

Humboldt Gardens

October 2008



A Monthly Report



Closing out the Project - Start to Finish



Preface

What is Humboldt Gardens? By December 2008, Humboldt Gardens will open its doors as a new apartment community in North Portland. Prior to the grand opening, a major redevelopment process will have taken place at the site of the current Iris Court cluster.

In October 2005, the Housing Authority of Portland was awarded a second HOPE VI grant from the U.S. Department of Housing and Urban Development. Building upon the successes and lessons learned at New Columbia in north Portland's Portsmouth neighborhood, the \$16.9 million federal grant will anchor this revitalization project in northeast Portland's Humboldt neighborhood.

Today's Iris Court cluster is comprised of four aging public housing developments located adjacent to one another, totaling 101 residential units on five acres. The cluster is outdated and is a poor environment for seniors, families, and especially children. Apartments are not accessible to people with disabilities, and there is a lack of quality outdoor spaces to enable children to be children. The infrastructure, including aging mechanical, electrical and sewer systems, has become a costly long-term maintenance liability. The layout of buildings on the site has created pockets of indefensible space. Design improvements and focused community programs will lead to improved neighborhood safety by building stronger connection among neighbors and creating a greater sense of community.

The redevelopment program, based upon the HOPE VI grant application, outlines a series of physical transformations and services for residents and the community:

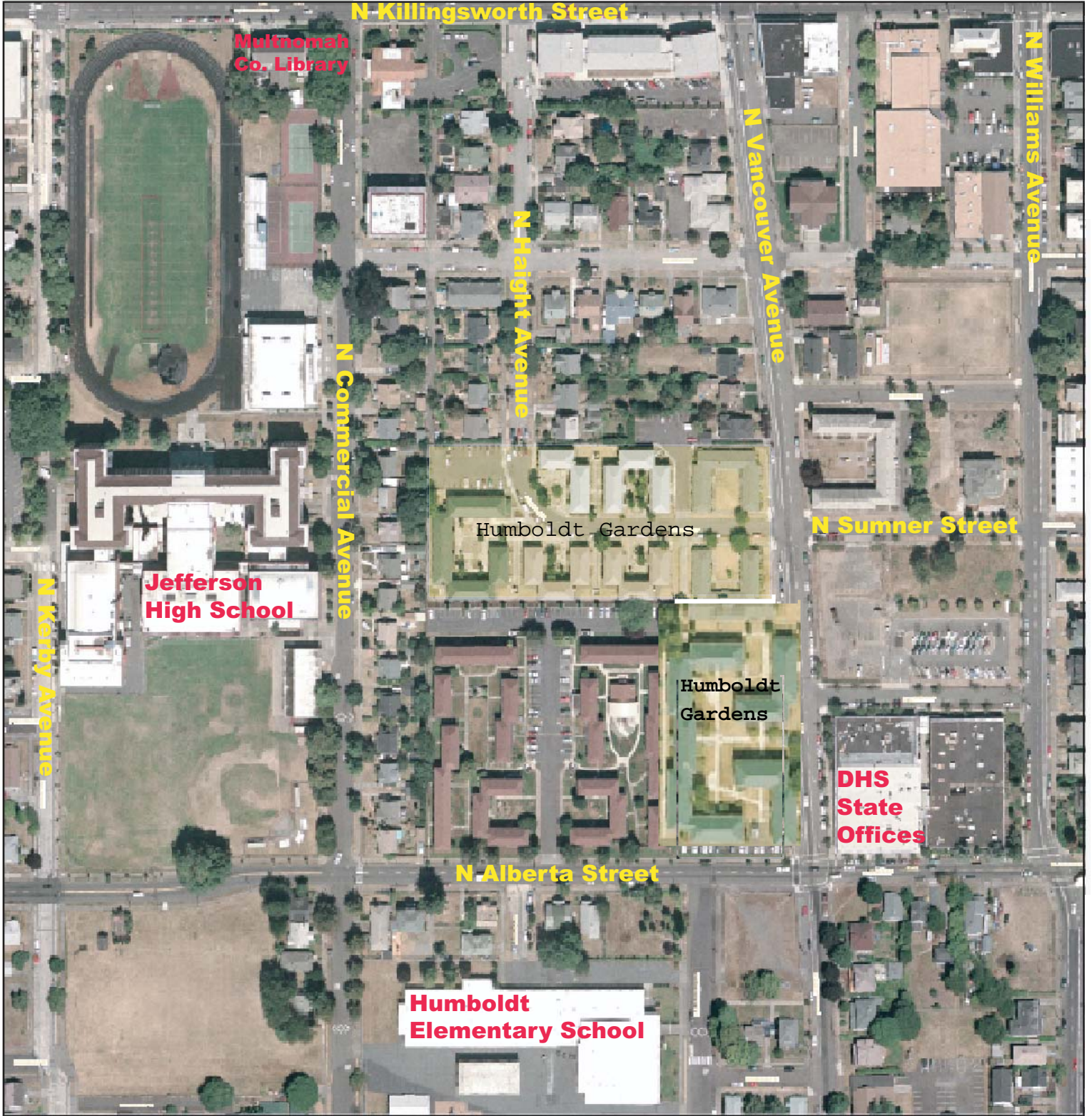
- Current residents will receive relocation and community services before, during and after relocation. On-going Community and Supportive Services (CSS) will help promote housing self-sufficiency.
- A master planning process, with opportunities for community involvement into the design of buildings and outdoor spaces, will result in the construction of a mix of apartments on-site.
- A mixed use building will include rental housing above and ground floor space reserved for a Neighborhood Network Center (computer and internet access), a Head Start Center, a Community Policing contact office, and a management office.
- **21** off-site opportunities for homeownership will be developed in Humboldt and adjacent northeast neighborhoods with homes priced to be affordable to households at or below 80% of the area median family income.
- Construction and professional service contracting will result in at least 20% participation by targeted (DMWESB) businesses. HAP will support the City's workforce goals and actively promote the employment of HAP residents, women, minorities, and residents of north and northeast Portland in construction and non-construction jobs.

On-site resident services started December 2005 and a project Community Advisory Committee will convene during February 2006. In order to meet HUD's requirement for construction to begin no later than 18 months after the grant award, community design workshops will be underway by March 2006. Relocation is anticipated to occur from June through November 2006. Building construction will begin no later than July 2007. Final construction is anticipated to be complete by December 2008.

Why this Monthly Report? HAP is committed to conducting every aspect of this redevelopment effort with the utmost care for the existing residents, respect for the surrounding community, and with the professionalism, creativity and quality to ensure a quality built environment for many years to come. To this end, HAP has created a system of project controls that enable managers of the Humboldt Gardens project and the leadership of HAP to receive critical management information on a regular basis. One aspect of this system is the Monthly Report.

Each month, HAP produces this report to provide a snap shot of critical budget and schedule information. This report also contains narrative information on each of the projects components and description of the up-coming critical milestones.

**Portland Community College,
Cascade Campus**
north of Killingsworth ↑



Iris Summary Sources and Uses

Source Of Funds	Permanent Period	Construction Period	Amount Drawn	% Drawn	Balance To Draw	Notes
Inside Partnership						
Tax-Exempt Bond Debt	990,000	17,618,136	16,397,288	93.07%	1,220,848	
HAP GP Support - Omnibus Loan A	531,633	-	-		-	
HAP Loan of HOPE VI Funds - Omnibus Loan B	14,742,073	10,232,728	9,726,687	95.05%	506,041	
HAP Loan of City Support - Omnibus Loan C	1,437,000	1,437,000	1,145,209	79.69%	291,791	
HAP Non-PH Sources - Omnibus Loan D	2,382,407	884,890	1,016,082	114.83%	(131,192)	
HAP BETC - Omnibus Loan E	75,000	75,000	39,425	52.57%	35,575	
HAP Deferred Developer Fee	163,612	163,612	163,612	100.00%	-	
LP Equity	14,301,000	755,800	755,800	100.00%	-	
HAP Equity	100	100	100	100.00%	-	
Project Sources - Lot Sale Proceeds	-	-	-		-	
Project Sources - GIC Income	385,000	385,000	569,870	148.02%	(184,870)	
Project Sources - Interest Income	-	-	768		(768)	
Project Sources - NOI	-	-	-		-	
Project Sources - Short Term Debt	-	-	262,981		(262,981)	
Subtotal - Inside Partnership	35,007,825	31,552,266	30,077,822	95.33%	1,474,444	
Outside Partnership						
HUD HOPE VI Grant	2,153,455	2,153,455	1,148,276	53.32%	1,005,179	
City Funds	563,000	563,000	570,869	101.40%	(7,869)	
HAP Source #1 - NC Lot Sale Proceeds	417,593	417,593	465,530	111.48%	(47,937)	
HAP Source #2 - Investment of Developer Fee	2,092,169	2,092,169	141,948	6.78%	1,950,221	
Real Estate Sale Proceeds	250,000	250,000	250,000	100.00%	-	
Fund Raising	-	-	225,872		(225,872)	
Short Term Loan	-	-	568,383		(568,383)	
Subtotal - Outside Partnership	5,476,217	5,476,217	3,370,878	61.55%	2,105,339	
Total Project Sources	40,484,042	37,028,483	33,448,700	90.33%	3,579,783	

Use Of Funds	Permanent Period	Construction Period	Amount Incurred	% Incurred	Remaining Budget	Notes
Inside Partnership						
Acquisition Costs	-	-	-		-	
Demolition and Abatement Costs	1,793,855	1,793,855	1,673,883	93.31%	119,972	
Construction, Sitework, FF & E	23,045,578	23,045,578	22,969,847	99.67%	75,731	
Development Costs, Studies, Reports & Permits	1,003,100	1,003,100	1,154,690	115.11%	(151,590)	
Contracted Services & Fees	5,931,021	3,188,419	6,087,117	190.91%	(2,898,698)	
Financing and Interest Charges	1,608,437	1,608,437	1,174,623	73.03%	433,814	
Reserves, Organizational Costs & Start-up	1,625,835	912,878	131,904	14.45%	780,974	
Subtotal - Inside Partnership	35,007,826	31,552,267	33,192,064	105.20%	(1,639,797)	
Outside Partnership						
CSS Activities	1,720,000	1,720,000	899,230	52.28%	820,770	
Management Improvements	-	-	-		-	
Administrative Costs	1,875,000	1,875,000	1,937,260	103.32%	(62,260)	
Project Contingency and Reserves	1,118,217	1,118,217	-	0.00%	1,118,217	
Property Disposition & Homebuyer Support	563,000	563,000	622,596	110.59%	(59,596)	
Relocation Administration & Expense	200,000	200,000	265,494	132.75%	(65,494)	
Subtotal - Outside Partnership	5,476,217	5,476,217	3,724,580	68.01%	1,751,637	
Total Project Uses	40,484,043	37,028,484	36,916,644	99.70%	111,840	
LESS: Accrued Developer Fee			(2,742,602)			
Accounts Payable			(201,560)			
Retention Payable			(686,665) *			
Adjusted Project Uses			33,285,816			

Financing Surplus or (Deficit)

162,883

* This is a new category to reflect the amount that has not yet been paid.

HUMBOLDT GARDENS CONTRACT SUMMARY

Project Manager	Contract #	Description	Scope	File #	Original Contract	Contract Changes	Current Contract	Incurred Sept 2008	Target Business Percent
Theresa Auld	IR0001	CSG Advisors	financial advisor services	3040	\$120,000	\$0	\$120,000	\$40,630	
Julie Livingston	IR0002	Michael Willis Architects	design services	3050	\$1,300,000	\$50,000	\$1,350,000	\$1,305,414	20% goal
Julie Livingston	IR0003	KPFF	survey work	3020	\$14,600	\$0	\$14,600	\$11,775	
Julie Livingston	IR0004	Parametrix	Phase 1 environ assessmt	3010	\$99,000	\$0	\$99,000	\$77,830	
Julie Livingston	IR0013	Parametrix	environmental assessment	3140	\$120,079	\$0	\$120,079	\$53,114	
Julie Livingston	IR0005	Ash Creek Associates	geotech	3030	\$8,300	\$0	\$8,300	\$16,794	100%
Mary Bradshaw	IR0006	Housing Devel Center	cost estimates scattered sites	3110	\$7,000	\$0	\$7,000	\$10,513	
Theresa Auld	IR0007	Marsha Steffen	assist w/ property mgmt plan	3060	\$12,000	\$0	\$12,000	\$11,450	
Lewis Lyles/ John Manson	IR0008	Walsh/C.J. Jackson	CM/GC - Preconstruction Svs	3080	\$330,885	\$51,181	\$382,066	\$386,197	35% goal
Lewis Lyles/ John Manson	IR0008A	Walsh/C.J. Jackson	CM/GC - Demolition/Abatement	3080	\$2,045,579	\$140,712	\$2,186,291	\$2,934,063	35% goal
Lewis Lyles/ John Manson	IR0008B	Walsh/C.J. Jackson	CM/GC - Right of Way	3080	\$1,335,370	\$0	\$1,335,370	\$3,178,740	
Lewis Lyles/ John Manson	IR0008C	Walsh/C.J. Jackson	CM/GC - Housing & Site Work	3080	\$20,059,051	\$0	\$20,059,051	\$17,429,777	
Chrissy McCausland	IR0009	Susan Cohen, Esq.	tech assist on relocation	3070	\$5,000	\$0	\$5,000	\$0	
Chrissy McCausland	IR0010	Paul Parker Consulting	public information writing svcs	C0010	\$135	\$0	\$135	\$135	
Chrissy McCausland	IR0011	Eastside Van & Storage	moving services	3090	\$20,000	\$0	\$20,000	\$14,508	
Chrissy McCausland	IR0012	Lile International Cos.	moving services	3100	\$20,000	\$0	\$20,000	\$5,864	100%
Mary Bradshaw	IR0014	Carmen Schleiger	environ reports scattered sites	3120	\$12,033	\$0	\$12,033	\$12,994	
Theresa Auld	IR0015	Johnson Gardner	market analysis	3130	\$10,000	\$0	\$10,000	\$10,045	
Lewis Lyles/ John Manson	IR0016	PSI Professional Services	inspections/testing	3025	\$22,919	\$13,000	\$22,919	\$29,144	
Lewis Lyles/ John Manson	IR0017	PBS Environmental	abatement, soil testing, etc.	3230	\$65,390	\$150,000	\$215,390	\$123,525	
Theresa Auld	IR0018A	Foster Pepper	legal Consulting	3150	\$250,000	\$0	\$250,000	\$91,458	
Theresa Auld	IR0018B	Ballard Spahr	legal Consulting	3150	\$35,000	\$0	\$35,000	\$66,653	
Rick Teegarden	IR0019	Cochran Broadway	cable/electrical	C0019	\$5,000	\$0	\$5,000	\$9,122	
Michael Buonocore	IR0020	Bowman Consulting	resident/community outreach	C0020	\$5,000	\$0	\$5,000	\$1,575	
Erik Fabian	IR0022	IRCO International Language Bar	translation	C0022	\$10,000	\$0	\$10,000	\$139	
Erik Fabian	IR0023	Andalex / Telelanguage Inc	translation	C0023	\$10,000	\$0	\$10,000	\$406	

HUMBOLDT GARDENS-TARGETED BUSINESS - OCTOBER 2008

Businesses	Sub Of	Current Budget	Incurred	% Incurred	MBE	WBE	ESB	DBE	Office Location
Personal Services									
ABHT Structural Eng'rs.	Michael Willis Architects	\$ 160,250	\$ 160,430	100%	\$ 160,250				NW Pdx
MacDonald Environmental	Michael Willis Architects	\$ 58,585	\$ 45,658	78%		\$ 58,585			SW Pdx
The Bookin Group	Michael Willis Architects	\$ 18,433	\$ 18,272	99%		\$ 18,433			SW Pdx
Anderson Krygier, Inc.	Michael Willis Architects	\$ 27,820	\$ 24,400	88%		\$ 27,820			
Multnomah Tree Experts	Michael Willis Architects	\$ 425	\$ 400	94%			\$ 425		
Heritage Research Assoc.	Parametrix	\$ 4,914		0%		\$ 4,914			Eugene
TW Environmental	Parametrix	\$ 5,669	\$ 3,535	62%		\$ 5,669			NE Pdx
Wanamaker	Parametrix	\$ 16,335	\$ 9,737	60%		\$ 16,335			NE Pdx
Ash Creek Associates	Prime	\$ 15,444	\$ 16,794	109%		\$ 15,444			Beaverton
Lile International	Prime	\$ 20,000	\$ 5,864	29%		\$ 20,000			Tualatin
Counterpoint Consulting	Prime	\$ 3,000	\$ 1,440	48%		\$ 3,000			SW Pdx
Christine Rains Graphic Design	Prime	\$ 10,000	\$ -	0%		\$ 10,000			SW Pdx
Manda Beckett Design	Prime	\$ 2,000	\$ 520	26%		\$ 2,000			NE Pdx
Action Words	Prime	\$ 3,000	\$ -	0%		\$ 3,000			N Pdx
Tevlin Strategic Communication	Prime	\$ 6,000	\$ -	0%		\$ -	\$ 6,000		SW Pdx
Gabriele Development	CSG Advisors	\$ 6,520	\$ 6,520	100%		\$ 6,520			NW Pdx
Lab/Cor Portland, Inc.	PBS Environmental	\$ 5,260	\$ 5,260	100%	\$ 5,260				SW Pdx
					\$ 165,510	\$ 191,720	\$ 6,425		
Subtotal		\$ 363,655	\$ 298,830	82%					
		\$ 2,242,137		16%					
Construction									
Pre-Construction Services									
C.J. Jackson Construction	Partner w/ Walsh Constr.	\$ 3,192,706	\$ 3,149,112	99%	\$ 3,192,706				NE Pdx
FM Burch & Associates	AP Prof	\$ 20,842	\$ 20,842	100%	\$ 20,842				NE Pdx
Montesi & Assoc. (J. Colon)	AP Prof	\$ 25,656	\$ 25,656	100%	\$ 25,656				NE Pdx
A2 Fabrication	Walsh	\$ 24,512	\$ 24,512	100%		\$ 24,512			NE Pdx
Academy Specialties	Walsh	\$ 49,090	\$ 49,090	100%		\$ 49,090			SE Pdx
Alcantar & Associates, LLC	Walsh	\$ 28,220	\$ 28,220	100%			\$ 28,220		N Pdx
B&K Sheetmetal	Walsh	\$ 310,293	\$ 293,835	95%			\$ 310,293		NE Pdx
Buffalo Welding	Walsh	\$ 423,678	\$ 423,678	100%	\$ 423,678				N Pdx
CEC Services	Walsh	\$ 52,678	\$ 52,678	100%	\$ 52,678				N Pdx
Classique Floors	Walsh	\$ 44,318	\$ 41,963	95%		\$ 44,318			Pdx
Coast Industries, Inc.	Walsh	\$ 131,391	\$ 131,391	100%	\$ 131,391				NE Pdx
Courtesy Janitorial	Walsh	\$ 21,954	\$ 18,956	86%	\$ 21,954				Pdx
Crown Fire Systems, Inc.	Walsh	\$ 216,371	\$ 205,553	95%	\$ 216,371				SE Pdx
Edwards Painting	Walsh	\$ 127,667	\$ 103,969	81%			\$ 127,667		Oregon City
Evergreen dba Island Landscape	Walsh	\$ 42,657	\$ 40,524	95%	\$ 42,657				NE Pdx
Faison Construction	Walsh	\$ 363,141	\$ 341,800	94%	\$ 363,141				NE Pdx
Green Art Landscape	Walsh	\$ 339,489	\$ 313,718	92%	\$ 339,489				Hillsboro
Kodiak Benge Construction	Walsh	\$ 464,962	\$ 441,714	95%	\$ 464,962				Tualatin
Low Voltage Construction	Walsh	\$ 103,934	\$ 98,737	95%	\$ 103,934				NE Pdx
M&M Construction Services, Inc.	Walsh	\$ 974,036	\$ 925,335	95%			\$ 974,036		Gresham
MSD Construction	Walsh	\$ 61,811	\$ 58,720	95%	\$ 61,811				Aloha
Northwest Masonry Restoration	Walsh	\$ 73,020	\$ 69,369	95%			\$ 73,020		Gresham
Point Monitor Group	Walsh	\$ 82,525	\$ 78,399	95%			\$ 82,525		Beaverton
Professional Minority Group	Walsh	\$ 177,921	\$ 177,921	100%	\$ 177,921				Oregon City
Ramos Landscape, Inc.	Walsh	\$ 17,453	\$ 17,453	100%	\$ 17,453				Cornelius
Salem Striping and Curbing	Walsh	\$ 5,587	\$ 5,308	95%	\$ 5,587				Salem
Tom Nelson & Associates	Walsh	\$ 4,750		0%			\$ 4,750		Pdx
Union Construction	Walsh	\$ 825,033	\$ 783,990	95%	\$ 825,033				Pdx
Vancouver Paving Co.	Walsh	\$ 70,480	\$ 64,548	92%		\$ 70,480			SE Pdx
WCTJ Painting	Walsh	\$ 191,796	\$ 182,205	95%	\$ 191,796				NW Pdx
Ampere Electric	Suppliers and 2nd Tier Subs	\$ 957,089	\$ 909,235	95%	\$ 957,089				SE Pdx
Champion Sweeping	Suppliers and 2nd Tier Subs	\$ 1,050	\$ 1,050	100%	\$ 1,050				NE Pdx
EI Hispanic News	Suppliers and 2nd Tier Subs	\$ 149	\$ 149	100%	\$ 149				NE Pdx
G & L Janitorial	Suppliers and 2nd Tier Subs	\$ 31,112	\$ 31,112	100%			\$ 31,112		NE Pdx
Jo'Rita Bishop	Suppliers and 2nd Tier Subs	\$ 7,768	\$ 7,768	100%		\$ 7,768			NE Pdx
City of Roses Disposal & Rec.	Suppliers and 2nd Tier Subs	\$ 45,001	\$ 45,001	100%	\$ 45,001				N Pdx
NGT Construction	Suppliers and 2nd Tier Subs	\$ 66,560	\$ 66,560	100%		\$ 66,560			Washougal, WA
TA Onchi, LLC	Suppliers and 2nd Tier Subs	\$ 463,581	\$ 463,581	100%	\$ 463,581				SE Pdx
Subtotal		\$ 10,040,281	\$ 9,693,652		\$ 8,145,930	\$ 262,728	\$ 1,631,623		
Total Target Business PTE		\$ 363,655	\$ 298,830						
Total Target Business PTE/CONS		\$ 10,403,936	\$ 9,992,482		\$ 8,311,440	\$ 454,448	\$ 1,638,048		\$ 10,403,936
Total % of Target Business utilization				96%					

Although many of the utilized firms are certified in more than one category, they are tracked here in only one category.

The hierarchy is as follows: Minority-owned, Women-owned; and then if not counted in either of the two previous categories:

Emerging Small Business, and Disadvantaged Business Enterprise

NARRATIVES

Executive Summary

❖ Closing out the Project –

- Construction Team -
 - Working with Walsh Construction to complete the final accounting. This process is anticipated to be completed no later than November 2008
 - Routine radon gas testing is scheduled for completion in December 2008
- Accounting and Development Team
 - The final reporting to HOPE VI is in progress
- Asset Management
 - The project is 95% leased
 - The retail space is still vacant
- Community Support Services
 - The staff will continue to work with families to ensure that the families are partnered with the appropriate services and programs
- Community Relations
 - Researching the process to apply for an AIA HUD award
 - The first of 3 required HUD Warranty inspections begins in October
 - John Keating is setting up a visit for the Regional Arts and Culture Council to collaborate about potential public art projects for the projects \$30,000 art allocation
 - Oregon Association of Minority Entrepreneurs (OAME) requested that HAP speak at an event regarding the success of the targeted business participation

PLANNING & DESIGN

Work In Progress:

- Design phase submittal for LEED certification. Mixed-use building expected to receive LEED-NC Gold certification.
- Post-construction submittal for Enterprise Green Communities Initiative grant.

CONSTRUCTION MANAGEMENT

WORK COMPLETED:

- Humboldt Gardens Opening Celebration September 9, 2008.

WORK IN PROGRESS:

- Contract close in process.

COMMUNITY & SUPPORT SERVICES (CSS)

NEXT 30 DAYS:

- CSS staff will be working with families who have re-occupied Humboldt Gardens as well as new families, helping them to be successful tenants.
- CSS staff will continue to work with John Keating to make linkages between families and the schools. This includes continuing to work with Humboldt School and Head Start.
- CSS staff will work with the on-site community builder to be sure that residents benefit from on-site activities and available community resources.
- CSS staff will work to implement OHI and be sure that OHI families are successfully participating in self-sufficiency activities.
- CSS staff will continue to work with the Bridges to Housing program to support that program's success.

COMMUNITY RELATIONS

LAST 30 DAYS:

- Two large tour groups from California gathered at Humboldt Gardens during September. A 40-member group from San Francisco was hosted by Enterprise Foundation, including Mayor's office staff, architects and developers working on four "HOPE-like" redevelopments of public housing. The group toured Seattle the day prior and both New Columbia and Humboldt Gardens while in Portland. The 2nd group include over 30 members of the Los Angeles Housing Authority, including over a dozen residents of public housing. LA is looking at major redevelopments with the anticipation of future HOPE VI funding.

NEXT 60 DAYS:

- A public art process will soon be launched at Humboldt Gardens with the assistance of the Regional Arts and Culture Council and the development's "Per Cent for Art contribution."