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# **Program Services**

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January 3, 1994

MEMO

TO:

WCCAO Board

FROM:

Leon Laptook, Housing & Energy Director

RE:

**Update on Special Housing Projects** 

The following is a brief description of the current projects that WCCAO's Housing staff is involved with related to affordable housing. This summary does not include the on-going department work load in weatherization, fair housing, administering housing services contracts, and housing advocacy

## **Housing Development**

Reedville Apartments - This project involves construction of 50 units of housing for low-income farm workers families. It is sponsored by the Housing Development Corporation of Washington County (HDC), with technical assistance provided by CASA of Oregon. A property has been optioned and an pre-application for project funding has been submitted to the U.S.D.A. Farmer's Home Administration. Units will be a mixture of duplexes, fourplexes, and attached single family units (town houses). Total project cost is estimated at \$3.3 million.

Maria Louisa Home Ownership Program - This is planned to be twenty five units of new single family homes on scattered sites. The homes will be offered to low-income farm worker families on a lease basis with the option to purchase the unit after five years. Part of the monthly lease payment is set aside in an escrow which accumulates to form the families down-payment. This project is also sponsored by the HDC with technical assistance provided by CASA of Oregon. Properties have been optioned for the first five homes and construction is expected to begin in early spring. Financing is from several sources including: State of Oregon Housing Trust Fund; Washington County HOME funds; private financing from U. S. Bank; and sale of State Farm Worker Tax Credits to promote investors. Units will be 1150 square feet, have three bedrooms, and 1 1/2 - 2 baths. Total project costs are estimated at \$2.12 million.

Willow Creek Commons - This is a 79 unit family project sponsored jointly by WCCAO and Bowen Real Estate Co., a private developer. The project will be located in Aloha, has a mix of two, three, and four bedroom apartment units affordable to low - income families. The project will also include construction of a permanent Head Start Center (2 classroom) for the Aloha/Reedville area. Financing for property acquisition has been applied for under the County HOME program. Development financing will consist of private lender financing and sale of federal low-income housing tax credits (LIHTC) to be applied for this spring. Under the LIHTC financing the project will be owned by a limited partnership for a 15 year period and WCCAO will have the opportunity to purchase the project at favorable terms after year 15. Total project costs are estimated at \$4.85 million.

Center Street Transitional Housing - This is a project to convert a currently vacant property consisting of a six-plex and a single family house into a seven unit transitional housing complex for homeless families. The six-plex was moved on to the property (at 113th and Center St. in Beaverton) several years ago, and needs extensive renovation. WCCAO is working with a private developer, J. S. Steffey and Co., on the project. Applications for funding have been submitted to the County HOME Program, the State Housing Trust Fund, and will be submitted to the County's Community Development Block Grant (CDBG) Program. A variety of barriers make the viability of the project a bit problematic. Total project costs are currently estimated at \$400,000.

<u>Beaverton First United Methodist Church</u> - WCCAO is currently discussing with the church the possibility of using a property they own as part of the Transitional Housing Program. The property is a small single family house on S. W. Third in Beaverton, in basically sound condition. Renovation can be financed through WCCAO's Weatherization Program, volunteer labor, and possibly a small CDBG loan. The property is ideal for a couple or a small family. Case management services can be provided within existing staffing levels.

Good Shepherd Home - The Good Shepherd Home of the West has operated for about the last twenty years as an Intermediate Care Facility for 83 developmentally disabled persons. The home is located on Golf Course Road three miles south of Cornelius and consists of three residential dormitories, a well equipped institutional kitchen, an administration building with several classrooms, offices and meeting room, and various out buildings. As part of "community mainstreaming" Good Shepherd is developing a series of small group homes in and around Hillsboro which will house all of their residents. It is expected that all residents will be moved by late spring 1994. Good Shepherd has indicated that the organization is interested in having the current facility used for a socially beneficial use. WCCAO is collaborating with a coalition of agencies to determine the feasibility of creating a Transitional Housing Program for women and children at the Good Shepherd site. The other agencies involved are Lutheran Family Services, Domestic Violence Resource Center, and Tualatin Valley Mental Health Center. CDBG funds have been requested for initial staffing and a planning session is scheduled for January 1994 to undertake detailed program planning and develop a fund-raising strategy.

Ash Creek Apartments - This is a 32 unit low-income family apartment complex in Metzger built about twenty years ago with the assistance of federal (U. S. Department of Housing and Urban Development or HUD) mortgage subsidies. Under the terms of the original 40 year HUD mortgage the owner has the right to prepay the mortgage after twenty years. The current owner has issued notice of his intent to prepay. In order to preserve the nation's stock of low-income housing, HUD created a program whereby community based non-profits have a preference in purchasing these properties. HUD provides grants and loans for such purchases. If a local non-profit does not attempt a purchase of a prepaying property the owner is free to sell the property on the open market. In most cases, this has resulted in the loss of affordable units from the market place. WCCAO has been asked by the Oregon Housing Now Coalition (which along with Oregon Legal Services is coordinating the HUD Housing Preservation Project in the State) to contact the owner and consider undertaking the role of community-based purchase of the property. A planning grant for HUD Technical Assistance funds to cover project costs is currently being prepared.

## <u>Advocacy</u>

<u>United Way Affordable Housing Project</u> - This project is in its third year and focuses on building community partnerships to promote the development of affordable housing. In year two an Affordable Housing Task Force was formed to study and recommend specific policies, activities, practices, etc. to increase the community's stock of affordable housing. Many of the Task Force's recommendations were incorporated by Washington County in their Affordable Housing Study. A Task Force recommendation to develop a first time home buyers education and training program is being implemented by the Oregon Bankers Association who has asked WCCAO to be the non-profit co-sponsor for such a program in Washington County. The Task Force is

currently working to create a county-wide community development corporation to develop new housing and to increase the technical expertise available to existing community based organizations already involved or desiring to be involved with developing housing.

Homeless Study - This study is reaching completion and marks the first attempt to comprehensively study and address the issue of homelessness in Washington County. The study will serve as a data base for local agencies, form the basis for a more collaborative local response to homelessness, provide a basis for both local funding decisions and development of new financial resources for homeless and homeless prevention programs. Several of the findings and policies have been included in the County's Affordable Housing Study.

County Affordable Housing Study and Comprehensive Housing Affordability Strategy (CHAS) - This recently adopted set of policies and strategies marks the first time that county government has addressed the issue of affordable housing in a comprehensive and pro-active manner. The CHAS is a federally mandated planning document required for the county to qualify for various federal housing funds. It has been incorporated as part of the county's Affordable Housing Study. WCCAO housing staff have been included in both the development and review of the county study. In part, the impetus to undertake such a study and the county's prioritizing affordable housing as a significant local public policy issue is due to WCCAO's advocacy efforts over the past several years.

Fair Housing History Project - This project has two major components: researching the history of housing discrimination in Oregon and using that history as the basis for designing and fabricating a high quality exhibit which will be available to groups around the state for public showings and as part of public events. The research was completed in November 1993, and is in the form of a 230 page manuscript. We will attempt to have the manuscript published as a book by the Portland State University Press. Work has just began on the exhibit design. Completion is expected by mid 1994. Funding for the project has been provided by the Oregon Council for the Humanities, the Oregon Housing & Community Services Department, and most of the public agencies that administer the federal CDBG program.

#### OTHER PROJECTS

Christmas in April - Christmas in April Washington County is a new non-profit that WCCAO has helped create. It is part of a nation-wide effort which currently has 115 chapters in 39 states. Christmas in April organizes an annual community-wide home repair and rehabilitation effort for low-income, elderly and/or disabled home owners. The organization utilizes and coordinates a large number of volunteers and contributions from businesses, community groups and churches. WCCAO staff has participated in the founding of the local chapter; WCCAO has acted as fiscal agent while the organization's non-profit, tax exempt status is being processed; and two

WCCAO staff persons currently served on the organization's 25 member Board of Directors. The first Christmas for the organization will occur in April 1994.

Community Partners for Affordable Housing (CPAH) - This is a new community development corporation whose purpose is to develop affordable housing in the east county area. Staff has provided technical assistance in organizing the non-profit, and will continue to provide technical assistance for housing development and organizational capacity building projects. WCCAO is acting as fiscal agent for CPAH while non-profit tax exempt status is obtained. CPAH will consider using our Neighborshare office as their mailing address, meeting place and file storage. One WCCAO staff person is on the initial CPAH Board of Directors.

Housing Development Corporation - The Housing Development Corporation of Washington County (HDC) is a local, community based organization whose mission is to develop housing for farm workers. HDC was formed in the early 1980's as a result of the advocacy and community planning efforts of WCCAO, Oregon Legal Services, concerned growers and other concerned community members. Soon after its inception HDC became involved in several land use and court cases which eventually established the right under state law to locate housing for farm workers in a manner no different than that used to locate other types of housing. Since these early legal battles, HDC has developed 86 units of housing in three projects located in Forest Grove and Cornelius. As previously indicated HDC is currently developing 75 additional units through the Reedville Apartment and Maria Louisa Home Ownership projects. WCCAO has maintained a close involvement with HDC since its inception. For the past 7 1/2 years WCCAO staff has served as president of the HDC, currently three WCCAO staff serve on the HDC Board of Directors, HDC contracts with WCCAO for limited staff and administrative support, and HDC records are housed at WCCAO.

Community Housing Development Organization (CHDO) Designation - Both WCCAO and the HDC are currently applying to HUD to obtain CHDO status. This status gives the organization a preference for certain types of federal housing funds, such as the HOME program. It also provides access to training and technical assistance funds. Trainings for both Board and staff will be available on Housing Development and technical elements of project development including project finance, construction management, and property management. An overview on affordable housing development is being prepared for presentation to the Board at your March meeting. Limited grant writing assistance will be made available to assist in efforts to raise funds for housing activities. Finally each organization will receive \$3,500 in pass through funds to spend on capacity building activities. WCCAO will use these funds to purchase a computer and printer for the Housing Department. HDC will use these funds to develop communication materials and public information on farm worker housing issues.