



**HOUSING DEVELOPMENT  
CORPORATION**  
of Washington County

220 SE 12<sup>th</sup> Ave., Suite A-100 • Hillsboro, Oregon 97123  
(503) 693-2937  
Fax: (503) 693-4639

July 18, 2000

Mr. Leon Laptook, Deputy Director  
Community Action Organization  
1001 SW Baseline Street  
Hillsboro, OR 97123

RE: CAO Letter of Support for CFC Application by the  
Housing Development Corp. of Washington County (HDC)  
For Jose Arciga Apartments (farm worker housing)

Dear Leon:

On behalf of our Board and staff, I would like to express my appreciation to the Community Action Organization for its support over the years to the HDC, and for its continuing services to farm worker families and very low-income Latinos. After speaking to Renee Bruce sometime earlier, I am delighted that we are exploring ways to empower farm worker spouses through training to establish home-based child care businesses or to obtain certification to work in child care programs. (We should know from the Ms. Foundation in September if we are invited to apply for program funding in October.)

I would also like to request your help for the HDC as we prepare our application to the State of Oregon for tax credit financing of our newest farm worker family housing project, the Jose Arciga Apartments. This is a 50-unit, scattered-site project in which multi-family housing will be built on three sites – two in Forest Grove, and one in Cornelius. All told, approximately 250 people will be provided with safe, affordable housing. Most of them will be children.

I would appreciate if you could provide a letter of support that we will attach to the HDC's application in the upcoming Consolidated Funding Cycle (CFC). We would appreciate receiving your letter at the HDC office no later than August 4, so that it may be included in the application when we mail. To assist you, I have provided a sample letter that you may wish to adapt, as well as a brief summary of the Jose Arciga Apartments project.

Letter to Leon Laptook, Community Action Organization  
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Should you have questions, please don't hesitate to contact our developer, Sharon Nielson of The Nielson Group, at 973-1916, or Pilar Kleier at the HDC (693-2937). I will be out of town until August 10, and will be able to return calls then.

Many thanks for your support!

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Linda Netherton".

Linda Netherton, Co-Executive Director

CC: Sharon Nielson, Pilar Kleier

Enclosures

(Your Agency Letterhead)

(Date)

Ms. Linda Netherton, Co-Executive Director  
Housing Development Corporation of Washington Co. (HDC)  
220 SE 12<sup>th</sup> Ave., Suite A-100  
Hillsboro, OR 97123

RE: Support for HDC's CFC Application, Jose Arciga Apartments

Dear Linda:

It is a pleasure to have the opportunity to express the support of Community Action for the HDC's proposed Jose Arciga Apartments project.

Community Action has been a long-standing partner of the HDC, providing the staff support to enable the HDC to build farm worker housing until 1995, when it hired its first staff members. CAO provides needed services to farm workers and other very low-income families, including helping HDC residents with emergency rent assistance, and Head Start and Migrant Head Start programs. In addition, the HDC and CAO are exploring a collaboration to provide training to farm worker spouses. This training would enable them to establish home-based child care businesses or to become certified to work in child care programs.

I very much support the construction of the Jose Arciga Apartments because it will meet a community need for safe, affordable housing for very low-income families, especially farm worker families. By offering families important services on-site, and a stable, healthy place to live at a price that is affordable relative to family income, the HDC is working toward the alleviation of poverty. This is supportive of the CAO mission.

By providing needed services such as literacy and ESL programs, the HDC is empowering people through the acquisition of language skills so essential to finding decent jobs and becoming part of the larger community. Moreover, the availability of on-site community rooms and meeting facilities helps organizations like CAO to more easily reach out to families in need.

Please feel free to attach this letter to your application, and I wish you the very best in securing financing. Should the state have questions, I am available at 598-6523.

Sincerely yours,

Leon Laptook, Deputy Director

Jerralyn Ness, Executive Director



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**THE JOSE ARCIGA APARTMENTS**

*A new affordable apartment project  
for farm worker families in western Washington County*

Named in memory of a child resident,<sup>1</sup> *the Jose Arciga Apartments* is a \$6.2 million medium-density, high-quality multi-family housing project located close to jobs and needed services for larger-than-average, farm-worker families. Comprised of 50 family apartment units, this scattered-site project includes 10 units reserved to migrant families, perhaps the most needy and underserved population in Washington County. The Arciga Apartments address state concerns about the inadequacy of migrant farm worker housing, as well as addressing metropolitan area goals for distribution of affordable housing across jurisdictions, energy efficiency, and use of smaller sites for in-fill housing.

**Location.** Fifteen units will be located at the Cornelius site, and 35 units will be located on two sites in Forest Grove. All sites are close to nurseries, Christmas tree operations, wineries and vineyards, berry farms, and other, smaller employers of agricultural workers. Moreover, all sites are within easy walking distance to grocery stores, clinics and hospitals, schools, parks, and public transportation.

**Unit size:** Farm worker families average 3 children per family and face especially great challenges finding safe, affordable housing suitable to family size. The Jose Arciga Apartments will address the special needs of farm worker families for larger housing units as follows: 22 units will feature two bedrooms, 23 units will feature three bedrooms, and 5 units will feature 4 bedrooms. The distribution of unit sizes in this project mirrors the proportions of two, three and four-bedroom units in the HDC's current portfolio of 183 units for two reasons: the projected birth rates among Latinos and farm worker families are the same now as at the time of construction of earlier projects, and the HDC's current portfolio has maintained 100% occupancy to the present, as well as waiting lists. Clearly market demand supports the need for units in these sizes.

**Innovative features:** The Jose Arciga Apartments will feature integrated, natural gas-fired domestic hot water and centralized, hydronic heating. Heating costs will be assumed by the

<sup>1</sup> Jose Arciga, aged 7, died in December, 1999 of congenital birth defects caused by his mother's exposure to pesticides during her pregnancy.

## ***The Jose Arciga Apartments, July 10, 2000***

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owner and significant savings are anticipated due to centralization and the lower/therm costs of natural gas compared with electricity.

This approach was chosen based on the experiences of the HDC and other community housing development corporations. We have found that very low-income families are much more likely than others NOT to use wall heaters in winter months. Farm worker families, typically at 30% of median family income (MFI), have great concern about keeping utility costs low because they may have to choose between heating and eating. Many wall heaters and fans intended to keep units dry go unused in winter months or are disconnected by residents, creating mold and mildew damage to walls and windows, health risks and reconnection costs.

We believe that inclusion of heating costs in rent will not result in unusual utility usage levels. The HDC's analysis of utility usage rates at its oldest project, Elm Park Apartments, where utilities are included in rent, shows normal usage levels and costs in line with area utility allowances. Thus, the HDC believes that a new heating approach, with costs included in rent, will better assure comfort and peace of mind for these families in winter months as well as lowering the operating costs to maintain the units.

Amenities: Based on a recent survey of current residents, whose profile is the same as that of the market for the Arciga Apartments, residents want, and will use, opportunities for English language classes and health programs (e.g.), opportunities for special programs benefiting children and youth (e.g. Boy Scouts and Girl Scouts), opportunities to plant vegetables and berries for household consumption, and places for children to safely play outside within easy view of parents. For these reasons, the Jose Arciga Apartments will offer what prospective residents will want and use. Each site will feature its own Learning Center for classes and special programs, a Residents Community Garden, and a fenced Tot Play Area adjacent to the Laundry Room.

Financing: The HDC has secured \$523,000 in HUD/HOME funds via Washington County toward the costs of this project, and will be submitting the project for LIHTC funding via the Fall Consolidated Funding Cycle. Other funding sources to be sought include: OAHTC, Trust Fund/HELP, Farm Worker Housing Tax Credit, Farm Worker Property Tax Exemption, and the Oregon Migrant Farm Worker Housing Grant ("Migrant Million").

A proven team: **Doug Longhurst, MBA** is the HDC's Co-Executive Director for Project Development and Management, and will lead the development, design and construction team described below. Mr. Longhurst has served for the immediate past 10 years as a member of the HDC's Board of Directors, and in the past three years, as the President of the Board. During his tenure, as a key board leader, he worked closely with HDC staff through all construction projects, including Cornelius Park in 1993 (Rural Development/USDA-financed), through 1999 construction and lease-up of Montebello Apartments (LIHTC-financed).

Doug not only has the educational background (BA Economics, MBA), but in his capacity as Pacific University's Assistant Vice-President for Campus Planning and Facilities, he has

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worked for nearly a decade at Pacific University managing campus master planning, multi-million dollar construction projects and facilities. During this time he also served as a member of the Forest Grove Planning Commission for 4 years. He has an excellent network of business contacts in the construction and professional services sectors of the Northwest.

**Sharon Nielson of the Nielson Group** (formerly of Housing Partners) will be the developer for this project. Sharon has over nine years of affordable housing development experience, including four years serving as owner representative to the development process for a housing and social service nonprofit. In addition, Sharon has four years working for a local government agency coordinating the financial structuring and development of housing on behalf of selected agencies, including packaging and underwriting the local equity gap financing.

Sharon has been involved in the development of over 550 units of multi-family housing utilizing multiple financing sources including: Low Income Housing and Historic Tax Credits, government grants, and conventional permanent and construction loans. Many of these projects have successfully incorporated street-level commercial space, requiring the negotiation of commercial leases and the coordination of the residential and commercial uses throughout the development process. Additional professional history consists of over ten years in the management of a variety of nonprofit organizations.

Sharon is particularly successful in utilizing her nonprofit management expertise and her understanding of and respect for the capacity and mission of community nonprofit agencies to assist these owners in identifying finance and management issues and crafting finance structures and management plans which meet the needs of lenders, investors, and residents.

The firm of **Graham, Eberle Norman & Associates, AIA**, the HDC's architects and planners for the highly successful Montebello Apartments project, will be the architects and planners for this project. Over the last 7 years, GEN has successfully completed six tax-credit funded projects in Oregon and is very familiar with the process and requirements for this funding source. Every tax credit project in which it participated was selected by the state for funding. GEN has worked in the Portland area for the last 15 years. While a relatively small firm of ten professionals, it is multi-disciplined and offers an unusually wide spectrum of services, including a landscape architect and planner, and a full service interior design department. The firm is structured to provide a high level of principal involvement on every project.

**Seabold Construction Company**, the HDC's construction firm for the HDC's highly successful Montebello Apartments project, is providing construction consultation and will be the preferred builder for this project. Over the past 15 years, Seabold Construction has completed over 450 projects ranging in size from \$5,000 to over \$7 million. Seabold has had a broad range of construction experience including residential, multi-family, retail, tenant improvements, commercial and industrial projects. Over the last several years it has made a commitment to affordable housing, including farm worker, senior and assisted living housing. It has successfully completed 23 affordable housing projects ranging in size from 19 to 88 units and ranging in value from \$1 million to \$4 million.