



Staff Report

File #: 18-186

Version: 1

Date: 6/11/2018

Item #: 3.3a.

TO: Chair and Housing Authority Commissioners

THROUGH: Steve Powers, Executive Director

FROM: Andrew Wilch, Administrator

SUBJECT:

Application for Housing Development grant funding from Oregon Health Authority to build and renovate the property located at 4107 Fisher Road NE Salem

Ward(s): All Wards

Commissioners(s): All Commissioners

Neighborhood(s): All Neighborhoods

ISSUE:

Shall the SHA Commission adopt Resolution No. 2228 to authorize application for up to a \$425,000 Housing Development grant from Oregon Health Authority to provide affordable housing at 4107 Fisher Road NE Salem?

RECOMMENDATION:

Adopt Resolution No. 2228 to authorize application for up to a \$425,000 Housing Development grant from Oregon Health Authority to provide affordable housing at 4107 Fisher Road NE Salem.

SUMMARY AND BACKGROUND:

The Salem Housing Authority (SHA) has acquired a 19,336 square foot multi-family building located at 4107 Fisher Road NE as an affordable site for 35 low-income housing units. The property is currently under contract by SHA.

The property currently contains a substantially completed multi-unit housing facility that was built to house a senior citizen population in 19 suites on three floors in addition to a full commercial kitchen and first floor flex space. The Property was never occupied.

The building is 80% complete, with the second and third floors in roughed-in condition and ready for finish work. The elevator shaft is in place, but requires installation of the elevator car and mechanicals. SHA plans to complete the finish work and convert the building to 35 single-room occupancy units with one restroom for every two units.

To facilitate the affordable housing, on February 12 the Salem Urban Renewal Agency amended the North Gateway Urban Renewal Area to include the Property, and authorized funding to assist SHA with the acquisition of the Property.

SHA is also partnering with Salem Health to provide six medical respite beds in the building. During this funding cycle, OHA funds cannot be used on medical respite care; therefore, funding will be applied to the remaining 29 SRO units. The OHA grant will allow SHA to finish the building.

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 Rental Assistance (HRAP). The award is structured as follows:

- It is a 0% deferred payment loan that is forgiven on a pro rata basis for each full year the project is in compliance.
- The housing must continue to serve the target population stipulated for the full 30 years of the rust Deed.
- The target population for OHA funding is Individuals with a Serious and Persistent Mental Illness (SPMI)
- To secure the award of funds, the Awardee shall enter into a CHDA and the appropriate loan documents

It is estimated that 95% of HRAP client have a SPMI diagnosis. Supportive services and 24 hour staffing will be provided on-site.

The Property 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.

Andrew Wilch
Administrator

Attachments:

1. Resolution No. 2228