

**Washington County Affordable Housing Bond Project – Aloha Inn – August 2022 Amended Approval Project Narrative**

---



**Overview of Changes Since Final Approval**

Since beginning renovation construction on December 2021, unforeseen existing building conditions have increased the project scope beyond the allocated Metro Housing Bond funding. Most impactfully, the planned removal of the building’s existing jacuzzi tubs in 18 units have exposed inadequate fire separation conditions in the bathroom floor assemblies and aging plumbing lines behind the removed tubs. In order to ensure the fire safety and system performance of the building, all the remaining tubs will be removed and the floor assembly and wall plumbing lines will be replaced. Due to unforeseen scope project costs have increased \$745,000. Since Final Approval OHCS Multi-family Energy Efficiency Incentives funding has increased from \$35,000 to \$62,608. To support the construction of unforeseen scope, \$718,000 in additional Metro Housing Bond Funds are requested.

The total project cost has increased from \$9,300,000 at Metro Final Approval to \$10,045,608. Substantial Cost increases are primarily due to:

- \$227,226 to replace tubs and repair floor assembly. In units with existing tub/shower combos: remove existing tubs, additional drywall demo, prep & pour gypcrete, replace drywall behind new tubs, install new tubs & finish fixtures.
- \$151,208 for replacing plumbing lines behind tubs, upsize the plumbing line system, and provide additional fire proofing measures. The removal of all existing tubs provides an opportunity to more easily replace the existing plumbing lines located in the wall assembly behind the tubs. The aging copper plumbing lines have shown leakage, and there is concern about their performance in a fully occupied building. Some of the plumbing lines need to be upsized, and additional fire protection measures added.
- \$80,218 for three months of additional General Conditions. The additional scope will delay the project approximately four months, and the project is now expected to be complete in December 2022. The project General Conditions budgeted \$26,739 each month for an 8-month timeframe at a total cost of

\$213,915. The General Contractor is electing to donate one-month of general conditions to assist the project.

- \$87,000 due to Civil offsite work scope increase. To meet the project timeline, the project team moved forward with architectural design and project bidding while the Civil design and permits were completed. The Civil component of the project was designed Fall 2021 and bid submissions were received Winter 2022. Construction cost increases, water line design, and additional site grading for ADA access increased the project scope and cost.
- \$116,773 increased contingency to reflect 10% of updated construction costs and \$55,575 for increased design cost and permits to accommodate additional project scope.

On September 14, 2021, Metro adopted a policy statement to assist with incorporating in-unit air conditioning (A/C) to ensure building cooling solutions in Metro Housing Bond funded affordable housing projects. At Final Approval the Aloha Inn project requested \$100,000 from Metro to support investments in air conditioning, the \$100,000 request is included in the final approval amendment. The project will upgrade the building's HVAC systems by replacing the currently aging PTAC units with new PTHP units with a roof ventilation system. The project cooling systems include in-unit Packaged Terminal Heat Pumps (PHTP), split system condensing units, fan coil units, exhaust fans, and an air distribution system.

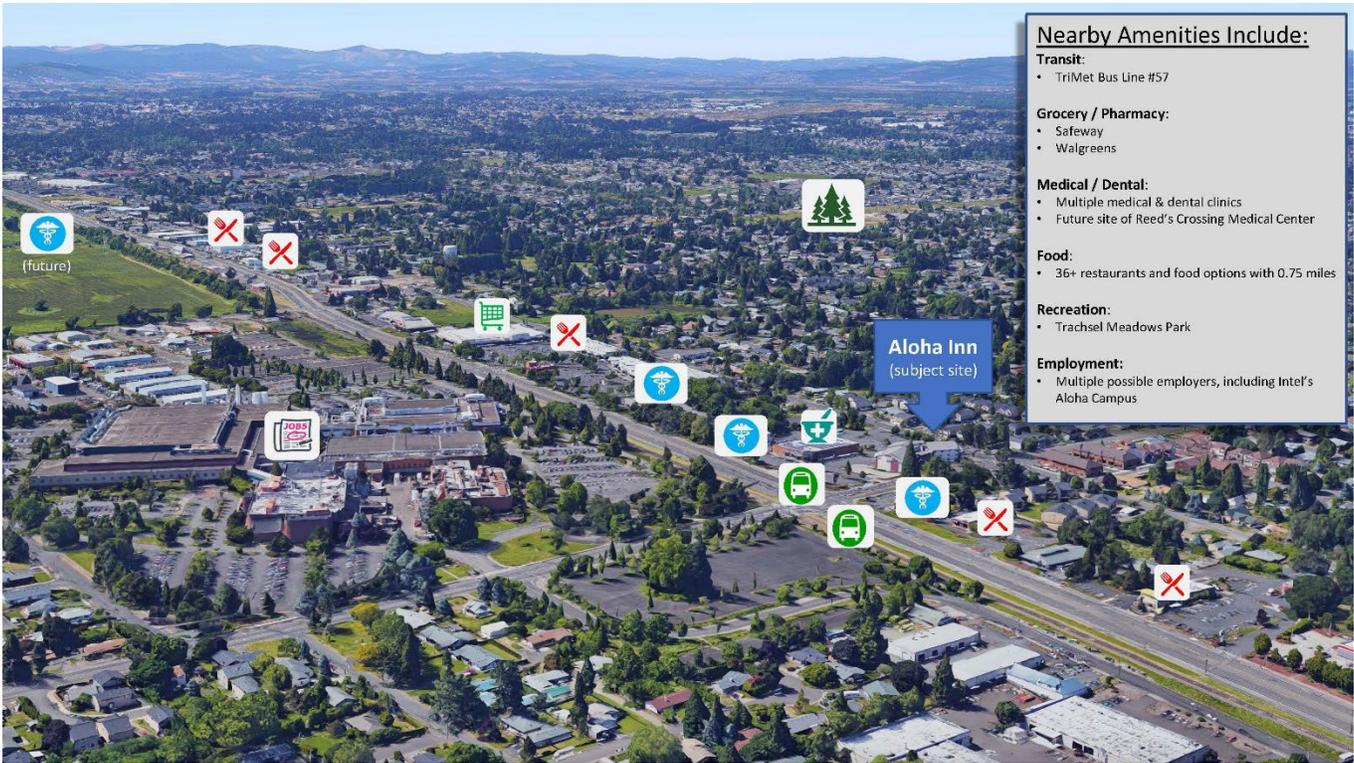
HAWC received approval for the use of \$8,465,000 in Metro Bond funds, of which \$5,650,000 has already been disbursed to HAWC to fund property acquisition and \$2,815,000 was disbursed to fund project construction. The HAWC is contribution of \$200,000 towards the project to address an increase in construction costs and the \$500,000 in Washington County Housing Production Opportunity Funds remain the same. The total Final Approval Amendment request is \$718,000 in increased construction costs and \$100,000 to support air conditioning, for a total of \$818,000.

### **Location**

The site has a TriMet bus stop that provides access to the frequent service bus line #57. The adjacent Walgreens provides convince food and a pharmacy. A Safeway store is located 0.4 miles east. Medical dental offices are a half-block away, the Tuality Care clinic is a half-mile west, and the future Reed's Crossing medical center in South Hillsboro. Employment opportunities include the Intel Jones Aloha campus is located within 500 feet, across Tualatin Valley Highway. Trachel Meadows Park is located 0.85 miles for the site which is the key spine along a recreation trail corridor serving multiple park amenities.

The building and parking lot is located on one tax lot consisting of 1.15 acres and has an easement over the adjacent tax lot for the shared driveway and parking used by both the Aloha Inn and Walgreens. The 31,196 square foot building was constructed in 1985 as a motel and recently completed a Property Improvement Plan to align the hotel under the Best Western brand.

The building will be converted to an R-2 residential occupancy for the Permanent Supportive Housing with primary improvements consisting of adding kitchenettes, fire suppression measures, and renovation of the existing office space to meet the needs of support services and property management staff. A land use decision approving the conversion to PSH has been issued for this project.



## Financing

<b>Funding Source</b>	<b>Amount</b>
Metro Housing Bond	\$9,283,000
OHCS MEP	\$62,608
Washington County HPOF	\$500,000
HAWC Contribution	\$200,000
<b>Total Fund Sources</b>	<b>10,045,608</b>
<b>Uses of Funds</b>	<b>Amount</b>
Acquisition	\$5,670,762
Construction Costs	\$4,037,483
Development Costs	\$337,363
<b>Total Project Costs</b>	<b>10,045,608</b>

## Project Team

The project development team will be led by HAWC with 50 years of providing, developing and managing affordable housing in Washington County. HAWC currently has 2,771 Housing Choice Vouchers, 163 of which are project-based, and 244 Public Housing units. The housing authority also operates around 600 units of nonfederal bond funded affordable housing units.

HAWC has extensive experiencing leveraging partnerships and creative funding to provide supportive services linked with affordable housing. The housing authority partnered with Meyer Memorial Trust on an innovative program to increase capacity of three behavioral health providers to deliver supportive housing services and better leverage the Medicaid system. For this, Meyer Memorial provided the housing authority with \$250,000 in

grant dollars to fund the partnership. Additionally, Metro 300 Program is a partnership between the housing authority and Kaiser Permanente to house 80 houseless, senior/disabled individuals. Kaiser funded the housing authority with \$1.3 million dollars for local funded rent assistance, housing navigation capacity building and the building up of capacity for culturally specific providers to deliver housing navigation services to communities of color. As an organization, Washington County operates all the homeless Continuum of Care (CoC) programs within its Department of Housing Services. The CoC is managed within the County and the name of the organization is the Housing and Supportive Services Network (HSSN). Washington County's Department of Health and Human Services & Department of Housing Services operates a COVID 19 Respite Shelter for houseless individuals, migrant farmworkers and those coming out of institutional settings (prisons/jails) without a safe place to quarantine. In addition to institutional experience, the HAWC development team brings extensive experience developing affordable housing, in particular Permanent Supportive Housing.

### Project Architect

Ink: Built Architecture is a women-owned architecture firm with experience in affordable housing as the architect of record. They have extensive affordable housing experience, including receiving the AIA Bend gold award for their design of Timber Ridge, which was a turnkey affordable housing development by Community Development Partners for the Eastern Oregon Housing Authority. Ink: Built also provides development, owner's rep and project management experience on a variety of design and development projects.

Ink: Built is a growing Oregon Certified WBE/ESB firm founded in 2017 with a mission to deliver responsive architecture, planning, and development to respond to our triple crises of increasing economic & social inequity, climate change, and housing affordability. They centered the firm on the belief that access to safe housing is a human right and that all people should have access to great design.

Ink: Built believes the renovation of the Aloha Inn represents a fantastic opportunity to adapt an existing building resource to provide much needed permanent supportive housing, requiring us to adapt our own approach to the very quick timeline and evolving demands that emerged almost daily throughout the design process. They devised an inclusive design process that evaluated and solidified priority goals first, presenting concept options in just a few weeks. From there, they onboarded and coordinated consultant scopes virtually and on-site in real time using a variety of tools, producing bid/permit documents that are clear and concise despite the extremely short duration. The resulting documents allowed for a straightforward competitive bidding process that moved smoothly through County procurement to selection of a qualified contractor.

Their adaptable, dedicated, hands-on, and collaborative approach is unique and essential to reach successful outcomes on small yet complex projects such as this.

### General Contractor

GSI Builders Inc. is a Latino Owned Company that is COBID certified by the State of Oregon as a Minority Business Enterprise (MBE) and Emerging Small Business (ESB) (#12728). GSI Builders embodies the goals of Diversity, Inclusion and Equity with a primary company focus on affordable housing, but also has experience in a variety of construction types including successful completion of completion of affordable housing, market rate multifamily housing, senior housing including independent, assisted and memory care living, commercial, industrial, retail, public works, and tenant improvements. GSI Builders, Inc. is a family-owned business with an extensive history in Washington County as the hometown community of several project principles.

### Development Consultant

Brawner & Company (Brawner) is the project's development consultant. Brawner is a national real estate consulting firm specializing in the acquisition, rehabilitation, re-positioning, and new construction of affordable multifamily housing. They have planned, structured, and closed affordable housing transactions in excess of \$2.5

billion dollars. Brawner's primary role in its affordable housing endeavors is to compliment HAWC's existing capacity and experience.

#### Owner's Representative

A subsidiary of Brawner, McCullough Allen serves as the project's owner's representative. They provide more than 20-years of construction experience, insight and solutions to both housing authorities and non-profits in the construction and renovation of existing multi-family housing. They provide a broad range of program and project management services used throughout the project to include project initiation, pre-design, design, construction and transition, occupancy and warranty services.

#### Service Partner

Community Partners for Affordable Housing (CPAH), Sequoia, and Bienestar will be contracting with the County to provide programming and operations at the Aloha Inn. All three participating service agencies will provide culturally responsive or culturally specific supportive services to the 54 residents at the Aloha Inn. The breadth of services provided include case management, mental health treatment and referral, housing stabilization/eviction prevention, and community and social engagement.

#### **Community Engagement**

Over the past year, Washington County staff coordinated eight listening sessions with individuals from a variety of cultural groups by contracting with culturally specific organizations active in Washington County. Those listening sessions focused on receiving input on project design. Feedback from the sessions were collated and shared with each Affordable Housing Bond-funded project in Washington County.

In addition to the targeted listening sessions with community groups to discuss the Metro Bond Program broadly, staff held three specific community engagement sessions with community members to discuss the Aloha Inn specifically. These sessions were held on March 17, 2021 with neighboring community members attending to discuss the project and land use process. A community outreach meeting with neighbors and other interested community members was held on June 23, 2021 to discuss both the Bridge Shelter and PSH conversion components of the project. Before the June meeting, County staff conducted door-to-door outreach efforts by delivering bilingual (Spanish/English) door hanger flyers and mailing community meeting information to nearby property owners and businesses. Spanish Language translation services provided for these two community meetings to increase accessibility and participation. And finally, development staff met with the Aloha Business Association in June 2021, and with applicable Community Participation Organization, CPO-6, on July 1, 2021. A project website and FAQ response page was created for community members to access information about the Bridge Shelter and PSH conversion. Another component of the community engagement efforts is to obtain input on the renaming of the property and the content for building mural art, with a focus on representation of the local community and history.

Primary input from these engagement events has been incorporated in the project design and programming for the Aloha Inn:

- Establishing clear lines of communication for community members to report issues and incidents.
- Shelter and PSH are key solutions to addressing increasing homelessness in Washington County.
- Focus on providing needed services and peer-support.
- Providing needed community space for the residents to interact with staff members and each other.

## **Equity in Contracting**

Washington County has a diverse BIPOC population, consisting of 21% of the general population, and nearly 22% of the at-risk and homeless population. This project will advance the County goals established in its Consolidated Plan and a Road Home Community Plan to prevent and end homelessness. The two fundamentals of A Road Home include a Housing First Strategy and wrap around client-centered services, and the Aloha Inn Permanent Supportive Housing fulfills these fundamentals as a cornerstone project towards the County's goal of ending homelessness. Admissions into the program will be extremely low-barrier and will ensure that policies that historically have had a disparate impact on communities of color (e.g. criminal background policy and credit screening) are set to the lowest possible levels to eliminate these barriers. The referral process will be determined based on the operating budget subsidy source. Federal vouchers require certain referral processes whereas SHS funding would be more flexible.

HAWC and GSI Construction, Inc. are committed to meeting the 20% minimum Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, Service Disabled Veterans business Enterprises (DMWESB) target for total project construction costs. GSI Builders Inc. is a Latino Owned Company that is COBID certified by the State of Oregon as a Minority Business Enterprise (MBE) and Emerging Small Business (ESB) (#12728). The project architect of record, Ink: Built Architecture, is a certified WBE/ESB business. The project is expected to exceed 60% of DMWESB participation on professional services.

## **Timeline**

The project has progressed to approximately 65% completion and will complete construction in December 2022. Lease-up will occur Winter 2023.



# Project summary submitted by Housing Authority of Washington County Metro bond final endorsement

Submitted by: Andrew Crampton, Housing Development Coordinator,  
Housing Authority of Washington County, Andrew\_Crampton@co.washington.or.us  
Submitted on: October 8, 2021

---

*The following narrative should be submitted at the concept endorsement stage and again at the final approval stage. As noted below, some items will be added to the report at the final approval stage.*

*Please do not change the formatting of margins, fonts, alignment or section titles (“project overview,” “background”....)*

## *Aloha Inn Permanent Supportive Housing*



### **Project Overview**

*Provide a general overview of the proposed project, including the requested amount of bond funding from Metro, the size of the site and its ownership status, any existing buildings and their current/past use, and high level financing structure for the project.*

The Housing Authority of Washington County (HAWC) acquired the former Aloha Inn as a flagship development for the Authority to provide permanent housing opportunities for people experiencing homelessness in Washington County in January 2021. HAWC will utilize Metro Housing Bond funds, a County grant, and its own funds to convert the building into 54 units of Permanent Supportive Housing (PSH). The site is approximately 1.1 acres and contains a parking lot, shared driveway and access easement with the adjacent Walgreens, and an approximately

35,000 three-story motel building. The hotel had been operating since 1985. Some recent renovations were completed by the previous owner in 2019, with the intent of converting the hotel to a Best Western brand.

The project is being funded with \$8,465,000 in Metro Bond funds, of which \$5,650,000 has already been disbursed to HAWC to fund property acquisition and \$2,815,000 to be disbursed to fund project construction. An additional \$100,000 is requested by HAWC from Metro to upgrade the building's HVAC systems by replacing the currently aging PTAC units with new PTHP units with a roof ventilation system. In addition, HAWC is contributing \$200,000 towards the project to address an increase in construction costs. Other sources committed include \$500,000 in Washington County Housing Production Opportunity Funds and \$35,000 in OHCS Multi-family Energy Efficiency incentives.

#### **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.

- In order to utilize the building while land use entitlement, design team procurement, and building permit submittal occurred, the northern wing of the Aloha Inn has been operating since July 1, 2021 as a temporary Bridge Shelter serving 22 people experiencing homelessness. A phased, occupied renovation will occur in the southern wing beginning in December 2021 while the Bridge shelter operates in the northern wing. The estimated completion date of the first phase is March 2022 and completion of the second phase is June 2022.
- Due to the complexities of an occupied rehab and Public Works procurement standards, a design-bid-build construction delivery method was utilized. In order to meet the committed project timeline, the Project Architect, Ink: Built Design, completed the Schematic Design Set in early July, and compressed the Design Development and Construction Documents into one phase, with the project going out to bid on August 9, 2021. Open construction bidding for general contractor services closed on September 9, 2021, with GSI Builders Inc. the selected lowest qualifying bidder.
- The initial anticipated construction budget was informed by best practices for PSH projects in the Pacific NW region and a detailed owner's manual with line-item cost breakdowns for each specific deliverable anticipated for the change in use. The project construction costs increased due to current escalation of construction costs being experienced in the affordable housing market. This escalation is impacting the delivery of affordable housing industry-wide, and is being driven by multiple factors, including shortages of goods due to COVID-related impacts on the global supply-chain network. Additional unanticipated costs include the need to upgrade the building's electrical system to accommodate the additional utility load, and the need to provide enhanced HVAC cooling systems with the replacement of the existing PTAC system in order to meet the policy intent of the Metro Affordable Housing Bond Program Policy statement on air conditioning, issued September 9, 2021. The lowest qualifying bid was from GSI Builders, with a lump sum base bid of \$2,819,655. This cost escalation is aligned with other affordable housing projects going out to bid in the market and is primarily caused by supply chain issues and construction labor shortages. HAWC and GSI engaged in a value engineering exercise by deferring some of the planned work including roof replacement,

removal of the planned commercial kitchen, and V/E substitution on some of the cabinetry and kitchenette items. which reduced the awarded bid price by \$172,572.

- To meet the policy intent of the Metro Affordable Housing Bond Program Policy statement on air conditioning, issued September 14, 2021. HAWC is requesting an additional \$100,000 from Metro to provide enhanced air conditioning within the building. The request by HAWC is for these funds to come from a source separate from the allocated Metro Housing Bond money allocated to Washington County. This \$100,000 request is based on the estimated cost provided by the general contractor to replace the PTAC units with the upgraded units.
- Finally, HAWC will be contributing \$200,000 towards the project to address increase in construction costs.

**Preliminary Development Program**

*Describe the planned development program including but not limited to number, size, and affordability of units; non-residential space, parking, and amenities; and total square footage.*

*Complete the below table summarizing unit breakdown. Add/delete rows as needed.*

Unit size (no. of bedrooms)	No. of units	AMI %	PBVs	Square feet/unit	Gross monthly rent/unit
<i>Studio</i>	<i>54</i>	<i>PSH</i>	<i>54</i>	<i>370</i>	<i>\$1016</i>
<b>Total</b>	<i>54</i>	<i>PSH</i>		<i>31,160</i>	<i>\$1016</i>

**Background**

*Describe the process and timeline for how project was selected through a local funding process, and how the site was selected or acquired for affordable housing development. Provide an overview of due diligence and predevelopment completed to date.*

In December 2019 the Washington County Board of Commissioners (BOC) set the goal of building at least 100 units of Permanent Supportive Housing (PSH) in alignment with the Metro Affordable Housing Bond. After the implementation of the Metro Bond, the Supported Housing Services (SHS) Measure was passed by voters in May 2020. The SHS Measure brings additional resources to address the growing houseless crisis and can support achievement of the 100 PSH unit goal.

True PSH housing serves the highest acuity and chronicity individuals in a community. That translates to individuals who have been living on the streets for long periods of time, individuals with Serious and Persistent Mental Illness (SPMI) who are both houseless and or coming out of institutional settings, individuals with substance use disorder (SUD) and that often suffer from other disabling conditions. These are individuals who are unlikely to be successful in a traditional housing unit and need those supportive services to attain and maintain housing stability.

The Housing Authority of Washington County (HAWC) in partnership with Health and Human Services (HHS) began looking at the Aloha Quality Inn as a potential PSH project in 2019. Purchasing hotels for supportive housing has become a national best practice especially in light of the COVID 19 pandemic. After receiving approval from the internal real estate work group made

up of staff in county finance, administration and legal, HAWC began its due diligence to determine if the property would be an asset the county should consider purchasing. HAWC entered into initial negotiations in March 2020 and again in summer 2020 and was able to execute a Purchase and Sale agreement in August 2020, and purchase the project in January 2021.

An appraisal was delivered to inform the purchase price. The appraisal valued the current property at \$5,400,000 however noted that the valuation was a low point in the hotel industry due to COVID-19 and estimated a future stabilized value of \$6,800,000 in 2023. Based on the appraised current value and expected stabilized value, HAWC and the seller agreed on a purchase price of \$5,650,000.

Due diligence includes review of a Title report, Alta Survey to determine existing property lines, an Owner's manual to determine the scope of construction and estimated cost, a Phase I ESA and hazardous materials assessment, and a Seismic Loss Risk assessment. A Service Provider Letter was issued by Clean Water Services determining environmentally sensitive areas are not located on the site or the nearby vicinity. Referenced due diligence documents are attached for Metro staff review.

HAWC coordinated with Angelo Planning, a certified ESB firm, to submit a land use application. A Type I land use decision was issued September 8, 2021 and building permits are currently under review by the Washington County Land Use and Transportation Department.

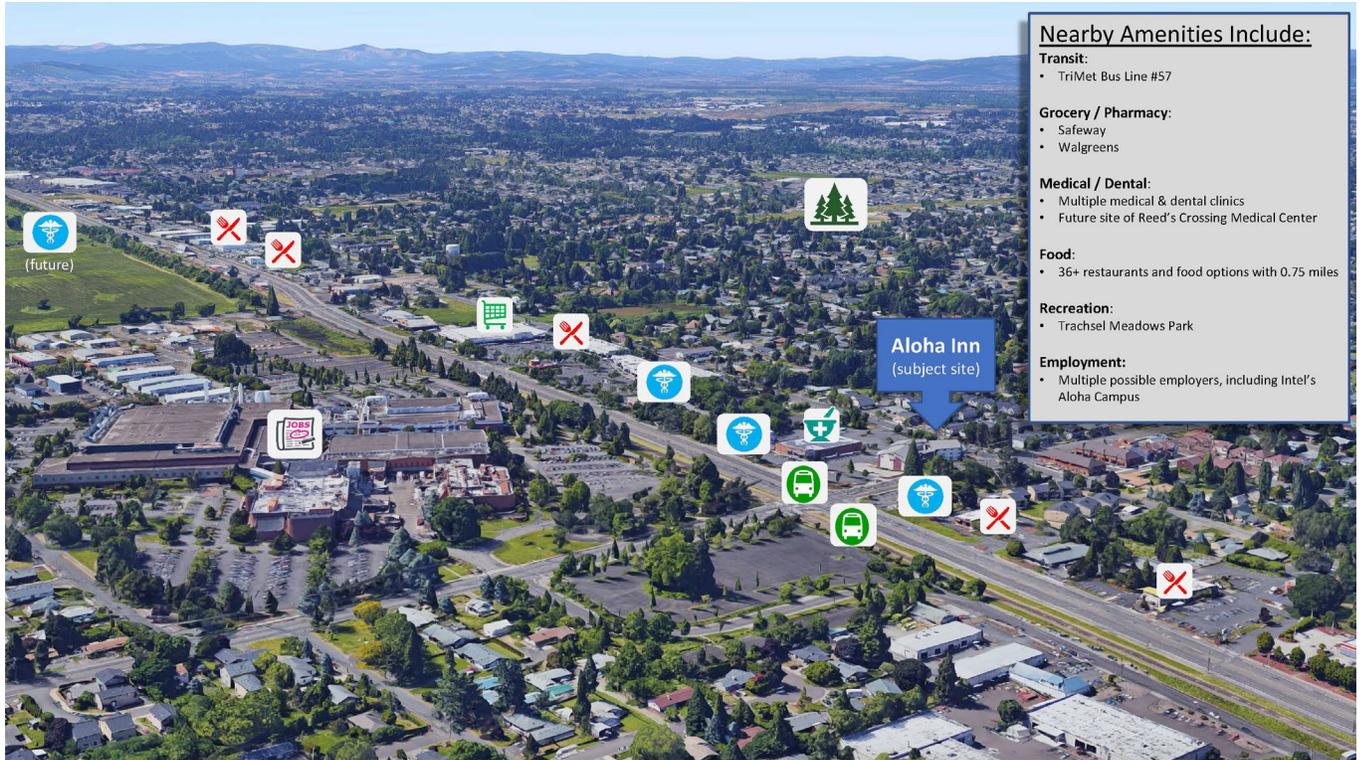
## Location and Neighborhood

### **[word limit: 100]**

*Describe the project location and surrounding zoning, land uses and activities. Describe any nearby services or community amenities, including schools or employment centers, grocery stores or farmer's markets, natural areas or parks. Describe walking distance and accessibility (e.g., sidewalks, signalized crossings) to nearby transit stations, and the existing/planned level and type of transit service (e.g., frequent service bus, MAX, etc.).*

The site has a TriMet bus stop that provides access to the frequent service bus line #57. The adjacent Walgreens provides convince food and a pharmacy. A Safeway store is located 0.4 miles east. Medical dental offices are a half-block away, the Tuality Care clinic is a half-mile west, and the future Reed's Crossing medical center in South Hillsboro. Employment opportunities include the Intel Jones Aloha campus is located within 500 feet, across Tualatin Valley Highway. Trachel Meadows Park is located 0.85 miles for the site which is the key spine along a recreation trail corridor serving multiple park amenities.

*Provide an aerial map with key transit and amenity features labeled, along with the site location.*



## Site

### [word limit: 300]

*Describe key elements of the site including size, number of tax lots, site control/ownership, appraisal, and zoning. If the site includes existing buildings, provide an overview of the year they were built, past/current use, and future plans as part of the project.*

The building and parking lot is located on one tax lot consisting of 1.15 acres and has an easement over the adjacent tax lot for the shared driveway and parking used by both the Aloha Inn and Walgreens. The 31,196 square foot building was constructed in 1985 as a motel and recently completed a Property Improvement Plan to align the hotel under the Best Western brand.

The building will be converted to an R-2 residential occupancy for the Permanent Supportive Housing with primary improvements consisting of adding kitchenettes, fire suppression measures, and renovation of the existing office space to meet the needs of support services and property management staff. A land use decision approving the conversion to PSH has been issued for this project.

*Final approval only: Describe key findings from the Phase 1 environmental assessment and geotechnical report, and any follow up studies underway.*

A Phase I Environmental Assessment was conducted December 2020 and submitted with the Metro Concept Endorsement Package. The report determined de minimis environmental concern with respect to the subject property and is attached for reference.

*Building rehabilitation only: Describe the findings from your capital needs assessment and anticipated repair needs. Describe hazardous materials assessments and planned abatement needs. Describe seismic risk assessment findings and related investment needs.*

The owner’s manual and associated 15-year reserve estimate is included as an attachment with a line-item breakdown of associated costs for the renovation project. This work was completed by development consultant, Brawner & Company. Most of the costs are associated with the conversion of the hotel rooms to studio units containing kitchenettes. Additional costs include adding fire sprinklers and other fire suppression methods as an anticipated Building Code requirement triggered by the change in occupancy. Other capital improvements include upgrading the building’s existing electrical system to accommodate the anticipated increased electrical load, adding additional office and lobby space to accommodate on-site behavioral services and property management staff, and converting the third-floor conference room into two additional studio units.

A seismic risk assessment was prepared by MHP, Inc Structural Engineers on December 21, 2020 and included with the Metro Concept Endorsement package. The report determined the building is expected to maintain structural stability during a code-level earthquake. Seismic strengthening is not required by current building provision or Agency ordinance.

### Project Financing

*Describe the estimated total development cost, cost per unit and cost per gross square foot. Provide a table summarizing planned sources and uses of funding. Summarize funding contributions and any local incentives or policies benefiting the project (e.g., SDC waiver, property tax abatement, density bonus, reduced parking requirements, etc.)*

As conveyed below, total project cost is anticipated to be \$9,300,000 of which \$3,356,465 will be construction costs. The total cost per unit is \$172,222. The Washington Housing Production Opportunity Fund is fund is aimed to support the creation and preservation of affordable housing. The OHCS MEP program provides grants to support energy efficiency measures, and a preliminary program award letter is included in the application packet. HAWC has committed to a grant of \$200,000 to fill the final project gap.

Sources	
Metro Affordable Housing Bond	\$8,465,000
Housing Production Opportunity Fund	\$500,000
OHCS Multifamily Energy Program	\$35,000
HAWC Funds	\$200,000
Additional Metro A/C Funds	\$100,000
<b>Total Sources</b>	<b>\$9,300,000</b>

Uses	
Construction Costs	\$3,356,465
Acquisition	\$5,670,762
Due Diligence and Development Costs	\$272,773
<b>Total Costs</b>	<b>\$9,300,000</b>

### Development Team

*Describe the development team including the developer, general contractor, architect, and other key partners, and their relevant experience, respectively. If some members of the team are not yet selected as of the concept endorsement, this information can be added at the final approval step.*

#### *Project Developer*

The project development team will be led by HAWC with 50 years of providing, developing and managing affordable housing in Washington County. HAWC currently has 2,771 Housing Choice Vouchers, 163 of which are project-based, and 244 Public Housing units. The housing authority also operates around 600 units of nonfederal bond funded affordable housing units.

HAWC has extensive experience leveraging partnerships and creative funding to provide supportive services linked with affordable housing. The housing authority partnered with Meyer Memorial Trust on an innovative program to increase capacity of three behavioral health providers to deliver supportive housing services and better leverage the Medicaid system. For this, Meyer Memorial provided the housing authority with \$250,000 in grant dollars to fund the partnership. Additionally, Metro 300 Program is a partnership between the housing authority and Kaiser Permanente to house 80 houseless, senior/disabled individuals. Kaiser funded the housing authority with \$1.3 million dollars for local funded rent assistance, housing navigation capacity building and the building up of capacity for culturally specific providers to deliver housing navigation services to communities of color. As an organization, Washington County operates all the homeless Continuum of Care (CoC) programs within its Department of Housing Services. The CoC is managed within the County and the name of the organization is the Housing and Supportive Services Network (HSSN). Washington County's Department of Health and Human Services & Department of Housing Services operates a COVID 19 Respite Shelter for houseless individuals, migrant farmworkers and those coming out of institutional settings (prisons/jails) without a safe place to quarantine. In addition to institutional experience, the HAWC development team brings extensive experience developing affordable housing, in particular Permanent Supportive Housing.

### *Architect of Record*

Ink: Built Architecture is a women-owned architecture firm with experience in affordable housing as the architect of record. They have extensive affordable housing experience, including receiving the AIA Bend gold award for their design of Timber Ridge, which was a turnkey affordable housing development by Community Development Partners for the Eastern Oregon Housing Authority. Ink: Built also provides development, owner's rep and project management experience on a variety of design and development projects.

Ink: Built is a growing Oregon Certified WBE/ESB firm founded in 2017 with a mission to deliver responsive architecture, planning, and development to respond to our triple crises of increasing economic & social inequity, climate change, and housing affordability. They centered the firm on the belief that access to safe housing is a human right and that all people should have access to great design.

Ink: Built believes the renovation of the Aloha Inn represents a fantastic opportunity to adapt an existing building resource to provide much needed permanent supportive housing, requiring us to adapt our own approach to the very quick timeline and evolving demands that emerged almost daily throughout the design process. They devised an inclusive design process that evaluated and solidified priority goals first, presenting concept options in just a few weeks. From there, they onboarded and coordinated consultant scopes virtually and on-site in real time using a variety of tools, producing bid/permit documents that are clear and concise despite the extremely short duration. The resulting documents allowed for a straightforward competitive bidding process that moved smoothly through County procurement to selection of a qualified contractor.

Their adaptable, dedicated, hands-on, and collaborative approach is unique and essential to reach successful outcomes on small yet complex projects such as this.

### *General Contractor*

GSI Builders Inc. is a Latino Owned Company that is COBID certified by the State of Oregon as a Minority Business Enterprise (MBE) and Emerging Small Business (ESB) (#12728). GSI Builders embodies the goals of Diversity, Inclusion and Equity with a primary company focus on affordable housing, but also has experience in a variety of construction types including successful completion of completion of affordable housing, market rate multifamily housing, senior housing including independent, assisted and memory care living, commercial, industrial, retail, public works, and tenant improvements. GSI Builders, Inc. is a family-owned business with an extensive history in Washington County as the hometown community of several project principles.

### *Development Consultant*

Brawner & Company (Brawner) is the project's development consultant. Brawner is a national real estate consulting firm specializing in the acquisition, rehabilitation, re-positioning, and new construction of affordable multifamily housing. They have planned, structured, and closed affordable housing transactions in excess of \$2.5 billion dollars. Brawner's primary role in its affordable housing endeavors is to compliment HAWC's existing capacity and experience.

### *Owner's Representative*

A subsidiary of Brawner, McCullough Allen serves as the project's owner's representative. They provide more than 20-years of construction experience, insight and solutions to both housing authorities and non-profits in the construction and renovation of existing multi-family housing. They provide a broad range of program and project management services used throughout the project to include project initiation, pre-design, design, construction and transition, occupancy and warranty services.

## **Community Engagement**

*Please summarize community engagement to inform project outcomes to support the needs of future residents. This could include engagement conducted previously by the LIP or developer to shape the goals of a NOFA or vision for a project. It could also include plans for further engagement to inform the design or programming of the project to meet the needs of historically marginalized community members.*

*Note: Outreach strategies for affirmative marketing and COBID participation should be described in the following section under "advancing racial equity." This section is focused on engagement to inform the goals, vision, design, or programming of the project.*



Please see the Community Engagement report accompanying this Final Approval narrative for additional detail. Over the past year, Washington County staff coordinated eight listening sessions with individuals from a variety of cultural groups by contracting with culturally specific organizations active in Washington County. Those listening sessions focused on receiving input on project design. Feedback from the sessions were collated and shared with each Affordable Housing Bond-funded project in Washington County.

In addition to the targeted listening sessions with community groups to discuss the Metro Bond Program broadly, staff held three specific community engagement sessions with community members to discuss the Aloha Inn specifically. These sessions were held on March 17, 2021 with neighboring community members attending to discuss the project and land use process. A community outreach meeting with neighbors and other interested community members was held on June 23, 2021 to discuss both the Bridge Shelter and PSH conversion components of the project. Before the June meeting, County staff conducted door-to-door outreach efforts by delivering bilingual (Spanish/English) door hanger flyers and mailing community meeting information to nearby property owners and businesses. Spanish Language translation services provided for these two community meetings to increase accessibility and participation. And finally, development staff met with the Aloha Business Association in June 2021, and with applicable Community Participation Organization, CPO-6, on July 1, 2021. A project website and FAQ response page was created for community members to access information about the Bridge Shelter and PSH conversion. Another component of the community engagement efforts is to obtain input on the renaming of the property and the content for building mural art, with a focus on representation of the local community and history.

Primary input from these engagement events has been incorporated in the project design and programming for the Aloha Inn:

- Establishing clear lines of communication for community members to report issues and incidents.

- Shelter and PSH are key solutions to addressing increasing homelessness in Washington County.
- Focus on providing needed services and peer-support.
- Providing needed community space for the residents to interact with staff members and each other.

## Advancing Racial Equity

*Summarize how the project will address strategies and policies for advancing racial equity, as described in your local implementation plan. Be sure to include:*

- *How the project location reflects considerations related to racial equity (e.g., geographic distribution of affordable housing, access to opportunity, strategies to address racial segregation, and strategies to prevent displacement and stabilize communities)*
- *Fair housing strategies to eliminate barriers to housing access for communities of color and other historically marginalized groups (eg., fair housing marketing strategies, community partnerships, low barrier screening, etc.)*
- *Strategies to include economic opportunities for people of color (e.g., MWESB/COBID participation and workforce diversity)*

Washington County has a diverse BIPOC population, consisting of 21% of the general population, and nearly 22% of the at-risk and homeless population. This project will advance the County goals established in its Consolidated Plan and a Road Home Community Plan to prevent and end homelessness. The two fundamentals of A Road Home include a Housing First Strategy and wrap around client-centered services, and the Aloha Inn Permanent Supportive Housing fulfills these fundamentals as a cornerstone project towards the County's goal of ending houselessness. Admissions into the program will be extremely low-barrier and will ensure that policies that historically have had a disparate impact on communities of color (e.g. criminal background policy and credit screening) are set to the lowest possible levels to eliminate these barriers. The referral process will be determined based on the operating budget subsidy source. Federal vouchers require certain referral processes whereas SHS funding would be more flexible.

HAWC and GSI Construction, Inc. are committed to meeting the 20% minimum Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, Service Disabled Veterans business Enterprises (DMWESB) target for total project construction costs, with over 45% of total construction costs provided by certified firms. GSI Builders Inc. is a Latino Owned Company that is COBID certified by the State of Oregon as a Minority Business Enterprise (MBE) and Emerging Small Business (ESB) (#12728). The project architect of record, Ink: Built Architecture, is a certified WBE/ESB business. The projected is expected to exceed 60% of DMWESB participation goal on professional services.

## Partnerships and Services

*Provide information about plans and partnerships for ongoing operations, including property management partner(s) or service providers. Describe strategies for aligning culturally specific programming or services to meet the needs of future residents.*

It is understood that residents will likely have a combination of service needs including support for behavioral health conditions and connection to other social services. Washington County would not seek to be the PSH service provider. The goal of the SHS measure and the Aloha Inn project independent of the SHS measure is to build up service provider/culturally specific provider capacity throughout Washington County. An RFP would be issued for a collaborative to come in and

provide a host of behavioral health (BH), Substance Use Disorder (SUD), PSH, and culturally specific services.

In addition, a culturally specific provider will partner with the County on this project to ensure that all program policies and outreach would be tailored to ensure BIPOC communities are aware of the potential services. This provider would ensure all policies and programs would center equity by serving diverse communities and providing culturally appropriate services for residents to assist clients from underserved populations.

In addition to targeted community outreach on the specific project, broader outreach efforts on the County's Supportive Services Implementation measures, including the SHS RFPQ for shelter operators and service providers to apply to receive funding to provide operational support of the three hotel Bridge Shelters within Washington County, including the Aloha Inn, has informed this project. County staff engaged with culturally specific services providers to participate in community feedback sessions on the SHS RFPQ. Partnership with Coalition of Communities of Color on those engagements was part of ongoing contractual work to support engagement, facilitation, and feedback gathering. The evaluation process for the Bridge Shelters included recruiting diverse reviewers to provide an equity policy lens, with Partners in Diversity participating in the panel. This process also included follow-up one-on-one interviews with community-based organizations and leaders, and this same framework will be utilized for the PSH operators and service provider RFP process for Aloha Inn.

The timing of the Aloha Inn acquisition helped facilitate a temporary Bridge Shelter at the Aloha Inn while entitlements and design was finalized on the building's conversion to PSH. This allowed for approximately 22 people experiencing homelessness to be temporarily housed in the northern wing of the Aloha Inn while case managers provided services and housing navigators worked to connect them with permanent housing. The Bridge Shelter was operated by the Good Neighbor Center, which is a local Washington County shelter provided based in Tigard.

## **Anticipated Timeline**

*Describe the anticipated timeline and milestones for the project, including developer or contractor selection, concept endorsement, due diligence, final approval, closing, construction, and lease up – as well as any timelines related to community or elected body engagement.*

A work session was held before the Washington County Board of Commissioners on December 1, 2020 to authorize requesting Concept Endorsement to Metro staff to disburse Metro Bond funds for purchase of the 1.15 acre property. The Housing Authority Board of Director's approved HAWC purchase of the property on December 15, 2020, and the property was acquired on January 18, 2021.

HAWC procured a planning services firm, Angelo Planning, to prepare a land use application for the associated change of occupancy, this application was submitted March 15, 2021, with land use issuance received September 8, 2021.

HAWC procured architecture services through Ink: Built Design and began schematic design in June, 2021. A construction permit Bid Set was issued for public bidding and building permit submission on August 9, 2021. GSI Builders, Inc. provided the lowest qualifying bid, and it is anticipated the construction contract will be executed in early November.

HAWC began operating a 22-room Bridge Shelter in the northern wing of the building on July 1, 2021 and will utilize this space through the occupied rehab which will begin on the southern wing of the building in December 2021. It is anticipated that the first phase of the rehab will be completed in March, 2022 and the second phase completed June 2022.