

IN THE BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY AND COMMUNITY SERVICES AGENCY  
OF LANE COUNTY, OREGON

ORDER NO.

90-6-20-2H

)ORDER/IN THE MATTER OF HACSA  
)INVOLVEMENT WITH CITY OF  
)EUGENE/JOINT HOUSING POLICY BOARD  
)AFFORDABLE HOUSING PROJECTS.

WHEREAS, the City of Eugene has two landbanked sites on which it wishes to develop housing for low-income residents of Lane County;

WHEREAS, the successful implementation of these two projects can be enhanced by cooperation between HACSA and the City of Eugene;

WHEREAS, the Housing Policy Board – a method for overseeing joint housing development initiatives between jurisdictions in Lane County – has been proposed but has not yet been formed;

WHEREAS, in order to meet certain application deadlines for elements of the financing package proposed for these two projects, NOW, THEREFORE, IT IS HEREBY

ORDERED, that HACSA is authorized to proceed with consultation with the architectural firm contracted to the City to draw up site plans for the projects to ensure that the project is workable for low-income families; preparation of the application for a commitment for permanent loan financing from private lenders; consultation with the financial consultants to the City of Eugene in refining the proforma analysis for the project; preparing the application to the State Housing Agency for low-income tax credits; and preparing the application to the Federal Home Loan Bank Board for a mortgage write-down. IT IS FURTHER ORDERED THAT additional project development, including entering into an architectural services contract for construction drawings and specifications; entering into any contractual or financing arrangements with lenders; applying for building permits; beginning any construction management and bidding activities; entering into property or site management contracts, be subject to review and approval by a Housing Policy Board including representatives from Lane County and the City of Eugene.

DATED this 20th day of June, 1990.

Bill Rogers  
Chairperson, HACSA Board of Commissioners

ORDER/In the matter of HACSA Involvement with City of Eugene/Joint Housing Policy Board Affordable Housing Projects.

APPROVED AS TO FORM  
Date 6/18/90 lane county  
[Signature]  
OFFICE OF LEGAL COUNSEL

ATTACHMENT 2  
INTERGOVERNMENTAL AGREEMENT

INTERGOVERNMENTAL AGREEMENT BOOK 146 PAGE 1336  
HOUSING DEVELOPMENT PROJECT

THIS AGREEMENT is made and entered into by and between LANE COUNTY, a political subdivision of the State of Oregon, hereinafter referred to as COUNTY, and the CITY OF EUGENE, a municipal corporation of the State of Oregon, hereinafter referred to as CITY, and the HOUSING AUTHORITY AND COMMUNITY SERVICES AGENCY OF LANE COUNTY, hereinafter referred to as HACSA, a public corporation of the State of Oregon.

RECITALS

1. ORS 190.010 provides that units of local government may enter into agreements for the performance of any or all functions and activities that a party to the agreement, its officers or agents, have authority to perform;
2. COUNTY, CITY, and HACSA recognize the need to address the community issues of homelessness and increasing the supply of permanent, affordable housing for lower income households;
3. COUNTY, CITY and HACSA are participating in the Intergovernmental Housing Policy Board, an intergovernmental approach developed to coordinate resources of local governments to affect the housing problems of low income households, pursuant to the Agreement signed by them on October 10, 1990.
4. COUNTY, CITY, and HACSA have determined that it is in their mutual interest to coordinate their respective resources in the development of a CITY owned site ("Site") known as Richardson Bridge for low-income family housing.
5. ORS 456.120 (18) provides that HACSA may enter into partnership agreements to finance, plan, undertake, construct, acquire or operate a housing partnership.

AGREEMENTS

NOW, THEREFORE, in consideration of the terms and conditions hereinafter stated, COUNTY, CITY, AND HACSA do mutually agree as follows:

- I. DEVELOPMENT ENTITY
  - A. HACSA as Developer.

CITY and COUNTY agree HACSA shall be the developer for the purpose of developing low-income family housing at the Site, more particularly described in Exhibit "A". HACSA is qualified to provide, and experienced in providing, development services and has offered its services for the purposes specified in this Agreement.

A. Scope of Development.

HACSA shall develop the Site with a minimum of thirty (30) residential units according to the Scope of Development Services (Exhibit "B") and the Schedule of Performance (Exhibit "C").

B. Changes in Scope of Development Services.

CITY and COUNTY may request from time to time, changes in the Scope of Development Services to be provided by HACSA. Any change shall be by mutual written consent agreed upon between CITY, COUNTY, and HACSA.

C. CITY/COUNTY Approval of Design and Construction Drawings.

CITY and COUNTY shall have the right to review and approve (including, but not limited to architectural review) all plans, drawings and related documents for development of the Site, together with any changes proposed to such documents or drawings. Such review is not deemed the exercise of any land use planning or building permit review required by any state or local law, ordinance, or regulation. CITY and COUNTY may designate the Intergovernmental Housing Board as the entity responsible for such review and approval.

HACSA shall submit for CITY/COUNTY review and approval the design and construction documents within the times established in the Schedule of Performance (Exhibit "C").

D. Construction Schedule.

HACSA shall begin and complete construction and development within the times specified in the Schedule of Performance (Exhibit "C"). Schedule of Performance is subject to revision from time to time as mutually agreed upon in writing between CITY, COUNTY, and HACSA.

HACSA shall obtain the services of a Construction Manager to carry out the construction. With the assistance of the Construction Manager, HACSA shall develop a project construction schedule, carry out a competitive bidding process, administer contract documents, review and process payments and evaluate the completion of work.

E. Compliance with the Law.

HACSA shall carry out the construction and development of the Site in conformity with all applicable Federal, State and local laws, ordinances and regulations.

F. City and Other Governmental Agency Permits.

Before commencement of construction or development of any buildings, structures or other work or improvement upon the Site, HACSA shall secure any

and all permits, approvals, and/or certifications which may be required by the CITY or any other governmental agency affected by such construction and development. City shall use its best efforts to assist HACSA in securing these permits and certificates in a timely fashion.

G. Rights of Access.

Representatives of the CITY and COUNTY shall have the reasonable right of access to the Site, without charge or fees, at normal construction hours, including, but not limited to, the inspection of the work being performed in constructing the improvements on the Site as provided in this Agreement.

III. CONTRIBUTION OF THE CITY

A. Reimbursement of CITY fees.

CITY shall reimburse HACSA for all fees for all permits, approvals and/or certifications that may be required by the CITY in connection with construction, development or work on the Site.

B. Sale of Site.

CITY shall either enter into a 40 year groundlease or sell the Site (as described in Exhibit "A") to HACSA through a separate agreement. In the event of sale, the consideration for this sale shall be \$1.00 and shall occur at the time indicated in the Schedule of Performance (Exhibit "C") or as mutually agreed upon by CITY and HACSA. In the event of a groundlease, the annual rent shall be \$1.00. CITY shall execute an Option for Groundlease or Option to Purchase Real Property Agreement upon written request by HACSA.

IV. CONTRIBUTION OF THE COUNTY

A. Intergovernmental Housing Policy Board Funds.

COUNTY shall provide to HACSA up to \$300,000 from the COUNTY fund designated for Intergovernmental Housing Policy Board activities (General Operating Fund Reserve # 28). The precise amount of the contribution will be based on the formula outlined in the Schedule of Financing and Grant Sources (Exhibit "D"). This formula is calculated to determine the project equity necessary to complete the project at initial unit rents within the housing to be constructed on the Site at \$250 per household for 2 bedroom units and \$350 per household for 3 bedroom units.

This contribution will be provided to HACSA according to the schedule provided in the Schedule of Housing Policy Board Expenditures (Exhibit "E").

A. Development Services.

HACSA shall diligently perform the services and furnish the materials and reports as described in Scope of Development Services (Exhibit "B") and according to the Schedule of Performance (Exhibit "C").

B. Changes in Scope of Development Services.

All parties recognize that changes in Scope of Development Services may be required because of contingencies identified in the Scope of Development Services (Exhibit "B"). In this event, HACSA, CITY and/or COUNTY may request changes in the Scope of Services to be provided by HACSA, to be mutually agreed upon between CITY, COUNTY, and HACSA, including any change in HACSA's compensation.

VI. GENERAL PROVISIONS

A. Agreement to Cooperate.

The parties agree to cooperate in order to facilitate the resolution of any problems that arise with the construction and development of this project.

B. Term.

It is recognized by all parties hereto that time is of the essence. HACSA shall begin work on the date first above written. The work as described in Exhibit "B", Scope of Development Services, shall be completed by January 31, 1992.

C. Non-Assignability.

HACSA shall not assign, sublet, or transfer this Agreement or any interest or obligation therein without the prior written consent of CITY and COUNTY, and then only upon such terms and conditions as the CITY and COUNTY may set forth in writing.

D. Amendments.

This Agreement may not be modified or amended except by written agreement of all the parties.

E. Waiver.

In the event that either CITY, COUNTY, or HACSA shall at any time or times waive any breach of the Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation.

F. Scope of Agreement.

This writing constitutes the entire Agreement between the parties relative to this Site and any modifications shall not be effective unless and until such modification is in writing and signed by all parties.

G. Indemnification and Hold Harmless.

Each of the parties hereto agrees to indemnify and save the other harmless from any claim, liability or damage resulting from any error, omission or act of negligence on the part of the indemnifying party, its officers or employees in the performance of its responsibilities under this agreement.

H. Attorney's Fees.

The prevailing party in any action brought to enforce the terms of this Agreement may recover from the other party its reasonable costs and attorney's fees expended in connection with such an action.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set opposite their respective signatures.

LANE COUNTY, a Political Subdivision of the State of Oregon

Date \_\_\_\_\_ By \_\_\_\_\_  
James R. Johnson  
County Administrator

CITY OF EUGENE, a Municipal Corporation of the State of Oregon

Date \_\_\_\_\_ By \_\_\_\_\_  
Michael D. Gleason  
City Manager

HACSA OF LANE COUNTY, A Public Corporation of the State of Oregon

Date \_\_\_\_\_ By \_\_\_\_\_  
Christopher Todis  
Executive Director

**INTERGOVERNMENTAL AGREEMENT  
RICHARDSON BRIDGE HOUSING DEVELOPMENT PROJECT**

**Exhibit "A"**

**Legal Description  
CITY Owned "Richardson Bridge" Site**

The Site is is identified and assessed real property taxes by Lane County Assessor as follows:

Map Number: 17-04-35-31

Tax Lot Numbers: 900 - 1400, 2600 - 3100, and 3200

**INTERGOVERNMENTAL AGREEMENT  
RICHARDSON BRIDGE HOUSING DEVELOPMENT PROJECT**

**Exhibit "B"**

**Scope of Development Services  
Lane County Housing Authority and Community Services Agency**

SCOPE OF WORK

HACSA is to develop 31 units of low-income family housing located on the City landbanked site known as Richardson Bridge. The proposed project will consist of 2 and three bedroom units renting at levels sufficiently low to serve very low and low-income families.

The site consists of 3.6 acres and is described more particularly in Exhibit "A" of this Agreement.

PHASE I      PROJECT PLANNING AND DESIGN

1. Interview and select architect, civil engineer and other project consultants.
2. Interview and select construction manager.
3. Prepare budget reflecting project development costs.
4. Establish and update pro-forma budget outlining project financial needs.
5. Coordinate site plan.
6. Carry out outreach program to local neighborhood residents.
7. Attend strategy meetings with City staff and city consultant.
8. Prepare presentations to City of Eugene Social Goals Committee and Intergovernmental Housing Policy Board as appropriate.

PHASE II      FINANCING

1. Prepare and submit applications to:
  - a. Pacific First Federal Savings Bank
    - (1) Permanent Loan Commitment;
    - (2) Mortgage Subsidy from Federal Home Loan Bank Board Affordable Housing Program.

- b. Oregon Housing Agency
  - (1) Federal Low Income Tax Credits.
- c. City of Eugene
  - (1) Construction financing.
- 2. Provide responses as needed during the review of the applications to the various entities.
- 3. Initiate negotiations for securing limited partner.
- 4. Act as General Partner in limited partnership.
  - a. Select and work with attorney to create limited partnership.
  - b. Prepare lease agreements for site lease to general partnership.

PHASE III. FINAL PROGRAM DESIGN

- 1. Obtain preliminary loan commitments.
- 2. Coordinate completion of the final drawings and project specifications.
- 3. Submit for City approval and comment.
- 4. Work with Construction Manager to
  - a. Develop and finalize project construction schedule and construction management plan.
  - b. Develop interest in bid packages, carry out pre-bid conferences as necessary, receive bids, prepare bid analyses, and make recommendation for award of bids.
- 5. Revise development budget to reflect construction costs.

PHASE IV. FINAL FINANCIAL LOAN COMMITMENTS

- 1. Meet all lender conditions.
- 2. Carry out all required tasks for closing of Pacific First, Affordable Housing Program, and construction loans.
- 3. Complete negotiations for Low Income Housing Tax Credit limited partner and close the partnership.
- 4. Inform City as needed regarding the partnership terms and schedule of partnership contributions.

PHASE V. CONSTRUCTION

1. Work with Construction Manager to:
  - a. Administer contract documents and coordinate work of the contractors with each other.
  - b. Schedule and conduct pre-construction, construction and progress meetings as necessary.
  - c. Revise and refine the approved estimate of construction cost and develop cash flow reports and forecasts as needed.
  - d. Develop and implement procedures for the review and processing of contractor progress and final payments. Maintain cost accounting records.
  - e. Evaluate completion of work.
2. Continue revision to financial pro-forma and analysis.

PHASE VI. OCCUPANCY/RENT-UP

1. Development management concept and plan.
2. Select property management services for rent-up and management of project.
3. Implement affirmative fair marketing plan 90 days before occupancy.

PHASE VII OWNERSHIP AND MANAGEMENT

1. Carry out overall accounting and management supervision responsibilities.
2. Determine and provide for ultimate long-term ownership.

INTERGOVERNMENTAL AGREEMENT  
 RICHARDSON BRIDGE HOUSING DEVELOPMENT PROJECT

Exhibit "C"

Schedule of Performance  
 Lane County Housing Authority and Community Services Agency

PHASE I      PROJECT PLANNING AND DESIGN

- |    |   |                   |
|----|---|-------------------|
| 1. | Interview and select architect, civil engineer and other project consultants.   | DONE              |
| 2. | Interview and select construction manager.  | 3/13/91           |
| 3. | Prepare preliminary development budget reflecting projected costs.  | DONE              |
| 4. | Establish pro-forma budget.   | DONE              |
| 5. | Coordinate site plan.   | 2/1/91 - 2/28/91  |
| 6. | Carry out outreach program to neighborhood residents.   | 2/22/91 - 3/22/91 |
| 7. | Attend strategy meetings with Eugene City staff and city consultant.  | AS NECESSARY      |
| 8. | Prepare presentations to City of Eugene Social Goals Committee and Intergovernmental Housing Policy Board as appropriate. | AS NECESSARY      |

PHASE II      FINANCING

- |    |  |                  |
|----|--|------------------|
| 1. | Prepare and submit applications to:  |                  |
|    | a. Pacific First Federal Savings Bank  |                  |
|    | (1) Permanent Loan Commitment;   | DONE             |
|    | (2) Mortgage Subsidy from Federal Home Loan Bank Board Affordable Housing Program. | DONE             |
|    | b. Oregon Housing Agency   |                  |
|    | (1) Federal Low Income Tax Credits.  | 3/1/91 - 3/25/91 |

c. City of Eugene

- (1) Construction financing. 2/1/91 - 5/15/91
- 2. Provide responses as needed during the review of the applications to various entities. AS NECESSARY
- 3. Initiate negotiations for securing limited partner. 1/15/91 - 5/15/91
- 4. Act as General Partner in limited partnership.
  - a. Select and work with attorney to create limited partnership. 2/28/91 - 3/15/91
  - b. Prepare lease agreements for site lease to general partnership. 3/15/91 - 4/1/91

PHASE III. FINAL PROGRAM DESIGN

- 1. Obtain preliminary loan commitments. AS NECESSARY
- 2. Coordinate completion of drawings and project specifications. 2/18/91 - 5/3/91
- 3. Submit for City approval and comment. AS NECESSARY
- 4. Work with Construction Manager to:
  - a. Develop and finalize project construction schedule and construction management plan. 3/13/91 - 7/1/91
  - b. Develop interest in bid packages, carry out pre-bid conferences as necessary, receive bids, prepare bid analyses, and make recommendation for award of bids.
- 5. Revise development budget to reflect construction costs. AS NECESSARY

PHASE IV. FINAL FINANCIAL LOAN COMMITMENTS

- 1. Meet all lender conditions. AS NECESSARY
- 2. Carry out all required tasks for closing of Pacific First, AHP, and construction loans. AS NECESSARY

3. Complete negotiations for LIHTC limited partner and close partnership.

5/15/91

4. Inform City as needed regarding the partnership terms and schedule of partnership contributions.

AS NECESSARY

PHASE V. CONSTRUCTION

1. Work with Construction Manager to:

7/1/91 - 2/1/92

a. Administer contract documents and coordinate work of the contractors with each other.

b. Schedule and conduct pre-construction, construction and progress meetings as necessary.

c. Revise and refine the approved estimate of construction cost and develop cash flow reports and forecasts as needed.

d. Develop and implement procedures for the review and processing of contractor progress and final payments. Maintain cost accounting records.

e. Evaluate completion of work.

2. Continue revision to financial pro-formas and analysis.

AS NECESSARY

PHASE VI. OCCUPANCY/RENT-UP

1. Development management concept and plan.

3/1/91 - 3/31/91

2. Select property management services for rent-up and management of project.

4/1/91

3. Implement affirmative fair marketing plan 90 days before occupancy.

AS NECESSARY

PHASE VII OWNERSHIP AND MANAGEMENT

1. Carry out overall accounting and management supervision responsibilities.

ONGOING

INTERGOVERNMENTAL AGREEMENT  
 RICHARDSON BRIDGE HOUSING DEVELOPMENT PROJECT

Exhibit "D"

Schedule of Financing and Grant Sources

Lane County's contribution will be calculated according to the following formula:

Total Project Cost  
 LESS:  
 Permanent Financing (Pacific First Federal and Federal Home Loan Bank Board Mortgage Subsidized Rate)  
 Cost of Land (Donation from City of Eugene)  
 Cost of City Permits and Fees (Donation of City of Eugene)  
 Proceeds from Sale of Federal Tax Credits (Private Investors)  
 Balance Equals Lane County Contribution  
 (not to exceed \$300,000)

An example of the operation of this formula, based on the most recent project estimates, is as follows:

RICHARDSON BRIDGE APARTMENTS  
 CALCULATION OF FINANCING PACKAGE  
 Revised: February 14, 1991

ESTIMATED DEVELOPMENT COSTS	AMOUNT
Total Acquisition Costs	63,500
Total Construction Costs:	1,364,126
Total General Dev. Costs:	106,450
Total Carrying Charges and Financing:	163,237
<b>TOTAL DEVELOPMENT COSTS:</b>	<b>1,697,313</b>

FINANCING SOURCES	TOTAL
Pacific First Federal Bank	772,000
City of Eugene Land Donation	63,500
City of Eugene Fee Waiver	17,700
Limited Partner Contribution (Tax Credit Proceeds @ .45)	621,502
<b>TOTAL FINANCING AVAILABLE:</b>	<b>1,474,702</b>
AMOUNT REQUIRED FROM LANE COUNTY	222,611
<b>TOTAL FINANCING</b>	<b>1,697,313</b>

