Health, Housing & Human Services
CLACKAMAS COUNTY

Mary Rumbaugh
Director

October 30, 2025 BCC Agenda Date/Item: _______________

Housing Authority Board of Commissioners
Clackamas County

Approval of an Amendment to a Revenue Intergovernmental Agreement with Metro for the Affordable Housing Bond Program. Amendment Value is $5,825,824 for 4 years. Total Agreement Value is $129,060,191 for 10 years. Funding is through Metro. No County General Funds are involved.

Previous Board Action/Review	• Affordable Housing Bond Program IGA and Local Implementation Strategy approved, November 14, 2019, Agenda 20191114 I.3 • The Affordable Housing Bond Program Intergovernmental Agreement was fully executed by all parties on December 10, 2019 • Amendment 1 approved, May 19, 2022, Agenda 20220519 I.B • Amendment 2 approved, Agenda 20220721 I.B • Amendment 3 approved, December 15, 2022, Agenda 20221215 III.E • Amendment 4 approved, October 19, 2023, Agenda 20231019 I.B		
Performance Clackamas	Safe, Secure, and Livable Communities		
Counsel Review	Yes: Ryan Hammond	**Procurement Review**	NA
Contact Person	Devin Ellin	**Contact Phone**	971-227-0472

EXECUTIVE SUMMARY: The Housing Authority of Clackamas County (HACC), within the Housing and Community Development Division of the Health, Housing, and Human Services Department, requests the approval of Amendment 5 to the Affordable Housing Bond Program Intergovernmental Agreement (IGA) with Metro, increasing the total value of the agreement by $5,825,824.

The Affordable Housing Bond Program was established to increase affordable housing stock for Clackamas, Washington, and Multnomah Counties in response to the extreme affordable housing shortage throughout our region. The original agreement laid the foundation of the program and the goals of Clackamas County with this new funding stream. Amendments to date have added funding for air conditioning in units, software for reporting workforce demographics, and a permanent supportive housing pilot program.

Amendment 5 includes two key updates. First, it adds $340,522 in funding to Clackamas County to cover administrative costs associated with operating the program through the Housing Authority of Clackamas County (HACC). Second, it allocates an additional $5,485,302 in Metro bond interest earnings to support existing pipeline projects based on their level of financial risk and need. These funds will support the Clackamas Heights Redevelopment, Phase 2 of Hillside Park, and El Nido.

Other changes in this amendment are administrative in nature and have no additional financial impact. All funding associated with Amendment 5 comes from Metro's Affordable Housing Bond Program interest earnings. No County General Funds are involved.

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RECOMMENDATION: Staff respectfully request that the Housing Authority Board of Commissioners approve this Amendment 05 (9530-05) and authorize Chair Roberts or his designee to sign on behalf of the Housing Authority.

Respectfully submitted,

Mary Rumbaugh

Mary Rumbaugh
Director of Health, Housing, and Human Services

Metro
600 NE Grand Ave.
Portland, OR 97232
(503) 797-1700

Metro Contract No. 936551

THIS 5th AMENDMENT TO AFFORDABLE HOUSING BOND MEASURE PROGRAM INTERGOVERNMENTAL AGREEMENT ("Amendment") is between Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 N.E. Grand Avenue, Portland, Oregon 97232-2736, and the Housing Authority of Clackamas County ("Local Implementation Partner" or "LIP"), located at 13930 S. Gain Street, Oregon City, Oregon 97045 and is dated effective as of the last day of signature set forth below (the "Effective Date").

RECITALS

A. Metro and LIP entered into the Affordable Housing Bond Measure Program Intergovernmental Agreement, effective December 10, 2019, providing the terms and conditions under which Metro provides Ballot Measure 26-199 Bond ("Housing Bond") proceeds for the acquisition and construction of affordable housing (the "IGA") within the LIP's jurisdiction.

B. On May 19, 2022, Metro and LIP entered a 1st Amendment to the Affordable Housing Bond Measure IGA ("1st IGA Amendment"), providing additional allocation of Housing Bond funds for Additional A/C Funding.

C. On July 21, 2022, Metro and LIP entered a 2nd Amendment to the Affordable Housing Bond Measure IGA ("2nd IGA Amendment"), providing additional allocation of Housing Bond funds for Technical Assistance Funding.

D. On January 26, 2023, Metro and LIP entered a 3rd Amendment to the Affordable Housing Bond Measure IGA ("3rd IGA Amendment"), providing additional allocation of Housing Bond funds for Permanent Supportive Housing Pilot Funding.

E. On October 25, 2023, Metro and LIP entered a 4th Amendment to the Affordable Housing Bond Measure IGA ("4th IGA Amendment"), providing additional allocation of Housing Bond funds for the administrative share.

F. In 2022, funds were provided from Metro to LIPs for Additional A/C Funding using interest earnings totaling $8,003,000, and in 2023, funds were provided from Metro to LIPs for Permanent Supportive Housing Pilot Funding using interest earnings totaling $19,998,000.

G. Affordable housing development projects are experiencing ongoing financial volatility, including rising interest rates, construction cost escalation, uncertainty in federal funding, and emerging tariff concerns.

H. As of March 31, 2025, the Housing Bond has earned additional interest earnings and bond premiums of over $29 million. Metro has determined that additional funding may be prioritized to address funding gaps for pipeline projects experiencing difficulties or at risk due to cost escalation or other factors. It has provided policy guidance on the allocation of Interest Earnings to support pipeline project funding gaps, dated September 24th, 2025.

I. This 5th IGA Amendment provides for additional allocation of interest earnings and bond premium derived from Housing Bond funds to LIP by the Metro Council-approved Work Plan formula under the parameters set forth herein.

J. The parties now wish to amend the IGA further to provide additional Administrative Share funding and additional Eligible Share funding under parameters that require assessment and support for pipeline projects at risk, as set forth herein.

AGREEMENT

NOW THEREFORE, the Parties hereto agree as follows:

1. **Additional Administrative Funds.** Metro agrees to provide LIP an additional three hundred forty thousand, five hundred twenty-two dollars ($340,522) of Administrative Share funds ("5th Amendment Administrative Funds").
2. **Schedule of Allocation.** The 5th Amendment Administrative Funds will be disbursed in Fiscal Years 2025-2026.
3. **Additional Eligible Share Funds.** Metro agrees to allocate to LIP an additional five million, four hundred eighty-five thousand, three hundred two dollars ($5,485,302) in additional Bond Proceeds ("5th Amendment Eligible Share Funds") for a total Eligible Share of $127,503,396, under the parameters set forth herein.
4. **Evaluation of Risk for LIP Affordable Housing Bond Pipeline Projects.** Metro and LIP agree to collaborate on evaluating and supporting existing pipeline projects based on their level of financial risk and need.
   - **A.** As a part of Quarterly Reporting, Metro will compile the LIP Pipeline Status Report and share it with LIP for confirmation and updates. LIP Pipeline Status Report will track project status, project funding commitments, any known risks,

and overall LIP funding commitments. LIP will identify any projects at risk in the following stages, listed from highest to lowest risk.

  - **i.** Construction completed
  - **ii.** Under construction
  - **iii.** Pre-development
  - **iv.** Feasibility

- **B.** At Concept Endorsement, Final Approval, and Final Approval Amendment, LIP will provide updates to the LIP Pipeline Status Report and review it with Metro for project and portfolio risks. LIP will prioritize support for existing pipeline projects based on the level of financial risk and need.
- **C.** LIP will prioritize allocation of 5th Amendment Eligible Share Funds to existing pipeline projects at risk, before funding new projects or site acquisitions. New projects and site acquisitions are an allowable use of funds if jurisdictions have assessed and addressed any pipeline projects as a risk at the time of Property Acquisition Approval, Concept Endorsement, or Final Approval.

5. Metro and LIP hereby ratify and confirm this addition and modification to the terms of the IGA. All other terms and conditions set forth in the IGA are hereby confirmed and remain in full force and effect.

6. **Counterparts.** This Amendment may be executed in any number of counterparts, each of which will be an original, but all of which will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

Metro		**Housing Authority of Clackamas County**	
By:	______________________	By:	______________________
Name:	**Marissa Madrigal**	Name:	______________________
Title:	**Chief Operating Officer**	Title:	______________________
Date:	______________________	Date:	______________________

EXHIBIT B TO IGA

Administrative Share Funding and LIP Anticipated Timeline

Total Administrative Share available as of the Effective Date: $3,976,893

The parties expect to review the following schedule on an annual basis; provided, however, the schedule set forth below may only be revised or amended upon written agreement by both LIP and Metro.

Fiscal year	Annual Administrative Share Allocation	Percent of total Admin Share	LIP Anticipated Timeline/ Program Milestones
Year 1: 2019-20	$489,213	12%	Finalization of LIS and IGA, Bond allocation program planning NOFA1: Release of NOFA for up to 40% of bond allocation – available for projects sponsored by non-profit developers throughout the eligible bond boundary within the county – select projects for funding
Year 2: 2020-21	$489,213	12%	NOFA 1: Construction loan closing, groundbreaking and construction start
Year 3: 2021-22	$489,213	12%	HACC Public Housing Repositioning - Hillside Park Redevelopment Solicitation 1: Release of RFP for up to 30% bond allocation – select development team for funding
Year 4: 2022-23	$244,607	6%	NOFA 1: Construction underway, construction completion and leasing Marylhurst Commons: Construction closing (Q3 2022), construction underway PH Repositioning – Hillside Redevelopment: Phase 1 Predevelopment and securing financing, HUD disposition & relocation NOFA 2: Release of NOFA up to 20% of bond allocation (+ $5.7MM SAP?) – select projects for funding SAP Developer RFP 1: Boones Ferry Site (~50 units) – select developer, predevelopment PH Repositioning Solicitation 2: Release of Solicitation for up to 5% bond allocation – Scattered Site - Land Trust Homeownership Program
Year 5: 2023-24	$641,376	16%	NOFA 1: Construction completion (all projects) Marylhurst Commons: Construction complete (Q2 2024), lease-up PH Repositioning – Hillside Redevelopment: Phase 1 construction closing, demolition, site work, and construction start NOFA 2: Projects in predevelopment SAP RFP 1: Boones Ferry Site – construction closing & construction start PH Repositioning RFP 2: HUD disposition and relocation underway, units converting to land trust

Year 6: 2024-25	$641,376	16%	PH Repositioning – Hillside Redevelopment: Phase 1 construction, Phase 2 relocation & disposition, commence demolition and site work. NOFA 2: construction closing & construction start SAP RFP 1: Boones Ferry construction underway PH Repositioning RFP 2: HUD disposition and relocation underway, units converting to land trust
Year 7: 2025-26	$981,895	25%	PH Repositioning – Hillside Redevelopment: Phase 1 construction completion, lease-up. Phase 2 construction closing, construction start. NOFA 2: construction underway SAP RFP 1: Boones Ferry const. complete, lease-up PH Repositioning RFP 2: HUD disposition and relocation underway, units converting to land trust