19-16-10-02H

In the Matter of Approving a Commercial  
Lease of Shared Office Space to Head Start of  
Lane County

WHEREAS, Homes for Good Housing Agency, acknowledges the need to increase access to supportive services programs in our communities;

WHEREAS, Homes for Good Housing Agency, previously developed a partnership with Head Start of Lane County to lease a portion of McKenzie Village for Head Start operations;

WHEREAS, Homes for Good Housing Agency, has identified shared offices spaces that would benefit Head Start operations and support continued collaboration;

NOW IT IS THEREFORE ORDERED THAT:

The PHA Annual Plan for FY20 shall be revised to include the following under "New Activities":

- a) The approved Commercial Lease of Shared Office Space to Head Start of Lane County as an activity outside normal operations of Public Housing; and
- b) The addition of new financial resources as a result of this commercial lease, which will support the continued operations of the OR006 AMP 200 McKenzie Village administrative building.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2019

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Chair, Homes for Good Board of Commissioners



# AGENDA CHECKLIST

## AGENDA INFORMATION TO BE SUBMITTED TO THE BOARD OFFICE

(Jordyn Shaw, Communications Administrative Specialist ext 2593)

**One Title Memo**

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

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

AGENDA TITLE: **Use of Interfunds**

DEPARTMENT	<b>Finance</b>		
CONTACT	<b>Jeff Bridgens</b>	EXT	<b>2525</b>
PRESENTER	<b>Jeff Bridgens</b>	EXT	<b>2525</b>

AGENDA DATE: **10/16/2019**

### THIS ITEM WILL INVOLVE:

- |   |   |  |  |
|---|---|--|--|
| <input type="checkbox"/> Consent Calendar         | <input type="checkbox"/> Report                                     | <input type="checkbox"/> Appointments                            | <input type="checkbox"/> Committee Reports |
| <input type="checkbox"/> ORDER/Resolution         | <input type="checkbox"/> Discussion & Action                        | <input checked="" type="checkbox"/> Discussion/Presentation Only |  |
| <input type="checkbox"/> Ordinance/Public Hearing |   |  |  |
| Public Comment Anticipated?                       | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Estimated Time <u>  20 min  </u>                                 |  |

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

Executive Director/: **Jacob Fox** Date **10/08/2019**

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:** Jeff Bridgens, Finance Director  
**AGENDA ITEM TITLE:** Presentation: Use of Interfunds  
**AGENDA DATE:** October 16<sup>th</sup>, 2019

### **I. MOTION**

None required

### **II. ISSUE**

Homes for Good uses a revolving fund structure also referred to as *Interfunds*. The purpose of this presentation is to provide an overview of how this structure functions.

### **III. DISCUSSION**

This presentation is intended to describe and illustrate for the Board how near-term cash flows are managed through the use of interfunds at Homes for Good on a one-to-one program basis and across multiple funds. This presentation also describes the settlement of interfund balances for year-end financial reporting purposes. This presentation is being provided for informational purposes.

#### **A. Recommendation**

None.

### **IV. IMPLEMENTATION/FOLLOW-UP**

None.

### **V. ATTACHMENT**

Presentation



**Board Informational Presentation  
Use of Interfunds**

# Financial Data Schedule Lines

Wells Fargo Cash – FDS Line 111

LGIP Investments – FDS Line 131

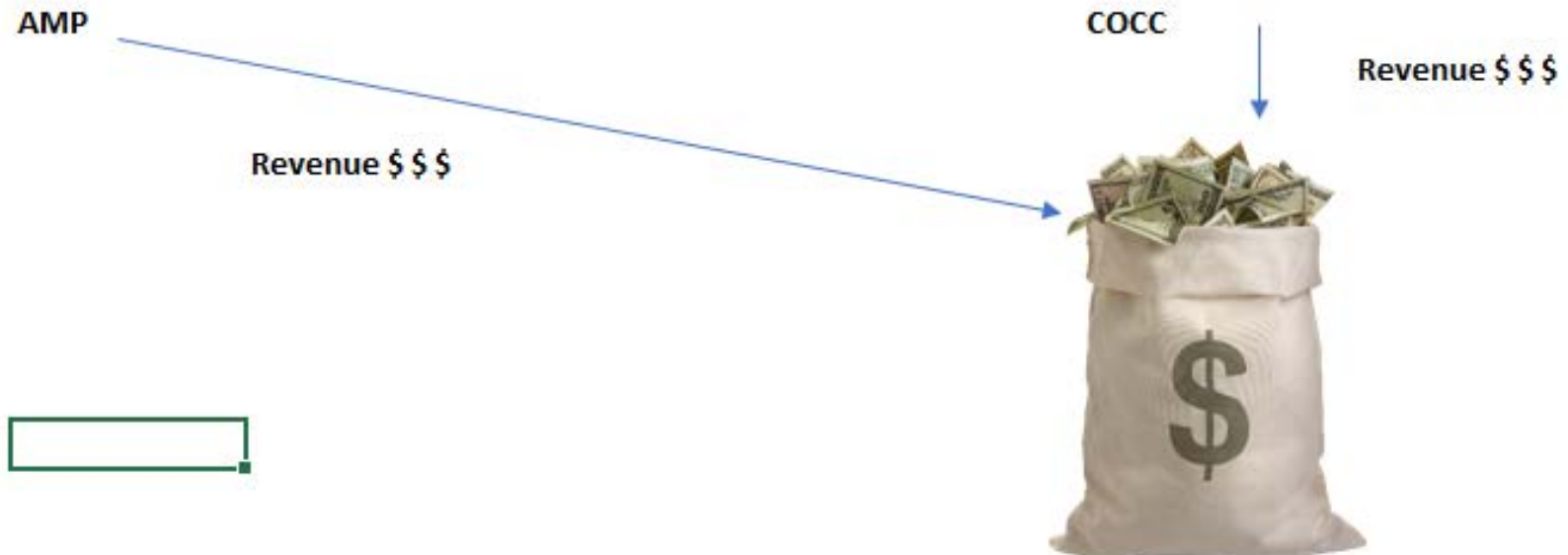
RBC Investments – FDS Line 131

Due from (Asset) – FDS Line 144

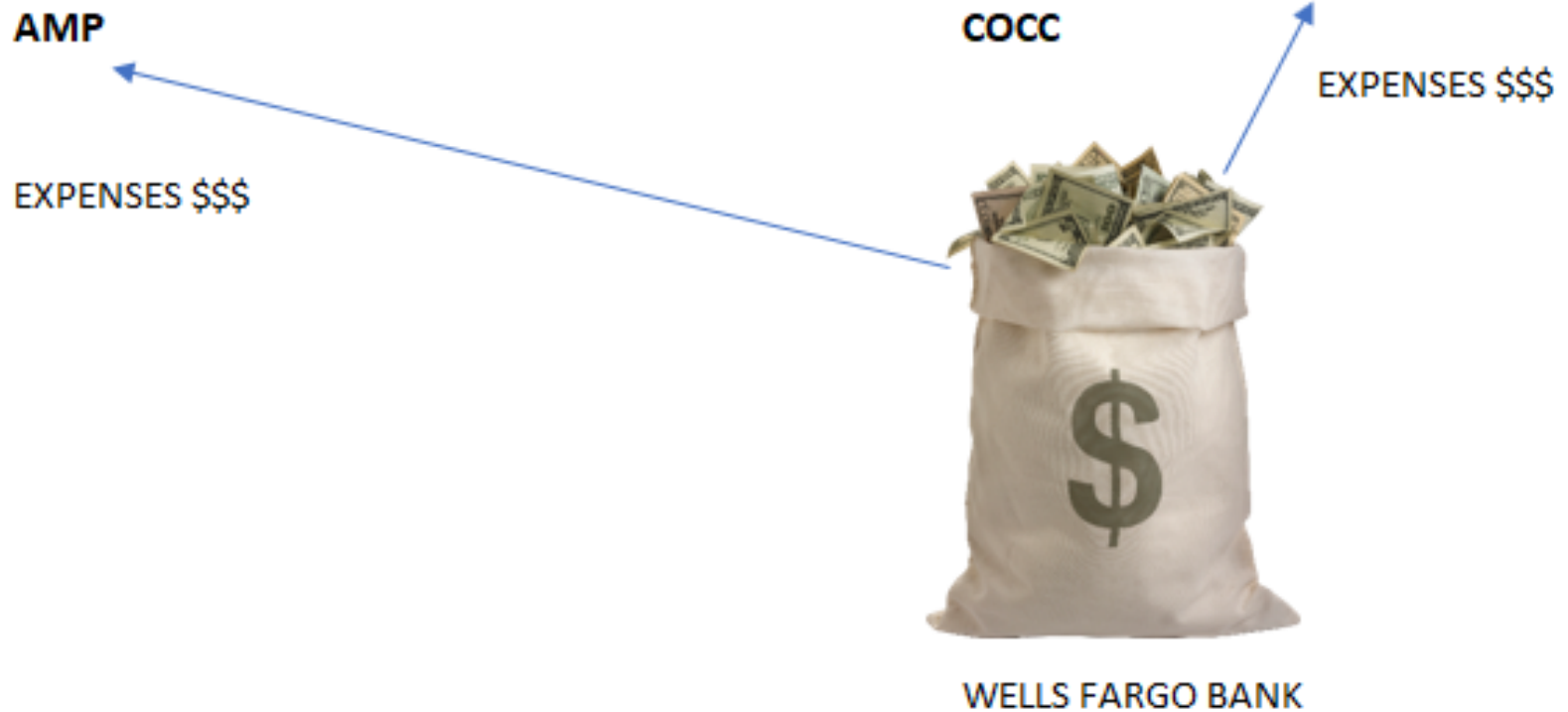
Due to (Liability) – FDS Line 347



# How Does Interfund Work?



# How Does Interfund Work?





# How Does Interfund Work?

AMP		COCC	
111 Cash	\$ -	111 Cash	\$ 500
144 Due from COCC	\$ 500	347 Due to AMP	\$ (500)

## WE RECLASSIFY THESE BALANCES FOR REPORTING

AMP		COCC	
111 Cash	\$ 500	111 Cash	\$ -
144 Due from COCC	\$ -	347 Due to AMP	\$ -



# How Does Interfund Work Across Multiple Programs?

<b>AMP</b>		<b>PROGRAM A</b>		<b>COCC</b>	
111 Cash	\$ -	111 Cash	\$ -	111 Cash	\$ 3,000
144 Due from COCC	\$ 500	347 Due from COC	\$ 700	347 Due to AMP	\$ (500)
				347 Due to Program	\$ (700)
				347 Due to Program	\$ (1,800)
				347 Due to Program	\$ (250)
<b>PROGRAM B</b>		<b>PROGRAM C</b>			
111 Cash	\$ -	111 Cash	\$ -		
144 Due from COCC	\$ 1,800	347 Due from COC	\$ 250		



# How Does Interfund Work Across Multiple Programs?

WE RECLASSIFY THESE BALANCES FOR REPORTING

**AMP**

111 Cash \$ 500  
 144 Due from COCC \$ -

**PROGRAM A**

111 Cash \$ 700  
 347 Due from COC \$ -

**PROGRAM B**

111 Cash \$1,800  
 144 Due from COCC \$ -

**PROGRAM C**

111 Cash \$ 250  
 347 Due from COC \$ -

**COCC**

111 Cash \$ (250)  
 347 Due to AMP \$ -  
 347 Due to Program \$ -  
 347 Due to Program \$ -  
 347 Due to Program \$ -

# Homes for Good Net Position

	COCC	Real Estate			Homes for Good	
	COCC	Development	Firwood	100 W. 13th	Good	
111 Cash	<u>\$ (250)</u>	<u>\$ (250)</u>	<u>\$ 15,000</u>	<u>\$ 10,000</u>	<u>\$ (500)</u>	<u>\$ 24,250</u>
500 Net position	<u>\$ (250)</u>	<u>\$ (250)</u>	<u>\$ 15,000</u>	<u>\$ 10,000</u>	<u>\$ (500)</u>	<u>\$ 24,250</u>

COCC is a sub-set of the Agency's collective net position.

FDS Lines 144 Due From (Asset) and 347 Due To (Liability) are eliminated for financial reporting.



# Interfunds and Programs Having Unrestricted Investments

- Programs holding common investments (FDS Line 131)
  - AMPs and COCC both report investments with RBC consisting of short-term bonds and cash.
  - A few programs and COCC report investments in the LGIP with the Oregon State Treasurer.
  - These funds are unrestricted and are available to settle interfund balances between them.