



New Construction/Conversion Narrative Template

Concept endorsement and final approval

Project summary submitted by Washington County Housing Services Department Metro bond final approval, Goldcrest

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BRIDGE Housing Corporation (BRIDGE) has received [concept endorsement](#) for \$8.7 million in Metro Housing Bond funds for construction of a four-story, Type V wood-framed, 75-unit affordable housing project in South Cooper Mountain — a high opportunity area in Southwest Beaverton with no pre-existing affordable housing and excellent access to retail, groceries, parks and high-performing schools. The project is 2.15 acres and specifically located at 12945 SW 172nd Terrace, Beaverton OR 97007 in a new area to the City recently annexed after being incorporated into the Urban Growth Boundary (UGB) in 2013. BRIDGE Housing purchased the property in September 2020. The proposed project will include 39 one-bedroom units, 29 two bedroom and 7 three bedroom apartments (including a manager's unit). Fourteen of the units will be affordable to households earning 30% of the Area Median Income (AMI) and these units will be distributed evenly amongst different unit sizes.

The bulk of project financing is provided by equity from 4% Low Income Housing Tax Credits, debt from sale of tax-exempt bonds, the OHCS Multifamily Energy Program, support from the City of Beaverton, and Metro Bond funds from Washington County's allocation. BRIDGE is also contributing to or deferring approximately 54% of its developer fee.

Changes between Concept Endorsement and Final Approval (Final Approval only)

Summarize all changes to the project between concept endorsement and final approval and additional information provided in the report that was not previously included in the Concept Endorsement report.

After receiving Metro Housing Bond concept endorsement, BRIDGE Housing moved forward with finalizing project entitlements, design development, and financing commitments for the project. In order to align the project budget with the design development cost estimate, they made minor unit design changes, reduced windows, and other detailing changes to align these costs. A competitive Request For Proposal (RFP) process resulted in the selection of Key CDC as the project investor and Key Bank as the project lender with a 40-year financing term, which provides project stability.

BRIDGE selected Colas Construction as the project's General Contractor, and Salazar Architecture as the architect firm of record. They have completed the design development phase, received land use approval from the City of Beaverton, and provided multiple cost estimates based on the finalized permit set of drawings. On October 20, 2021, the project received Private Activity Bond Committee approval for \$17.1 million in bonds issued by the Housing Authority of Washington County. Other funding sources that have been

committed after concept endorsement include Housing Production Opportunity Funds committed by Washington County, and Housing Investment funding from the City of Beaverton. The project has also submitted the 4% LIHTC application to Oregon Housing and Community Services (OHCS).

Preliminary Development Program

Goldcrest has 74 affordable units and one manager’s unit. Fourteen units will be offered at 30% AMI without any rent subsidies. The building is a four-story Type V wood-framed construction development totaling 78,836 square feet including 22,422 square feet of residential common areas. Exterior amenities include a sizeable play area, a courtyard with ample surface parking and proposed community gardens. Interior amenities include a community room with a warming kitchen, lounge areas, resident service room, offices, bike rooms, and laundry facilities on every floor. There are 108 parking spaces and 75 bike parking spaces. The project is installing a robust cooling system, which consist of a ductless Packaged Terminal Air Conditioner Heat Pump (PTHP) in each unit and a mini-split system for the common areas.

Common-area amenities include a robust community room that will support a range of uses including resident meeting space, public or private resident events, programmed events by the on-site service coordinator. An adjoining Resident Services office will help assist with resident needs. The community room will open onto a centrally landscaped courtyard with a children’s playground. There will be laundry rooms and trash/recycling rooms on each of the building floors. BRIDGE will provide free wireless internet access in units and the common areas.

Unit size (no. of bedrooms)	No. of units	AMI %	Square feet/unit	Gross monthly rent/unit
1 Bedroom	8	30%	608	\$544
1 Bedroom	21	60%	608	\$1,088
2 Bedroom	4	30%	802	\$653
2 Bedroom	35	60%	802	\$1,306
3 Bedroom	2	30%	1072	\$754
3 Bedroom	4	60%	1071	\$1,509
3 Bedroom	1	Manager	1072	-
Total	75			

Project Image



Background

BRIDGE originally applied to the City of Beaverton in February 2020 for Metro Affordable Housing Bond funds as a part of the City's Project D Solicitation (released in late December 2019). While this project was not selected in that evaluation process, the City has committed \$400,000 of its own resources through their Housing Investment Fund to the project and asked the County to support the project with \$8.7 million in Metro Affordable Housing Bond funds from the County's Metro Bond allocation. These units will count towards the County's unit production targets; they will not count toward Beaverton's unit production targets.

Recognizing that many community partners serve the larger Washington County area, and that many community members perceive that their needs could be met without respect to jurisdictional boundaries, the three implementing jurisdictions of Washington County, the City of Beaverton and the City of Hillsboro signed an intergovernmental agreement to collaborate on community engagement efforts and on developing the partnerships that will help to ensure the success of all bond projects in Washington County.

The project received Concept Endorsement from Metro on September 17, 2020 for \$8.7 million in Metro Housing Bond funds, which is \$117,568 per unit. In addition, the project received a \$500,000 grant in Housing Production Opportunity Funds from Washington County.

Location and Neighborhood

The subject site is located in the Southwest neighborhood of the South Cooper Mountain Community Plan Area, which is 544 acres located at the southwest edge of the City of Beaverton and a key part of an overarching greenfield development urban expansion added to the Metro Urban Growth Boundary and annexed into Beaverton. Nearby amenities include the high-achieving Mountainside High School across from the property, Cooper Mountain Nature Park and Paul and Verna Winkleman Park. Although transit amenities are not readily available, TriMet plans to extend that Bus #56 to South Cooper Mountain and connecting it with the whole system.



Site

BRIDGE Housing purchased the property in September, 2020. The site is located on one existing tax lot in the South Cooper Mountain Concept Plan area and will provide an opportunity to provide housing in a high opportunity area. The site is vacant with adjacent infrastructure including roads and utility systems being delivered as the area is developed. Trimet plans to connect bus #56 to serve South Cooper Mountain and connect to the Beaverton Transit Center and the Tigard Transit Center. The South Cooper Mountain Neighborhood is an urban expansion high-opportunity area containing newly construction single-family homes and multifamily housing in addition to the new Mountainside High School located just west of the project site. There are no currently regulated affordable units in the area, however over 300 units of regulated affordable housing will be constructed using Metro Housing Bond funds.

A Phase 1 ESA was issued on August 14, 2020 and is in the process of being updated in preparation for project closing. The report found de minimis site conditions and did not identify the presence of underground storage tanks, or significant quantities of hazardous substances, petroleum products or hazardous waste. A geotechnical report was prepared by GRI and issued January 14, 2021 to evaluate subsurface conditions at the site and develop geotechnical recommendations for use in the design and construction of future development.

Project Financing

The total project development cost is \$33.283 million, which is approximately \$443,784 per unit.

Funding Source	Amount
4% LIHTC (Equity)	\$13,914,126
Metro Housing Bond	\$8,700,000

OHCS MEP and Energy Trust of Oregon	\$166,212
Local Funds	\$900,000
Permanent Loan	\$6,300,000
Cash	\$2,403,528
Deferred Developer Fee	\$900,000
Total Fund Sources	\$33,283,866
Uses of Funds	Amount
Acquisition	\$2,431,200
Construction Costs	\$20,699,955
Development Costs	\$10,155,711
Total Project Costs	\$33,283,866

The City of Beaverton's Affordable Housing Tax Exemption Program is an economic development tool that provides nonprofit developers, providing rental housing to low - income residents, a property tax exemption. The project team has received an award of exemption from the City of Beaverton in 2021.

Development Team

BRIDGE Housing Corporation - Developer, Owner

BRIDGE Housing Corporation is the largest nonprofit developer of affordable and workforce housing on the West Coast and has participated in the development of 17,000 housing units throughout California, Oregon, and Washington. BRIDGE brings a 35-year track record of building high-quality affordable and mixed-income housing together with local partners.

BRIDGE's Portland office is headed by Executive Vice President Kurt Creager, who was formerly the Director of the Portland Housing Bureau and Executive Director of the Vancouver Housing Authority, and Senior Vice President of Development Aruna Doddapaneni, who has overseen BRIDGE's work in the Portland area since 2013. BRIDGE's Portland staff is currently managing 658 units in operations including Woodland Park in Downtown Hillsboro and Cornelius Place in Cornelius, and 450 units in construction. For this project, Kurt and Aruna are joined by Project Manager Ben Sturtz, who joined BRIDGE in January 2020 and brings 16 years of experience as a Housing Development Project Manager for REACH CDC and a Housing Specialist for Washington County.

BRIDGE Property Management Company - Property Manager

In addition to developing housing, in 1987, BRIDGE launched an in-house property management company ("BPMC"), which manages or asset manages nearly 109 developments with nearly 11,895 rental and condominium homes. As a nonprofit, mission-oriented company, BPMC's management of BRIDGE properties also better serves BRIDGE residents: revenues in excess of costs generated by BPMC are reinvested to support resident and community services, and to create new affordable housing opportunities.

Hacienda CDC - Resident Services Provider

Hacienda CDC was formed in 1992 to provide necessary housing and supportive services for predominantly low-income Latinx communities. As a resident service provider for its

own portfolio of housing and a partner for organizations like BRIDGE, Hacienda is well-versed in the needs of tenants as well as the requirements of the public funding. Hacienda is guided by the belief that the provision of culturally specific and culturally responsive services is an essential component to eliminating structural, cultural, and linguistic barriers, and fostering a sense of safety, understanding and belonging for residents and program participants. These practices ultimately lead to better outcomes, such as increased housing and family stability and increased social capital. 99% of Hacienda's direct services staff are bilingual and bicultural and have been trained in best practices of trauma-informed care. Hacienda provides multiple forms and opportunities for meaningful community engagement to build trust and demonstrates a commitment to quality program improvements.

National Association of Minority Contractors Oregon - COBID/Equity Consultant

Established in 2007, NAMC-Oregon is the local affiliate of the National Association of Minority Contractors (NAMC). The NAMC is a nonprofit trade association founded in 1969 to address the needs and concerns of minority contractors. Though membership is open to people of all races and ethnic backgrounds, the organization's mandate, "Building Bridges-Crossing Barriers," focuses on construction industry issues common to African Americans, Asian Americans, Latinx Americans, and Native Americans. Nate McCoy, Executive Director, and his staff has partnered with BRIDGE to draft and implement BRIDGE's Equity Plan, specifically outreach to COBID-certified subcontractors.

Salazar Architect Inc. - Architect

In the late 1990's, Salazar Architect started as a pro-bono urban design practice serving low-income communities of color in the San Francisco Bay Area. In 2007, Salazar Architect was founded with a focus on affordable housing and community-based advocacy work. Since moving to Portland in 2014, the firm has continued to design affordable developments while expanding into market-rate housing and other project types that bring community benefits.

Salazar Architect Inc. is a certified Oregon MBE /ESB/ DBE firm and is licensed in Oregon, California and Washington. This firm also has extensive experience with U.S Department of Housing and Urban Development (HUD) and Low-Income Housing Tax Credit-funded multi-family housing. Lastly, Salazar Architect's work integrates sustainable design principles such as LEED, Earth Advantage and Enterprise Green Communities criteria.

Otak - Civil Engineer, Landscape Architect, Planning/Entitlements

Since 1981, Otak has worked to create vibrant, inclusive neighborhoods through progressive design and responsible growth. Otak has designed and built affordable housing projects for several long-term clients, and they look forward to building on their work with BRIDGE for the South Cooper Mountain project. Otak was previously engaged by West Hills Development and A.G. Spanos to prepare the master plan and plats for their South Cooper Mountain communities. As such, Otak is well versed in the City of Beaverton's land use entitlement and design review process.

Community Engagement

See the attached Community Engagement Report for details regarding how community engagement performed by Washington County Department of Housing Services staff in

partnership with BIPOC communities informed project development. Washington County worked with the CBO partners to develop feedback overviews for each of the listening sessions. These overviews were then shared with BRIDGE, Salazar Architect, and Hacienda CDC. Salazar Architect provided a summarization of themes of the sessions and one document highlighting feedback from all five sessions. The team now intends to use this information to inform project implementation during the design development phase and subsequent design phases of the project to ensure community feedback is incorporated to the extent possible.

Some of the key design changes that resulted from the listening sessions include BRIDGE providing two bathrooms for family units, providing a communal kitchen in the building's community room, providing outdoor grilling and community garden amenities, and strategically located the family sized units to provide mobility options.

In addition, feedback from the City of Beaverton's open house, Latinx Night and Arabic community sessions were instrumental in shaping BRIDGE's proposed project. The feedback received at these community gatherings highlighted a need for two- and three-bedroom apartments and housing for working households and those on Social Security and fixed incomes. Based on this feedback, BRIDGE sought to prioritize the number of two- and three-bedroom units and distributed the 14 units serving 30% AMI households evenly amongst different unit configurations.

Advancing Racial Equity

The Local Implementation Strategy for both Washington County and the City of Beaverton prioritizes investments in high opportunity areas with limited or no affordable housing options. This project aligns well with those priorities and will be one of the first regulated affordable housing project in Southwest Beaverton. Per the City's inventory of regulated affordable housing, all of the City's existing inventory is located Downtown or in North Beaverton (near SW 170th Avenue). There is currently no regulated affordable housing in South Beaverton, Neighbors Southwest, Sexton Mountain, or the newly incorporated South Cooper Mountain area.

BRIDGE has contracted with Salazar Architects as the project architect of record, which is a certified COBID firm. The project will achieve a minimum 50% COBID professional services participation, and is committed to 25% COBID subcontractor participation with a 30% aspiration goal. They have contracted with Colas Construction, which has experience meeting COBID goals in their projects with a network of established COBID sub-contractors and a robust apprenticeship program.

Prior to the application period, BRIDGE staff will establish relationships with community leaders, service providers, schools, churches, community centers, and others serving communities of color in Beaverton and Washington County. Hacienda will enhance these efforts utilizing their existing relationships and provide continuity of connection with community formal and information institutions once the building is open. These connections will be an important conduit for publicizing opportunities when leasing information is available. In order to help prospective residents overcome common barriers to accessing stable housing, BRIDGE has a three-pronged approach to low-barrier screening: starting marketing and outreach early so that prospective residents can mitigate issues that might be a barrier to acceptance, providing alternative methods to meet screening criteria, and adopting an open appeal process.

Partnerships and Services

BRIDGE Property Management will be the property management provider and Hacienda CDC will be the resident services provider. The resident services programming will include:

- resources to connect residents to behavioral healthcare, physical healthcare, and assistance with food, clothing, and household furnishings.
- connection to resources to ensure housing stabilization and eviction prevention, such as emergency rental assistance, food pantry, utility assistance, financial fitness class, medical or behavioral healthcare referral
- youth and family services, such as afterschool programming and early childhood education
- economic opportunity, entrepreneurship, and homeownership services, such as financial coaching, pre-purchase counseling, lending circles, credit building, one-on-one long term business advising, monthly advanced business seminars

Anticipated Timeline

The project anticipates receiving building permits on January 3, 2022 and closing shortly after on January 11, 2022. Construction will commence upon closing and an estimated completion date of June 30, 2023. Project lease-up will commence ahead of construction completion.