

## Clackamas County Public Housing Repositioning FAQs

### **What is happening with Clackamas County's Public Housing?**

The Housing Authority of Clackamas County (HACC) is repositioning its 445 unit Public Housing portfolio. The portfolio consists of three 100-unit multi-family developments in Hillside Park, Clackamas Heights, and Oregon City View Manor (OCVM), and 145 scattered site single-family homes located throughout Clackamas County.

### **What is repositioning?**

As federal funding to maintain public housing has decreased for decades, public housing agencies across the country, including HACC, are struggling to adequately maintain their aging housing stock. In 2018, recognizing the significant backlog of capital needs and solidifying its intent to remove itself from public housing administration, the U.S. Department of Housing & Urban Development (HUD) established a number of programs to allow public housing agencies flexibility to “reposition” their portfolios and “develop locally appropriate strategies to preserve affordable housing.” Repositioning will allow Clackamas County to replace its aging Public Housing portfolio with new rent assistance vouchers and newly developed affordable housing. This will happen through a process of relocating existing residents using new rent assistance vouchers allocated by HUD as part of repositioning, disposing of and/or redeveloping existing property, and using asset sale proceeds to develop new affordable housing.

### **How will existing residents be affected?**

As part of the repositioning process, each displaced household will receive a Section 8 Tenant Protection Voucher and relocation assistance. These vouchers provide more flexibility for residents than public housing assistance, which is tied to the property. Tenant-based Section 8 voucher holders can take their voucher and lease safe, decent, and affordable privately owned rental housing in a location of their choice. Residents will also be provided the right to return to a newly constructed home once the redevelopment is complete. If they choose to return to the new property, their moving costs will be covered by HACC.

### **Are the residents aware of these changes?**

Yes, HACC has been proactively hosting a series of meetings to provide information and give residents the opportunity to ask questions. These meetings will be ongoing and scheduled as new information is available and at critical phases for each project. In addition, HACC will also be hosting engagement meetings related to the redevelopment of Clackamas Heights to encourage an open dialogue between the design team and residents. These meetings will include the review of design options and amenities, allowing for resident input and feedback.

### **Why is this happening now?**

Clackamas County has the oldest public housing in Oregon and among the oldest in the country. In recent decades, the federal government has increasingly reduced budgets for public housing repairs and operations. In place of investing in public housing, the federal government has increased its investment in affordable housing programs that rely on the private sector, such as rental assistance vouchers and tax credits.

The passing of the 2018 Metro Affordable Housing Bond and the 2020 Supportive Housing Services (SHS) Measure provides HACC with a unique opportunity to utilize its existing public housing assets to leverage public and private resources to increase affordable housing opportunities in Clackamas County. As outlined in Clackamas County's Metro Affordable Housing Bond Local Implementation Strategy (LIS), HACC set aside nearly half of its bond revenue to leverage opportunities related to repositioning. Clackamas County has

allocated SHS funding for this as well. This provides a once in a generation opportunity for the Housing Authority to improve its existing assets, build more affordable housing, and create a sustainable platform for the Housing Authority that is responsive to the realities of funding opportunities and congressional appropriations.

### **Where are we in the process?**

Each of the assets in the portfolio are at different phases of the repositioning process.

- **Hillside Park** – The existing 100 units at Hillside Park in Milwaukie are being redeveloped with up to 500 new units in two phases. The Section 18 application for Phase 1 has been approved by HUD and redevelopment activities are underway. 54 existing units will be demolished and 275 new units will be constructed. Construction on Phase 1 will start this summer. Planning for Phase 2 with redevelopment under Section 18 is underway. HUD has already approved Section 18 justification. In Phase 2, 46 existing units will be demolished and up to 225 new units will be constructed. Existing residents in Phases 1 and 2 are being relocated with Section 8 rental assistance and they will be given the option to relocate into a newly constructed unit once complete. Construction on Phase 2 is expected to start in 2026.
- **Clackamas Heights** – The existing 100 units at Clackamas Heights in Oregon City will be redeveloped with up to 250 new units. Community engagement is underway and the site concept plan is in development. Staff will be working to secure support from the local jurisdictions and prepare the Section 18 application to submit to HUD.
- **Oregon City View Manor** – The existing 100 units at Oregon City View Manor are planned for disposition, with the asset sale proceeds going towards the Clackamas Heights redevelopment and/or other projects. Staff are preparing the Section 18 application to submit to HUD. Staff will be working to secure support from the local jurisdiction and are preparing the Section 18 application to submit to HUD.
- **Scattered Sites** - The 145 scattered site single-family homes located throughout Clackamas County are planned for disposition, with each home being sold under one of three scenarios: 1) affordable home ownership opportunities for existing residents through a land trust model; 2) to the private market; or 3) to community based organizations to deliver recovery oriented services. Asset sale proceeds will go towards the Clackamas Heights redevelopment and/or other projects. Staff will be working to secure support from the local jurisdictions and preparing the Section 18 application to submit to HUD.

### **Will residents be cost-burdened by this?**

No. While moving is inconvenient, all moving expenses will be covered by HACC, including:

- **Relocation Advisory Services:** counseling, multiple one-on-one consultations, and assistance locating available units.
- **Moving Expenses:** travel reimbursement, boxes, packing paper, and movers.
- **Moving fees and deposits**
- **Right to Return:** moving fees covered

**Will affordable housing units be lost or gained?**

Because of these repositioning efforts, the amount of affordable housing will increase in Clackamas County.

| PROPERTY          | ACTION        | HUD METHOD | EXISTING UNITS | NEW UNITS  | VOUCHERS CREATED | AFFORDABILITY PRESERVED |
|-------------------|---------------|------------|----------------|------------|------------------|-------------------------|
| Hillside Park     | Redevelopment | Section 18 | 100            | 500        | 100              |                         |
| Scattered Sites   | Disposition   | Section 18 | 145            | 0          | 145              | Up to 145               |
| OCVM              | Disposition   | Section 18 | 100            | 0          | 100              |                         |
| Clackamas Heights | Redevelopment | Section 18 | 100            | 250        | 100              |                         |
| <b>TOTAL</b>      |               |            | <b>445</b>     | <b>750</b> | <b>445</b>       | <b>Up to 145</b>        |

Current total Public Housing: 445 units

Planned Repositioning Outcomes:

- **Section 8 Vouchers:** 445 new vouchers
- **Hillside Park Redevelopment:** up to 500 new affordable units (replacing 100 public housing units)
- **Park Place Redevelopment:** up to 250 new affordable units (replacing 100 public housing units)
- **Affordable Scattered Site Housing Opportunities:** up to 145 (includes homeownership & supportive housing opportunities)
- **Oregon City View Manor disposition:** affordable homeownership opportunities through partnership with homeownership organizations like Habitat for Humanity

In addition, all sale proceeds HACC receives because of these repositioning processes will be restricted by HUD to support affordable housing. HACC plans to use these proceeds to support additional affordable housing development throughout Clackamas County.