

MEETING NOTICE

The Policy Advisory Board (PAB) for the Washington County Community Development Block Grant (CDBG) and HOME Investments Partnerships Program will meet at **7:00 pm** on **Thursday September 16, 2021**. The meeting will occur through Zoom.

Call in option: If the first number is full, dial the next number:

1-346-248-7799

1-669-900-6833

Meeting ID: 872 7223 3087 **Passcode:** 872554

Video option: If you'd like to connect to Zoom to view the presentation, click the link:

<https://us02web.zoom.us/j/87272233087?pwd=a1R4RjVKeE1nV2FRUVJmRHB4VzJidz09>

For further information, contact the Office of Community Development at 503-846-8814.

PUBLIC HEARING on the Draft FY 2020 CAPER

Followed by the:

PAB MEETING AGENDA

1. (Action) Approval of Minutes, August 12, 2021 Meeting (enclosed)
2. (Action) Approval of Draft 2020 Consolidated Annual Performance and Evaluation Report (CAPER) (enclosed)
3. (Action) Contingency Request, City of Tigard, Frewing Street Sidewalk Infill Project (enclosed)
4. (Info) Miscellaneous and Announcements

- ACTION -

POLICY ADVISORY BOARD (PAB) for the Washington County Community Development Block Grant (CDBG) Program and HOME Investment Partnerships Program, **August 12th, 2021 7:00 pm** via Zoom.

POLICY ADVISORY BOARD MEETING MINUTES

The following persons were present:

PAB REPRESENTATIVES:

Banks	*Stephanie Jones
Beaverton	Javier Mena
Cornelius	*Luis Hernandez
Forest Grove	*Mariana Valezuela
Gaston	*David Meeker
Hillsboro	*Gina Roletto
King City	*Micah Paulsen
North Plains	*Trista Papen
Sherwood	Tim Rosener
Tigard	*Liz Newton
Tualatin	*Bridget Brooks
Washington Co.	*Pam Treece

*Denotes Primaries

OCD STAFF:

Jennie Proctor, Program Manager
Lauren Thomas, Administrative
Specialist II
Ann Hawkins, Housing & Community
Development Specialist

Chair Stephanie Jones called the meeting to order at 7:00 pm.

1. **APPROVAL OF July 8, 2021 MINUTES**

Micah Paulsen MOVED TO APPROVE the July 8th, 2021 MINUTES. Mariana Valenzuela SECONDED. Motion CARRIED. (9 yes, 0 no, 2 abstain, 1 arrived after vote)

2. **HOME APPLICATION CONSTRUCTION COST CHANGES**

The agenda order was changed at the start of the meeting to address the HOME application construction cost changes followed by the HOME application and rating sheet changes.

Ann Hawkins presented the proposed HOME application construction cost changes with the PAB.

The Office of Community Development has recently completed an assessment of development costs associated with current projects. This research has

provided documentation of increasing construction costs within Washington County. The average cost per square foot fall in the range of \$338 - \$430 per square foot.

Currently, the HOME Project Application Guidelines state:

“Most construction per square foot costs, based on recent developments (excluding acquisition and development costs), fall in the range of \$275 to \$301 per square foot. If the project’s construction cost per square foot exceeds \$300, describe what could be considered or implemented to reduce costs and why the costs currently exceed \$300 per square foot.”

In order to accurately reflect the current market trends, we recommend the HOME Project Application Guidelines be modified to state:

“Based on applications from the last several years, construction costs per square foot (excluding acquisition and development costs) fall in the range of \$348 – 430 per square foot. If the cost per square foot exceeds \$430 per square foot, describe what could be considered or implemented to reduce costs and why the costs currently exceed \$430 per square foot.”

It is felt that this change will bring the program parameters in line with real time costs. Ann asked that the PAB approve the proposed changes for the FY 22/23 HOME funding cycle.

Bridget Brooks asked what the drivers are for this increase in construction costs. Ann stated that there are many drivers including labor costs, but this reflects the current market for construction.

Tim Rosener asked if this is driven by supply chain issues due to the pandemic and if this is a temporary bubble. Ann stated that we do not know if this is a temporary bubble or not, and that we can re-address this in the next funding cycle to see if the limit needs to be decreased. Javier Mena stated that it is beyond supply costs, it also is due to increase in labor costs.

The PAB suggested that we remove the range and only state that construction costs should not exceed \$430 per square foot.

Bridget Brooks MOVED TO APPROVE the above proposed changes (with no minimum) to the HOME Project Application Guidelines for use in the FY 22/23 HOME funding cycle and for it to be reviewed again for the following funding cycle. Micah Paulsen SECONDED. Motion CARRIED. (12 yes, 0 no)

3. HOME APPLICATION AND RATING SHEET CHANGES

Ann reviewed the proposed application and rating sheet changes with the PAB. Office of Community Development staff has reviewed the HOME application and rating sheet in preparation for the 2022 – 2023 Program Year. Following conversations with the PAB, staff has revised both documents.

Conversations were held within the Office of Community Development in an effort to expand the scope of the application questions, with Housing Services to align with the Metro Bond application, and with the Washington County Funders Group to ensure alignment with other funding entities. Additionally, questions have been added to reflect the ongoing efforts of the County to address Racial Equity and Inclusion.

The HOME application has been revised to include three sections:

- Summary
 - Description of HOME program
 - Instructions
 - Frequently asked questions
- Application
 - Project Description
 - Financing
 - Equity
 - County Priorities
 - Gaps and Solutions
 - Creativity and Opportunity
- Tables and Exhibits

In addition to the revision of the HOME application, the HOME scoring sheet has also been revised. During previous funding cycles your Board has requested a review of the points system, the allocation, and the flow.

OCD staff has revised the scoring sheet to update descriptions and points allocation. The HOME rating sheet now totals 100 possible points with 30 of those being Objective points assigned by staff and 70 Subjective points awarded by your Board. Twenty (20) percent of the total points are based on the response to the questions related to Equity and Inclusion and will be rated by your Board.

The PAB suggested minor changes to the application questions and rating sheet. These changes will be made in ZoomGrants prior to the application workshop.

Bridget Brooks MOVED TO APPROVE the proposed changes to the HOME Application and Rating Sheet for use in the FY 22/23 HOME funding cycle. Pam Treece SECONDED. Motion CARRIED. (12 yes, 0 no)

4. CDBG AND HOME APPLICATION CYCLE TIMELINES

Ann reviewed the application cycle timelines for CDBG and HOME FY22/23.

Action	Due Date
CDBG Application Proposal Workshop HOME Application Proposal Workshop	August 25, 2021 August 26, 2021
Letter of Intent Due (CDBG only)	September 17, 2021
Application Proposals Due	October 8, 2021
Staff Evaluations Completed & Distributed	January 13, 2022
Sponsor Presentations	January 27, 2022
Policy Advisory Board (PAB) Rates Applications	January 30, 2022
PAB Approves List of Projects	February 10, 2022
PAB Approves Draft Action Plan	April 14, 2022
Board of Commissioners Approves Action Plan	May 3, 2022
Projects Funded – Program Year Begins	July 1, 2022

5. MISCELLANEOUS AND ANNOUNCEMENTS


The next PAB meeting will be on September 16th and will include a public hearing for the CAPER.

Chair Stephanie Jones adjourned the meeting at 8:45 pm.

- ACTION -

DATE: September 8, 2021

To: Policy Advisory Board

FROM: Staff, Office of Community Development 

SUBJECT: Approval of Draft 2020 Consolidated Annual Performance and Evaluation Report (CAPER)

On September 1, 2021, the 15-day public comment period began on the draft 2020 CAPER. Previously, our office provided you with a copy of the Draft CAPER, either electronic or printed depending on preference. We encourage you to bring either format with you to the September 16th meeting.

The Consolidated Plan is carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan. Annually, our office then reports on accomplishments and progress toward Consolidated Plan goals in the CAPER.

On Thursday, September 16th a public hearing on the draft CAPER will be conducted via Zoom in a virtual environment at your meeting. The purpose of the hearing will be to outline the accomplishments of the PY2020, provide a review of the goals and accomplishments for the first year of the 2020 – 2024 Consolidated Plan and provide an opportunity for public comment.

After the public hearing and as part of your regular PAB meeting, staff will take comments or questions from your Board. Following your endorsement, this document will then be sent to the Department of Housing and Urban Development.

STAFF RECOMMENDATION: Your Board endorse the 2020 CAPER for submission to HUD.

- ACTION -

Date: September 16, 2021

To: Policy Advisory Board

From: Staff, Office of Community Development



Subject: Contingency Request, City of Tigard, Frewing Street Sidewalk Infill Project

The City of Tigard was awarded \$425,604 in FY 2019-2020 CDBG funding to construct sidewalks along either side of the street. The project addresses safety concerns by creating a safe place for the approximately 60 elementary, middle, and high school students who are picked up and dropped off at four school bus stops located along Frewing Street.

An initial \$100,000 of this award was contracted for the design and engineering of this project which has now been completed. The design and engineering were required to complete the HUD-required environmental review process which has also now been completed. The Office of Community Development is now ready to contract for the construction of the project.

Due to higher than expected construction costs, the project is \$297,406 over budget. The City of Tigard has committed to contributing approximately 50% of the budget shortfall. They are requesting an additional \$148,703 in CDBG contingency funds to cover a portion of the additional project cost.

The Frewing Street Sidewalk infill project will provide safe and convenient access by providing a continuous sidewalk along one side of SW Frewing Street between SW Ash Avenue and SW Pacific Highway. Currently, pedestrians living in the apartments and single-family homes along Frewing Street are forced to walk in the roadway. The improvements are targeted to provide an equitable and sustainable transportation system promoting the well-being of the community.

The primary contributors to the extra cost are:

- a) Stormwater Infrastructure

The proposed storm line was extended to the southern end of the work area. This was necessary to connect to existing structures, improve water quality, and assist with driveway drainage. The work added several manhole structures and increased the quantity of trench pavement restoration.

b) Price Uncertainty in the Labor and Construction Material Markets

The labor market has declined from the pandemic and now contractors are realizing major delays in acquiring materials because of supply chain constraints. This is creating higher prices for everything from lumber to steel and there are not enough construction workers. Unit prices in the grant application were prepared in December of 2018 generally following the 2018 capital project pricing. Increases to unit pricing is substantial for all of the work.

c) Added Work Scope and Permitting

The completed design added work scope including, mobilization, variable curb types (standard and mountable), concrete walks with retaining walls, striping, stormwater pipe video inspection and construction survey work. Environmental permitting increased to support hydromodification requirements. This requirement was not implemented by Clean Water Services when the city applied for the grant in 2019.

Jeff Peck, Project Manager, City of Tigard, will be present to answer questions.

Recommendation: Staff recommends your Board approve the \$148,703 contingency award to Project #1105 to enable the City of Tigard to complete the Frewing Street Sidewalk Infill Project.

cc: Jeff Peck, City of Tigard

Attachments: Letter from City of Tigard dated 9/2/2021



City of Tigard

September 7, 2021

Jennie Proctor
Program Manager
Washington County Office of Community Development
328 W Main Street, MS#7
Hillsboro, OR 97123

RE: Frewing Street Sidewalk Infill Improvements

Dear Jennie:

We have completed project design and opened construction bids for the Frewing Street Sidewalk Infill project. It appears that total project costs will be higher than originally anticipated. The original project agreement was based on a total project cost of \$484,500. CDBG funding allocated \$100,000 to Design Services and \$325,604 to construction services. The City's match was \$58,896. The projected external project costs are \$622,000 (including an extra work pay item in the amount of \$40,000 for cost above bid quantities). It is possible that construction costs will be lower so we would not need to use the contingency, in which case we would submit vouchers for the lower actual cost.

	Original Budget FY 2019-20	Actual Through FY 2020-21	Proposed FY 2021-22	Overall Budget
Expense				
Internal City of Tigard	\$ 53,000	\$ 56,000	\$ 35,000	\$ 91,000
Total Internal Expense (Paid by COT)	\$ 53,000	\$ 56,000	\$ 35,000	\$ 91,000
Design (FY22 Permitting and Quality Control)	\$ 96,000	\$ 102,000	\$ 20,000	\$ 122,000
Construction	\$ 335,500	\$ -	\$ 582,000	\$ 582,000
Construction Administration	\$ -	\$ -	\$ 20,000	\$ 20,000
Total External Expense (COT and CDBG)	\$ 431,500	\$ 102,000	\$ 622,000	\$ 724,000
Total Expense	\$ 484,500	\$ 158,000	\$ 657,000	\$ 815,000
Revenue				
City of Tigard	\$ 58,896	\$ 56,990	\$ 35,000	\$ 91,990
Community Dev. Block Grant	\$ 425,604	\$ 100,000	\$ 325,604	\$ 425,604
Total Revenue	\$ 484,500	\$ 156,990	\$ 360,604	\$ 517,594
Funding Shortfall (\$815,000 - \$517,594)				\$ 297,406
City of Tigard (50%)				\$ 148,703
Request Community Dev. Block Grant (50%)				\$ 148,703

The primary contributors to the extra cost are:

a) Stormwater Infrastructure

The proposed storm line was extended to the southern end of the work area. This was necessary to connect to existing structures, improve water quality, and assist with driveway drainage. The work added several manhole structures and increased the quantity of trench pavement restoration.

b) Price Uncertainty in the Labor and Construction Material Markets

The labor market has declined from the pandemic and now contractors are realizing major delays in acquiring materials because of supply chain constraints. This is creating higher prices for everything from lumber to steel and there are not enough construction workers. Unit prices in the grant application were prepared in December of 2018 generally following our 2018 capital project pricing. Increases to unit pricing is substantial for all of the work.


c) Added Work Scope and Permitting

The completed design added work scope including, mobilization, variable curb types (standard and mountable), concrete walks with retaining walls, striping, stormwater pipe video inspection and construction survey work. Environmental permitting increased to support hydromodification requirements. This approach was not implemented when the city applied for the grant in 2019.

The City of Tigard has absorbed an additional \$8,000 in project management fees through the design process and expects to incur \$35,000 in construction inspection and administration services, none of this is included in the request for additional funding from the Community Development Block Grant.

We are prepared to share equally in the funding shortfall as identified in the above table and we look forward to making this a great project for the community.

Sincerely,



Jeff Peck
Project Manager