

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action Item: Approval of Funding for Housing Affordable to Low-Income Persons

Meeting Date: November 28, 2011
Department: Planning & Development
www.eugene-or.gov

Agenda Item Number: 4
Staff Contact: Becky Wheeler
Contact Telephone Number: 541-682-5532

ISSUE STATEMENT

The City Council is asked to approve the use of Federal HOME Investment Partnerships Program (HOME) funds and other resources for an affordable housing development on the County Farm landbank site identified through the 2011 Housing Request for Proposals (RFP).

BACKGROUND

Annual Action Plan and Housing Request for Proposals

The City of Eugene subsidizes the development of affordable housing using federal pass-through funding and local resources. The City of Eugene established current goals and programs for the development of affordable housing through the adopted *2010 HUD Consolidated Plan*. The Consolidated Plan guides the use of HOME funds and Community Development Block Grant (CDBG) funds over a five-year period. Each year, the City Council adopts a One-Year Action Plan, which establishes development goals and allocates funds at a program level. For fiscal year 2012, the One-Year Action Plan sets a goal for developing 100 units of affordable housing and allocates up to \$601,206 in HOME funds for construction or acquisition of affordable housing units. In addition to use of federal funds, the City of Eugene has established System Development Charge (SDC) waivers and the Low-Income Rental Housing Property Tax Exemption to further enable the development of affordable housing.

The City uses an annual Housing RFP to solicit specific affordable housing development projects eligible to receive land and other federal and local subsidies specifically designated for affordable housing. City Council is advised directly by the Intergovernmental Housing Policy Board (HPB) on housing proposals received through the RFP and other housing policy matters. The RFP content and criteria were developed through a lengthy consultation process with HPB. HPB appoints members of the Evaluation Committee to review and score the proposals, holds public hearings to collect comments on proposed projects, and makes funding recommendations to the City Council. Final decisions regarding awards of land and other federal and local subsidies are made by the City Council. Following the City Council's decision, developers seek Low Income Housing Tax Credits and other funding through the State's Consolidated Funding Cycle.

The City issued the RFP in March 2011, with proposals due in May. Two proposals were received for the development of new rental housing on the County Farm landbank site. A single proposal was received for acquisition of existing housing, but was deemed incomplete and not evaluated. The two proposals for the landbank site were reviewed by staff and the HPB-appointed Eugene Evaluation

Committee (see Attachment A for member list). Following two public hearings (September 13 and November 9), a tour of affordable sites (October 12), and a neighborhood forum (October 26), the HPB recommends selection of the Bascom Village proposal submitted by St. Vincent de Paul of Lane County (SVDP) and the Housing and Community Services Agency of Lane County (HACSA).

Bascom Village includes 101 units (comprising 74 units with two or more bedrooms targeted to families and 27 units targeted to seniors, singles, and couples) and two community centers within 29 structures constructed in two phases (53 units in phase I and 48 in phase II). The 29 structures consist of 17 two-story townhome style duplexes, eight three-story apartment buildings, one single-story community center, two combination one- and two-story buildings, and one two-story community center that includes a classroom and five flats. The two-story buildings along Park View Drive are similar in height to the existing single-family homes in the Mountain Terrace subdivision, north of Park View Drive. The three-story buildings on the south property line are designed to be within the maximum height of 35 feet. Included on-site are two community centers, laundry facilities and several play areas. The first phase will be completed by SVDP with the second developed by HACSA. Once complete, both phases will be managed by SVDP and include resident services delivered by SVDP. SVDP and HACSA formed a team of local professionals to design and develop Bascom Village. The design team includes Eugene-based companies, Bergsund DeLaney Architecture and Planning, P.C. and Meili Construction. SVDP and HACSA have strong development and property management track records.

The City Council held a work session to discuss the HPB recommendation on November 16. At that meeting, the council directed staff to schedule a public hearing on November 21. At the November 21 hearing, 32 people testified, 18 were opposed and 14 expressed support for the project and/or provided potential mitigation strategies to address concerns of those opposed.

RELATED CITY POLICIES

The proposed development supports multiple City priorities and policies, including the Eugene-Springfield 2010 Consolidated Plan, Growth Management Policies, and the Housing Dispersal Policy.

Eugene-Springfield 2010 Consolidated Plan - This plan identifies a need for affordable housing for low-income persons and sets a five-year goal of developing 500 new units of affordable housing. The proposed project directly supports the objective by creating 101 units for low-income families and individuals.

Eugene Adopted Growth Management Policies - The City of Eugene affordable housing development programs and Bascom Village support multiple Growth Management Policies.

Housing Dispersal Policy - The City Council has established a Housing Dispersal Policy which seeks to maximize housing choices for low-income families and integrate housing throughout the City of Eugene. Bascom Village would be located in an appropriate Census Block Group according to the Housing Dispersal Policy. While Bascom Village exceeds the recommended limit of 60 units, only 74 of the 101 units will be targeted to low-income families. Based on past occupancy patterns, it is likely that the actual number of units occupied by low-income families (i.e. an adult and a child) will be even lower.

COUNCIL OPTIONS

The City Council has three options:

1. Approve funding for Bascom Village as recommended by Housing Policy Board.
2. Approve funding for Bascom Village with modifications.
3. Decline to approve funding for the proposed project.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends option #1, including approval, for Phase 1 development of Bascom Village: 1) transfer of the western portion of the County Farm landbank site to SVDP; 2) commitment of \$351,603 (RFP request + COE incurred costs) in HOME funds; and 3) provide for \$249,593 in Eugene SDC waivers and to also approve for Phase 2 development of Bascom Village: 1) transfer of the eastern portion of County Farm landbank site to HACSA; 2) commitment of \$249,603 (RFP request + COE incurred costs) in HOME funds; and 3) provide for \$224,346 in Eugene SDC waivers. In addition, make a recommendation to the Eugene Water & Electric Board (EWEB) to approve an SDC grant for each phase of the project.

SUGGESTED MOTION

Move to approve, for Phase 1 development of Bascom Village: 1) transfer of the western portion of the County Farm landbank site to SVDP; 2) commitment of \$351,603 in HOME funds; and 3) provide for \$249,593 in Eugene SDC waivers and to also approve for Phase 2 development of Bascom Village: 1) transfer of the eastern portion of County Farm landbank site to HACSA; 2) commitment of \$249,603 in HOME funds; and 3) provide for \$224,346 in Eugene SDC waivers. In addition, make a recommendation to EWEB to approve an SDC grant for each phase of the project.

ATTACHMENTS

- A. List of Housing Policy Board and Evaluation Committee members
- B. Preliminary design for Bascom Village

FOR MORE INFORMATION

Staff Contact: Becky L. Wheeler, Housing Finance Analyst
Telephone: 541.682.5532
Staff E-Mail: Becky.L.Wheeler@ci.eugene.or.us

ATTACHMENT A

Evaluation Committee Members

1. Robin Boyce, Housing Development Center
2. Joni Hartmann, Network for Oregon Affordable Housing
3. Patricia Thomas, City of Eugene Planning & Development
4. Chris Pryor, Housing Policy Board & Eugene City Council
5. Janet Yood, Anslow & DeGeneault, Inc.

Housing Policy Board Members

1. Norton Cabell (chair)
2. Brita Fischer
3. Sid Leiken, Lane County Commissioner
4. Dave Ralston, City of Springfield Councilor
5. Chris Pryor, City of Eugene Councilor
6. Virginia Thompson
7. John Van Landingham
8. Jenna Fribley
9. Karen Clearwater



SITE PLAN

SITE PLAN KEY

- 1 COMMUNITY BUILDING AND HEAD START FACILITY & 1-BEDROOM UNITS
- 2 2-BEDROOM DUPLEX
- 3 3-BEDROOM DUPLEX
- 4 1 & 2-BEDROOM UNITS
- 5 3-BEDROOM ADA & 4 BEDROOM DUPLEX
- 6 3-BEDROOM ADA & 1-BEDROOM UNITS
- 7 1 & 2-BEDROOM UNITS
- 8 COMMUNITY ANNEX

BERGSUND
DELANEY
Architects & Planning, P.C.
10000 SW 15th Ave, Suite 200, Miami, FL 33185

SCALE: 1"=60'-0"
0 30' 60'

MAY 31, 2011

BASCOM VILLAGE
ST. VINCENT de PAUL SOCIETY OF LANE COUNTY AND
HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

A1B

ATTACHMENT