



Legislation Details (With Text)

File #: 19-156 **Version:** 1
Type: Resolution **Status:** Agenda Ready
In control: Housing Authority of the City of Salem
On agenda: 4/22/2019 **Final action:** 4/22/2019
Title: Transfer of an Oregon Health Authority Loan Award from Salem Housing Authority to Redwood Crossings, LLC.

Ward(s): All Wards
Commissioners(s): All Commissioners
Neighborhood(s): All Neighborhoods
Result Area(s): Welcoming and Livable Community.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution No. 2242, 2. OHA Award Letter Signed

Date	Ver.	Action By	Action	Result
4/22/2019	1	Housing Authority of the City of Salem	adopted	Pass

TO: Chair and Housing Authority Commissioners

THROUGH: Steve Powers, Executive Director

FROM: Nicole Utz, AIC Administrator

SUBJECT:

Transfer of an Oregon Health Authority Loan Award from Salem Housing Authority to Redwood Crossings, LLC.

Ward(s): All Wards
Commissioners(s): All Commissioners
Neighborhood(s): All Neighborhoods
Result Area(s): Welcoming and Livable Community.

ISSUE:

Shall the Salem Housing Authority Commission adopt Resolution No. 2242 transferring an Oregon Health Authority (OHA) loan award of up to \$425,000 from the Housing Authority to Redwood Crossings, LLC?

RECOMMENDATION:

Adopt Resolution No. 2242 transferring an OHA loan award of up to \$425,000 from the Housing Authority to Redwood Crossings, LLC.

SUMMARY:

The Housing Authority of the City of Salem (SHA) is the sole member of Redwood Crossings, LLC (Redwood Crossings). Redwood Crossings is a limited liability company formed by SHA to own and maintain the multi-unit affordable housing development at 4107 Fisher Road, NE. OHA has awarded SHA a no interest, forgivable, deferred payment loan of up to \$425,000 to develop the property at 4107 Fisher Road. The SHA Commission accepted the award on June 11, 2018 via Resolution No. 2228.

Under OHA rules, Redwood Crossings, as owner of the property, needs to be the recipient of the no interest, forgivable, deferred payment loan from OHA, and therefore, SHA needs to assign its rights and obligations under the award, and Redwood Crossings needs to accept those rights and obligations.

Redwood Crossings will need to agree to the original terms and conditions of the award letter dated September 20, 2018, from the Oregon Health Authority (Attachment 2).

FACTS AND FINDINGS:

This opportunity to access OHA resources to facilitate the build-out up to thirty-five (35) units at 4107 Fisher Road NE, will support the new permanent housing and the clients enrolled in the Homeless Rental Assistance Program (HRAP). The award is structured as follows:

- A 0% deferred payment loan that is forgiven on a pro rata basis for each full year the project is in compliance;
- Housing must continue to serve the target population stipulated for the full 30 years, secured by a Trust Deed;
- The target population for OHA funding is individuals with a Serious and Persistent Mental Illness (SPMI); and
- To secure the award of funds, the awardee shall enter into a Community Development Housing Agreement and the appropriate loan documents.

BACKGROUND:

It is estimated that 95% of HRAP clients have a Serious and Persistent Mental Illness diagnosis. Supportive services and staffing will be provided on-site for residents.

The development is within a mile of education, grocery, and medical facilities, and within walking distance to bus lines via walking and bicycle paths along major roadways. An adjacent vacant site at

4075 Portland Road has also been acquired by SHA and will be used for parking for the property

Nicole Utz
AIC Administrator

Attachments:

1. Resolution No. 2242
2. OHA Award Letter