

Exhibit B: Project summary submitted by Washington County | Metro bond Final Approval for Woodland Hearth



Submitted by: Melisa Dailey, Housing Authority of Washington County
melisa_dailey@washingtoncountyor.gov
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Project Overview

Woodland Hearth is a proposed 63-unit new construction apartment building in the Southwest Metro Transit Corridor in Tigard, Oregon developed by Community Partners for Affordable Housing (CPAH) to provide housing for immigrant families, low-income families, formerly homeless families, and communities of color. The development will be a five-story wood frame construction with a FAR of 1.20 and a height of 55 feet. Conveniently located near retail and transit, the building is designed with trauma-informed, universal, and sustainable design principles and will consist of five (5) studios, (18) one-bedroom, and, in support of the Local Implementation Strategy (LIS) Framework goal to provide family-sized homes, (17) two-bedroom, (19) three-bedroom, and (4) four-bedroom units. In alignment with the LIS Framework goals, Woodland Hearth includes 26 units that will serve households at or below 30% AMI, of which 22 will be Permanent Supportive Housing (PSH) units. Amenities include a community room with kitchen, lending library, computer stations, greenspace with playground, and bike servicing area.

The project has undergone significant changes since Concept Endorsement on August 8, 2023. Project costs for Woodland Hearth have increased by \$13.1 million since application (37%) with over \$2.3 million in increased financing charges due to higher interest rates, and a \$1.9 million increase in land acquisitions costs due to a higher appraised land value, and finally, a \$6.4 million increase due to increased construction prices and increased infrastructure requirements placed on the project. At application, the project included bringing all utilities to the project site, currently a greenfield, via SW Torchwood Street and a right of way extension. Between then and now, the City of Tigard required a gravity connection to Pacific Highway rather than a pump/lift storm and sewer to Torchwood. This connection is approximately 800 feet from the project site, required securing an easement across two parcels, significant trenching and earthwork and constructing an access road for the City of Tigard to maintain the sanitary sewer and stormwater service lines.

Sources have increased to fill the project gaps including \$2.1 million increase in 4% LIHTC equity, \$128,390 in Energy/Solar Tax Credit equity, \$6.2 million in Housing Trust Funds, \$500,000 in additional Tigard URA Funds, an additional \$50,000 in Metro TOD grant funds, \$585,000 in additional permanent debt, a seller carry back note of \$1,820,000, \$200,000 in trustee interest, \$19,003 in energy incentive grant funds from Energy Trust of Oregon, \$500,000 in Housing Production Opportunity Funds from Washington County, and \$1,566,000 in a direct allocation from the Oregon State legislature due to increased infrastructure demands.

Preliminary Development Program

Unit Mix

UNITS	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total	PSH Units
30% AMI	4	4	5	10	3	26	22
50% AMI	1	5	2	3		11	---
60% AMI		9	10	6	1	26	---
TOTAL	5	18	17	19	4	63	---

Amenities for the 63 households include a community room (19,069 sq feet) with a kitchen, a lending library, computer stations, and two office spaces; a greenspace with playground and sport court; a bike servicing area; exterior and interior bicycle parking; and 1,900 sq. ft. of open gazebo and garden space in the northeast corner of the site. All three- and four-bedroom units have their own washer/dryer, in addition to one common laundry room for all residents. The design of the property will be both trauma-informed and sustainable.

- 24 units for 30% MFI
- 22 PSH units
 - o 16 supported by PBVs serving 30% MFI
 - o 6 supported by OHCS serving 30% MFI tenants as long as OHCS PSH funding is available, but listed as 60% for underwriting purposes.

Project Image



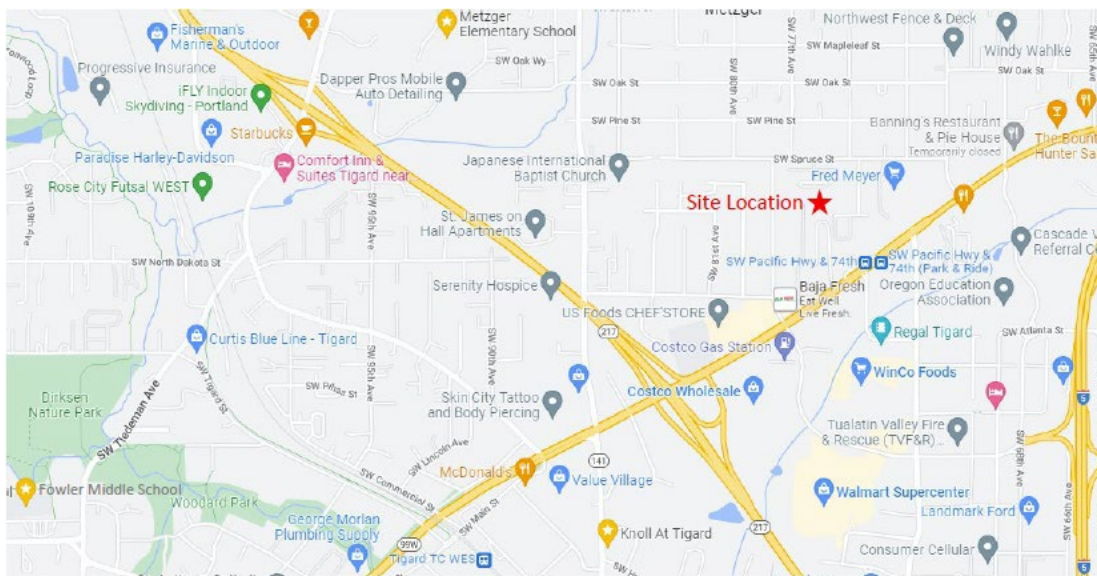
Background

Washington County conducted a NOFA in 2020 and awarded most of its available resources to 10 projects. Washington County identified a remaining balance of \$13 million of Metro bond funds and on August 26, 2022, released a NOFA for these funds. This second NOFA, at a minimum, called for the completion of the Metro framework goals. It also identified preferences for 1) a higher percentage of 30% units 2) a higher percentage of 2+ bedroom units, with a special focus on 3- and 4-bedroom units, and 3) inclusion of permanent supportive housing (PSH) units. The NOFA also looked for qualitative characteristics to further the Metro goals and LIS and ensure that the projects are successfully financed, well built, and serve the target households for decades to come.

Of the five applications received, the highest rated project was CPAH's Woodland Hearth project. This application was notable in that it provided the highest percentage of percentage of family-sized units (63% are 2+ bedroom) and the highest percentage of 3- and 4-bedroom units (38%). It also included the highest percentage of 30% AMI units (38%) and highest percentage of PSH units (35%). The raters noted CPAH's experience, including experience with PSH, their confidence in the proforma, that most financing resources are already secured, and well-articulated and compelling racial equity and social services plans. The Woodland Hearth project was unanimously rated the highest by all members of the review committee.

Location and Neighborhood

The 1.46-acre site (zoning: RES-D Residential D) is located in the Tigard Triangle Urban Renewal Area (URA) in a residential neighborhood, north of Highway 99 and Key Bank, and approximately 600 feet due west of Fred Meyer; the address is 11655 SW Pacific Highway, Parcel 1, Tigard, OR 97223. The site is immediately adjacent to other higher density developments zoned RES-E and RES-D that contain apartments and condominiums, and further out are single family homes zoned RES-B. TriMet bus stop for lines 12, 64, & 94 is 800 feet away, Fred Meyer 0.35 miles away, Metzger Elementary 1.1 miles away, and Fowler Middle School 2.2 miles away.



Site

The property, (tax lot R2221050) purchased by CPAH in October 2021, consists of one 1.46-acre lot zoned Residential D. The cost of acquisition was determined by an appraisal. A Phase I Environmental Assessment was conducted by Amec Foster Wheeler Environment & Infrastructure, Inc. in 2017. The site was first developed with a large two-story building with a basement between 1940 and 1948. A large shed with a metal roof was constructed between 1961 and 1970. A vehicle wash area was constructed at the center of the site in the 1980's. Since its construction, the building has been occupied by a contractor's supply company and repair shop until approximately 1975. The site has been occupied by a variety of transportation businesses related to bus charter services, truck repair, and RV storage/maintenance from approximately 1975 to present. The site was used most recently by RV Northwest LLC, a recreational vehicle rental and maintenance business, and before that by RAZ Transportation a bus transportation business.

The site was identified on several environmental databases: AST, HSIS, RCRA NONGEN/NLR, OR Manifest, NPDES, and Leaking UST Cleanup. The Leaking UST Cleanup record indicates that four USTs containing used crank-case oil, gasoline, and diesel were decommissioned between 1992 and 1993. Releases were described at the time of decommissioning to be limited to soil only, and approximately 236 tons of petroleum-contaminated soil were removed from the site. Groundwater reportedly was not encountered during decommissioning activities. The site was identified on additional databases for storage and disposal of hazardous materials including sulfuric acid (likely as batteries); propane gas; caustic lab packs; paint lab packs; waste aerosols; oxidizer lab pack; corrosive lab pack; and a polyester resin solution.

One hundred sixteen facilities/properties within 1 mile of the site were identified on one or more environmental databases. However, the majority of these listings were identified either as residential heating oil tanks or properties where releases to the environment did not extend beyond the boundaries in which the release occurred.

Based on the results of the Phase I ESA, Amec Foster Wheeler recommended that soil and groundwater samples be collected in the vicinity of the shop operations, the large shed, the vehicle wash area, former USTs, and near the stormwater drainage features.

Project Financing

Woodland Hearth is being financed through a variety of public and private funds. Washington County has provided funding to the project via Metro Bonds, HOME funds, and Housing Production Opportunity Funds, totaling \$11,150,000. For every dollar Washington County has invested, CPAH has been able to leverage \$4.41 dollars in other public and private investment.

<u>Funding Source</u>	<u>Amount</u>
<i>OHCS Programs</i>	
4% LIHTC (Equity)	\$14,618,896
Housing Trust Fund	\$6,200,000
Total OHCS Grants and Equity	\$20,818,896
NON-OHCS Grants	
HOME	\$1,200,000
HPOF	\$500,000

City of Tigard URA	\$500,000
State Allocation	\$1,566,000
Metro TOD	\$300,000
Total Non-OHCS Grants	\$4,066,000
Loans	
Permanent Loan	\$8,210,000
Metro Bond	\$9,450,000
Sponsor	\$1,820,000
Total Non OHCS Loans	\$19,480,000
Deferred Developer Fee	\$2,370,000
GP Equity Contribution	\$1,936,938
Total Fund Sources	\$48,972,963

<u>Uses of Funds</u>	<u>Amount</u>
Acquisition Costs	\$2,520,000
Construction Costs	\$36,533,618
Development Costs	\$3,619,345
Developer Fee	\$6,300,000
Total Project Cost	\$48,972,963

Development Team

Position	Staff Name or Contracted Entity	Years of Experience
Executive Director/owner	Rachael Duke/CPAH	8 years
NOFA application writer	Rachel Loftin, Amanda Rain/CPAH	4 years
Project Developer	Jilian Saurage Felton/CPAH	13 years
Development Consultant	n/a	
Construction Manager	Bob Beauchemin/BC Group	37 years
Asset Manager	Natalie Thornton/CPAH	5 years
Compliance Manager	Pinehurst Management	20 years
Envelope Consultant	TBD	
Architect	Trish Nixon/LRS Architects	31 years
General Contractor	Alex Colas/Colas Construction	24 years

Community Partners for Affordable Housing (CPAH) has developed eight affordable housing projects in its nearly 30-year history. CPAH has added expertise to its development team by contracting with BC Group, Inc. to provide construction-management services. CPAH's Executive Director, Rachael Duke, joined CPAH after 15 years at Home Forward, the Housing Authority of Multnomah County, gaining varied experience in planning, program, and policy work. She is joined by Jilian Saurage Felton who has over 13 years of experience in nonprofit and affordable housing finance, analysis, and project team management with projects of varying size and scope including residential construction, land development, and commercial real estate projects.

Colas Construction, a 100% black-owned general contractor, will build Woodland Hearth.
Final Approval of Woodland Hearth

Executive Project Manager, Alex Colas, will lead the construction team, joined by Marc-Daniel Domond as Project Manager and Louis Papsdorf as Project Estimator. Colas Construction has worked on several affordable housing developments in recent years, including The Henry, King + Parks, The Songbird, and Garlington Place Apartments. All projects are similar in size and scope to Woodland Hearth.

BC Group has worked with CPAH on several past and current projects as the owner's representative and construction management on-site. The CPAH/BC Group team successfully led the completion of Cedar Grove, a 9% LIHTC project, in Beaverton. The team for Woodland Hearth includes Bob Beauchemin, BC Group's President and Founder Timon Manongi as Project contract management.

Community Engagement

Over the last four years working in the SW Corridor as well as in Tigard, CPAH has developed relationships and connections with culturally specific organizations. CPAH has had the opportunity to work closely with Unite Oregon, Immigrant and Refugee Community Organization (IRCO), Asian Pacific American Network of Oregon (APANO), and HAKI Community Services. CPAH has been fully engaged in planning work connected to the SW Equitable Development Strategy Workgroup, the SW Equity Coalition, and the Anti-Displacement Workgroup. CPAH also received Metro funds to do additional planning with BIPOC communities in 2019. These connections give CPAH a strong network to reach their target population.

CPAH also had recent success in marketing and leasing up Red Rock Creek Commons (RRCC) in Tigard. RRCC is similar in that it is a mix of housing for the surrounding community with some units designated for households that are more vulnerable and experiencing severe and persistent mental illness.

Advancing Racial Equity

Geographic dispersal of affordable housing bond funded projects throughout the County is a development priority identified in Washington County's Local Implementation Strategy (LIS). Although the portfolio of eleven Washington County projects funded by the Metro bond have a varied geographic disbursement throughout the County, Woodland Hearth is the fourth project located in Tigard and does not contribute to geographic dispersal. Of note, the City of Tigard in 2022 had 26.8% households considered severely rent burdened, which is when more than 25% of the population pays more than 50% of their income toward rent. While the need for affordable housing throughout the County is great, Tigard and Forest Grove are the only two jurisdictions in Washington County considered severely rent burdened. Building more affordable housing in Tigard can help decrease the severely rent burdened in their communities.

The project is located in the Tigard Triangle development area just north of Highway 99 in a HUD high opportunity area, immediately adjacent to Fred Meyer and with access to schools, a high frequency bus line, living wage jobs and other services.

CPAH will use multiple strategies to ensure equitable outreach to marginalized communities and potential residents, including calling on well-established community partnerships, reducing application barriers, and equalizing the lease up process. CPAH will work closely with referring

agencies, including NARA NW, Community Action, and HAKI to support access for people of color. Additionally, CPAH will do broader outreach to the Immigrant Refugee Community Organization (IRCO) and Unite Oregon.

CPAH will continue to work with Pinehurst, their property management company, to ensure there is low barrier screening. CPAH is absolutely committed to reducing barriers to accessing housing for underserved communities which includes overcoming challenging financial histories and legal backgrounds. CPAH will ensure that property management staff track the demographics of denied applicants, applicants that appeal denials, and applicants that appeal successfully. Analyzing application results will allow CPAH to identify and address any patterns within the data that might stem from unconscious bias and prejudice. CPAH and their property management company also commit to affirmatively furthering fair housing.

CPAH has also had success in attracting diverse applicants through translating their applications. During their recent lease ups, CPAH provided applications in Spanish, Arabic, and Somali. A lottery system for processing the waiting list will ensure that all applicants have equal consideration regardless of their ability to access a computer or wait in line for long periods.

MWESB

CPAH's commitment to diversity, equity, and inclusion spurred them to track MWESB participation rates nearly ten years ago, despite no requirement to do so from Oregon Housing and Community Services or local jurisdictions. When CPAH discovered they were falling short of their values, they decided to set an internal goal of 25% MWESB participation. Over the course of the last decade, CPAH has steadily improved participation through close collaboration with general contractors by building relationships with diverse communities, evaluating results, and implementing systemic change. As a result, projects climbed from 20%, to 25%, to 31% MWESB participation.

For the Woodland Hearth project, the MWESB/SDVBE COBID (Certification Office for Business Inclusion and Diversity) Certified firm participation goal is 30% with 20% targeted towards firms owned by Black, Indigenous, and People of Color (BIPOC). This is 10% greater than Washington County's goal of 20%. This goal is ambitious but also realistic based on prior Colas Construction project outcomes that continue to have historic participation reaching 30% and higher, and CPAH's recent participation rates of over 30%.

The selection of Colas Construction, a BIPOC Prime Contractor, gives CPAH the opportunity to address inequity from a larger scale, in addition to efforts for subcontracting with businesses registered with COBID. Combining these interests for the Woodland Hearth Apartments will be emphasized with increased fortitude to actualize equity and inclusion for the owner, developer, and project teams, including subcontractors, vendors, and suppliers.

A significant portion of the subcontracted work will be procured through a modified, best-value qualified bid process. A traditional low bid process would prioritize lowest price and exclude factors. Colas' modified bid evaluation process for the publicly bid scopes will be reviewed based upon a scoring system that considers both BIPOC and MWESB/SDVBE certification. A bid will be determined to be responsible after it is evaluated and determined to be complete in terms of:

price, capacity, safety record, equity participation, completeness of scope, similar project experience, ability to meet apprenticeship goals, ability to meet Colas' contract requirements, and ability to meet Colas' insurance and bonding requirements. Targeted competitive bidding will support the mutual goals for targeted subcontractor participation goals; a portion of the subcontracted work will be procured through a competitive bid process that includes explicitly state-certified MWESB and BIPOC-owned firms for select trades. This approach allows the project team to significantly increase subcontracting outcomes with a state-certified firm while still fostering a competitive bid environment. This work's complex nature requires both effort and oversight from a construction firm that understands the daily challenges and the values of measuring data to attain desired outcomes. Colas is confident to continue the actualizing of goals with record-breaking results.

Work Force Training and Hiring

Colas Construction will conduct preconstruction development for Woodland Hearth Apartments with subcontracting opportunities that are fostered with equitable procurement strategies, transparent project monitoring and evaluation, employer partnerships, early engagement with the community, and accessible support services to actively support this effort. Colas provides job training, employment, and contracting opportunities for residents earning low-income wages in connection with community redevelopment projects. Examples of work plans include on-site shadowing with hands-on experience and the potential for advancement into a hired position with Colas. Outreach and marketing efforts include advertising in local and culturally specific publications, flyers posted in common areas of job sites, in addition to public spaces, and general "word of mouth." Colas project teams are well-versed in reporting requirements and understand how to productively interact with contractors from historically excluded communities.

Team member demographics at Colas is reflected in 56% of the staff who identify as Black, Indigenous, and People of Color, and/or women, with important roles at every level from the C-suite to directors, management, and throughout the company.

- Colas ownership identifies as 100% Black American and is 45% female
- Colas management identifies as 40% BIPOC and is 12% female
- Colas staff identifies as 44% BIPOC and is 21% female

Partnerships and Services

Services will be provided by CPAH; Native American Rehabilitation Association NW (NARA) which provides culturally specific mental health and recovery services for American Indians, Alaska Natives, and anyone in need; Community Action an antipoverty organization providing critical services to low-income families; and Humanity Assistance Kindness Interculturalism Community Services (HAKI) a nonprofit serving the east African immigrant and refugee communities. Services include eviction prevention, job training, community building, and both after school and summer youth programs. Twenty-two units will be dedicated to PSH (Population A/Chronically homeless), which will be funded by OHCS or Washington County Supportive Housing Services funds.

Woodland Hearth will provide much needed supportive housing for families exiting homelessness by working with NARA and Community Action. HAKI members can also connect to both Community Action and NARA for services and referrals.

CPAH has a robust and comprehensive resident services program, led by Assistant Director of Programs Liz Hearn. This program has kept CPAH's eviction rate under 1%. CPAH provides extensive resident services programming for youth and children, including homework clubs, movie nights, and community gatherings. CPAH's summer program takes young residents on field trips such as kayaking, to the coast, and the zoo.

At Woodland Hearth, a resident services coordinator (RSC) will focus on eviction prevention and housing stability for the residents in the community with a special emphasis on formerly homeless families. The RSC will collaborate closely with the onsite service providers to connect residents with culturally specific mental health services and assistance, as well as work closely with the Tigard Tualatin School District Homeless Liaison.

The onsite RSC will ensure residents have access to community resources, as well as problem solving with property management when needed to create the greatest outcomes for residents. Eviction prevention and housing stability activities include a variety of interventions to keep residents housed, such as support around lease enforcement issues, like housekeeping and guest issues, and advocacy for residents. Addressing food security and financial acumen for residents will also assist with overall resident stability. RSCs will also assist families in applying for and receiving rent and utility assistance so residents can keep their housing even in times of financial crisis. For households with special needs and formerly homeless families, the RSC will connect to the onsite agencies or bring in offsite agencies and caseworkers as needed to support resident success. If a resident does need to leave the property, CPAH will work to find a new housing opportunity to avoid having an eviction on their record.

CPAH will fund half of an FTE (full time employee) resident services coordinator from the project operating budget. The PSH budget, funded through Supporting Housing Services (SHS) funds from Washington County, includes 0.5 FTE of the resident services coordinator, to bring that position to full time. The PSH budget funded by the County will also include funding for CPAH's partners and includes 0.8 FTE for a NARA NW mental health provider with supervision, and 0.5 FTE of a position for Community Action, also including supervision. Community Action will leverage additional internal resources to cover an additional 0.25 FTE of a position to staff a 0.75 FTE Community Action case manager.

The property management company, Pinehurst Property Management, participated in the Oregon Supportive Housing Institute with CPAH, Community Action, and NARA, creating the foundation for the relationships needed to ensure that the team is working together to support resident success.

Livability and Accessibility

The center of Universal Design principles is designing for all residents and that is the approach CPAH will bring to Woodland Hearth. The CPAH team plans to employ features and design such as:

- Access controls and layering of spaces that promote a sense of security
- Combined signage (visual) with voice communication (audio) to utilize the "redundant cues" concept (multiple ways of use)

- Simple-to-use instructions for systems which utilize symbols rather than words
- Extra clearances in the apartments and throughout the building to accommodate differing needs
- Well-lit spaces with colors, contrasts, and textures that accommodate changes in the aging eye
- Single-action lever hardware and plumbing controls that require low physical effort
- Lowered countertops and shelving that bring surfaces to appropriate levels for ease of use
- Eliminating floor changes that could become trip hazards
- Central location of elevators – elevators are the single feature that simultaneously employs the principles of accessible design, Universal Design, and assistive technology
- Views of the neighborhood for a sense of connection and belonging, reducing feelings of isolation
- Raised garden beds that accommodate mobility devices and allow all to participate
- Walking paths that are hard surfaced and easy to navigate for walkers and wheelchairs
- Shaded areas that allow residents to avoid glare and heat
- Careful selection of native plant materials to eliminate hazards such as toxins and thorns
- Shared wi-fi in common areas

Woodland Hearth amenities also include a community room with a kitchen, a lending library, computer stations, greenspace with a playground, and a bike servicing area. The three- and four-bedroom units have their own washers and dryers.

Climate Resilience and Sustainability

CPAH's expects to achieve Earth Advantage Platinum rating with Woodland Hearth which exceeds the OHCS standard of Earth Advantage Gold. The project will have a waste management reduction plan, wood and cardboard recycling for 95% of project waste, along with several other green building upgrades that go over and beyond typical specifications needed to meet code. Construction techniques will focus on resource efficiency, an important approach not only for sustainable development but also in response to the high cost of building materials. An advanced framing system uses less wood than typical construction, standard windows and doors limit customization, and the efficient building layout lowers the overall square footage.

The building will have energy-efficient heating and cooling with ductless mini-split systems that will allow residents the control over their environment, with HVAC costs at \$1,259,000 and the cooling portion at \$193,000. Material selection and ventilation systems utilizing energy-recovery will provide a high level of indoor air quality. Lighting and plumbing controls will be easy for residents to activate and also employ auto-shut offs to prevent running faucets and lights left on when nobody is home. Energy and water efficient fixtures will reduce operating costs and lower residents' utility bills. Efficient, centralized electric hot water heating will be sub-metered to inform property management of water usage and help locate leaks or other system failures in a timely manner. Roof-mounted solar panels will provide power to common areas.

Sited within a planned Climate Friendly Area, the development will promote the use of transit and alternate modes of transportation though direct access to bus transportation and abundant bicycle parking. A resident garden will allow growing fresh vegetables and flowers on-site, an activity that is both healthy and therapeutic and responds to community feedback. Trees along walkways and drives will provide a continuous and abundant shade canopy. High quality soil, space for root growth, and irrigation that encourages downward root growth will

provide healthy trees that reduce heat buildup within outdoor spaces.

Anticipated Timeline

	Proposed Date (Month /Year)*	Revised Date (Month /Year)*	Completed Date (Month /Year)*
1. Option/Contract executed	1/14/2020		
2. Site Acquisition	10/8/2021		
3. Zoning Approval	9/18/2023	5/30/2024	
4a. Building Permit & Fees Applied For	10/23/2023	7/1/2024	
4b. Building Permits Approved	3/8/2024	11/5/2024	
5. Offsite Improvements	10/3/2025		
6. Plans Completed	10/6/2023	6/28/2024	
Bond Sale/Construction Loan			
7. Proposal	6/1/2023	6/15/2024	
8. Firm Commitment	12/1/2023	7/24/2024	
9. Closing/Funding of Loan	3/1/2024	12/12/2024	
Permanant Loan			
10. Proposal	6/1/2023	6/15/2024	
11. Firm Commitment	12/1/2023	7/24/2024	
12. Closing/Funding of Loan	3/1/2024	12/12/2024	
Development			
13. Syndication/Partnership Agreement	3/1/2024	12/12/2024	
14. Construction Begins	3/11/2024	12/19/2024	
15. Construction Completed	8/29/2025	8/11/2026	
16. Certificate of Occupancy	10/3/2025	8/11/2026	
Marketing			
17. Lease Up Begins	9/1/2025	7/1/2026	
18. Lease Up Completed	2/28/2026	12/31/2026	
19. Absorption (units per month)	10	14	