WELCOME

## PNW RURAL RENTAL PRESERVATION ACADEMY

Property Management and Disaster Preparation and Resilience

August 4, 2021



## LAND ACKNOWLEDGEMENT



## **OUR VISION**

A country where home and community are steppingstones to more.

3700

## **OUR MISSION**

To make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all.





## **OUR PARTNERS**



JPMORGAN CHASE & CO.



### **OREGON HOUSING** and **COMMUNITY SERVICES**







## **TOP 5 REASONS TO BE READY TO RESPOND**

- 1. Reduce risk to valuable building assets and reduce repair and replacement costs.
- 2. Reduce risk to residents, especially vulnerable residents, reducing injury, ensuring safety, and maintaining habitability of units.
- 3. Ensure continuity of business line during an emergency, reducing loss of revenue and mitigating business interruption.
- 4. By instituting protocols to track expenses during an emergency you can shorten expense reimbursement time from insurance companies and public funding support.
- 5. Establish confidence in property management





## **READY TO RESPOND TOOLKIT**

- Evacuation Tracking Sheet The Evacuation Tracking Sheet allows housing owners and property managers to track the evacuation of residents.
- <u>Go Bag Checklist for Residents</u> a visual guide to help residents self-prepare for evacuation. It includes a list of essential items residents should keep easily accessible should evacuation be necessary.
- Building Emergency Kit Guide This guide will help you pick tools and supplies needed to assemble and maintain a Building Emergency Kit.
- Portfolio Protect This tool offers users the ability to identify highest risk properties and offers recommendations and resources to help minimize potential harm to your property or properties and keep residents' homes safe.
- <u>Wildfire Safety-</u> Learn how to prepare your household and community to combat Wildfire season before, during, and after one occurs.
- Enterprise Multifamily Strategies for Multifamily Resilience This strategic planning tool details extensive information regarding *Disaster Preparedness for Affordable Housing* Organizations.



← → C ( businesscontinuity.enterprisecommunity.org/?\_ga=2.102314113.103117699.1628011572-1371992086.1580247730

### Business Continuity Toolkit for Affordable Housing Organizations

### ARE YOU READY TO RESPOND?

Disaster can strike at any time, and a poorly managed response can put property and lives at risk.

This Toolkit equips **multifamily affordable building owners & managers** with a plan to address crisis.



Watch the video or scroll down to learn more.



Do you know the risks of climate on your housing portfolio?



### **Create Your Business Continuity Plan**



CREATE YOUR PLAN
🚺 Orient Your Team Leader
2 Build Your Team
3 Practice Your Response
SUPPORTING TOOLS & RESOURCES
Document Library
Readiness Planning Case Studies
Portfolio Protect Property Risk Rating Tool
Single Family Housing Keep Safe Guide
Multifamily Housing Strategies for Resilience

🏠 73°F Polluted air へ 🥌 🗐 🏆 🖤) 8/3/2021

## **YOUR GO BAG CHECKLIST**

### **READY TO RESPOND**





- Resident Engagement Team Leader Tool
- Essential items residents need in the event of an evacuation
- Encourages residents to selfprepare

## Your Go Bag Checklist

A Go-Bag is a collection of essential items you will need in the event of an evacuation. The bag can be any kind of portable, durable container like a backpack, duffle bag, or suitcase on wheels. Go Bags should be easily accessible so you can grab them quickly in the event of an emergency.

Go Bag Checklist: This is a recommended list you can customize to meet your individual needs.



## **READY TO RESPOND TOOLKIT-POST DISASTER**

- Building a Health-focused Recovery and Reconstruction After Disasters This guide considers how to incorporate health-focused support in our disaster planning and recovery efforts
- <u>A Field Guide for Flooded Home Cleanup</u> Guide to addressing mold in flooded homes following a major flooding event before starting to build or renovate.
- <u>Clean Up Safely After a Disaster</u> Take steps to protect yourself and your loved ones during your cleanup after a hurricane, flood, or other natural disaster. Follow our cleanup tips and monitor your radio or television for up-to-date emergency information.
- Staying Safe in the Immediate Aftermath of a Disaster Use these tips to help remediate damage caused during a disaster.



### **READY TO RESPOND**

## **Strategies for Multifamily Building Resilience**



**STRATEGIES** FOR BUILDING RESILIENCE

www.EnterpriseCommunity.org/readytorespond



# MULTIFAMILY



## Enterprise

» Seal all cracks and openings in exterior walls.

Install backflow control plugs in floor drains, and permanently seal floor drains that are no longer in use. Before anticipated flooding, sandbag floor drains.



r backwater valves (See Strategy: Backwater Valves). Cap house t water from flowing into basement if sewer main is backed up. pump at the lowest point of the basement (See Strategy: Sump





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## **Enterprise**°



v spaces should offer a safe and secure environment for resident a central location for services during emergencies.



nity Space

ilience space in an existing multi-purpose area like a where residents will feel comfortable taking shelter or



A ce Hub during Super. Is part of a sensor d by the levish stards, shookdale had sency supplies on buildings in o



## **Enterprise**°

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## **TIPS AND TOOLS- EXTREME HEAT**

- Heat Pocket Guides are available in six languages to learn what to do to prevent heatrelated illnesses.
- Use <u>AARP's toolkit</u> to help others stay cool during extreme heat.
- Create a Heat Wave Strategy like this one from the Resilient Bayview. The Center for Disease Control also has guidance on creating a <u>Heat Response Plan</u>. Partner with your local Office of Emergency Services to see if the Community Emergency Response Teams (CERT) could help check on community members during extreme heat days.
- Use the Enterprise Ready to Respond Tool to create a Business Continuity Plan for your residents, buildings and operations.
- Use these Resilience Strategies for Multi-Family Buildings.



## **TIPS AND TOOLS- EXTREME HEAT**

- Post the <u>Heat Pocket Guides</u> in community gathering and common spaces. Mail them to community members, too.
- Establish floor/wellness captains to check on community members, especially those most impacted by extreme heat. Survival happens when neighbors know each other! This worksheet explains what floor captains could do.
- Your local Office of Emergency Management might offer trainings or have a Community Response Team that might be able to support wellness checks on residents during extreme heat events. Seattle has lots of great resources and trainings, for example.
- Inform outdoor workers of their rights and report violations. Here is a list of ways to protect workers. Advocate for more resources for the Occupational Safety and Health Agency so that they can enforce regulations.



## **TIPS AND TOOLS- EXTREME HEAT**



- violations
- Contact OSHA if you feel regulations are not being enforced so that they can enforce regulations



Inform outdoor workers of their rights and report

In June both Washington and Oregon announced emergency rules that provide farmworkers and others who work outdoors more protection Employers are required to provide shade or another way to cool down and a paid rest period of at least 10 minutes every two hours



## **RESIDENT ENGAGEMENT**

Why should I discuss my preservation strategy with residents?

- you don't want residents to fear that their affordable rent will change and so move out.
- residents often have insights about the property and the neighborhood that are not apparent to other stakeholders.
- https://www.theurbanist.org/2021/07/28/wallawalla-a-washington-city-without-single-familyonly-zoning/



## PRESERVATION ACADEMY SESSION

## **Property Management**

Together, we create sustainable operations for maximum resident experience for many years to come!

### **TODAY'S AGENDA**

### Introductions

- Goal of the session
- What do you want to get from attending today's session?
- About Me
- CHS Mission, Values and Beliefs
- Integration of business functions with the onset of AM at CHS
- Asset Preservation Planning in Portfolios
  - Basic Building Blocks
  - Differing Roles of Property Management and Asset Management
  - Viability Issues What to measure?
  - Monitoring and Collaboration among the business functions
- Case Study
  - Woodland Meadows Acquisition
- Q&A 10 mins

### **GOAL OF THE SESSION**

How to integrate preservation planning into property management decisions and activities.

## About Me

- Financial background prior to joining the affordable housing industry
- Enjoy working with people and making positive impacts
- Passion for asset management and knowledge sharing

You can find us at <u>Mission, Beliefs, Values - Catholic Community Services and</u> <u>Catholic Housing Services of Western Washington (ccsww.org)</u>

### **Mission Statement**

Rooted in <u>Catholic Social Teaching</u> and the Gospel imperative, <u>Catholic</u> <u>Community Services</u> and <u>Catholic Housing Services</u> are outreaches of the Catholic Church in Western Washington, under the leadership of the Archbishop of Seattle and the Boards of Trustees. CCS and CHS answer the Gospel call to loving and compassionate service with particular concern for the sanctity of human life from conception to natural death and the dignity of the human person. Our employees and volunteers come from many faith traditions to serve and support poor and vulnerable people through the provision of quality, integrated services and housing. Our focus is on those individuals, children, families, and communities struggling with poverty and the effects of intolerance and racism. We actively join with others to work for justice.

**Vision Statement** 

<u>Catholic Community Services</u> and <u>Catholic Housing Services</u> (formerly known as the Archdiocesan Housing Authority) of Western Washington are prophetic voices for justice, recognizing the sacredness and dignity of every human person. Rooted in the Gospel message of hope, we will continue to be leaders, advocates, providers and partners serving poor and vulnerable people.

### **Core Values**

- **Compassion:** Providing care, understanding and concern for those we serve in order to honor the God-given life and sacredness of each person at every stage and condition of life.
- **Diversity:** Welcoming the differences of race, culture, faith, and thought with a strong commitment to naming and combating institutional racism and discrimination.
- **Excellence:** Providing high quality, professionally competent services with integrity, using best practices.
- **Justice:** Defending and advocating for the rights of poor and vulnerable people while working toward the common good.
- **Stewardship:** Prudently developing and using the gifts and talents of employees and volunteers and the financial resources needed to live out our mission.
- Accountability: Openly and actively maintaining sound fiscal, business and treatment practices, and complying with all legal, contractual and agency policies and regulations.

## **CHS PORTFOLIO**



- 2,643 units in-service
- Permanent Supportive Housing
- Farmworker Housing
- HUD 202 Housing
- Family Housing
- Workforce Housing
- Student Housing (09/21)
- Group Homes



### CHS INTEGRATED BUSINESS FUNCTIONS

### **BASIC BUILDING BLOCKS**

### List of assets and their purpose

System for monitoring operating vitals and identify issues early

• Benchmarking

Forecasting on cash flow (at each budget year)

Forecasting on replacement reserves (ability to meet capital needs over time)

### Schedule of debt service

• Terms

- Maturity
- Rate
- Balloon Payments

For Tax Credit Projects, schedule of investor exits

**Regulatory Compliance** 

### Property Management greatest impact in resident experience

- Manage Day to Day Operations – can have long-term implications
- Deliver programs and services
- Build community & quality of life
- Work efficiently and effectively to make homes available quickly

Asset Management impact in long-term strategic planning and risk management

- Benchmarks performance for sustainability
- Measures reserves for long-term capital planning
- Monitors and responds to risk in the portfolio

ROLES OF PROPERTY MANAGEMENT AND ASSET MANAGEMENT

### **PROPERTY MANAGEMENT**

### Property Management greatest impact in resident experience

- Manage Day to Day Operations
- Deliver programs and services
- Build community & quality of life
- Work efficiently and effectively to make homes available quickly



## VIABILITY ISSUES | KEY PERFORMANCE INDICATORS FOR PM



Identify problems early by establishing portfolio expectations through key performance indicators.



Asset Management works with Property Management to establish KPIs relevant for the portfolio during the budgets.

## VIABILITY ISSUES | KEY PERFORMANCE INDICATORS

### Routine Check-ups - "symptoms"

- Staff vacancy
- Percentage of Rent Collection
- Percentage of On-time Resident Income Certifications
- Days to Rent Ready
- Days to fill unit vacancy
- Time to complete Work Orders
- Incident Reports/ Insurance Claims
- Negative Cash Flow



## **KPIS – CHOOSE A FEW TO FOCUS ON**

Accounts Receivable

1

 Rent collection provides the cash needed to pay the daily cost of operating

2 Turnover	3 On-time Compliance
<ul> <li>Efficient turnover means people are housed quickly</li> <li>The asset meets community need and goals</li> <li>Reduces revenue loss through low vacancy expense</li> </ul>	<ul> <li>On-time compliance means funder expectations are met</li> <li>We maintain credibility with our external stakeholders</li> </ul>
### **KEY PERFORMANCE INDICATORS**

#### OPERATING VITALS RISK CRITERIA (Monthy)

Score	Turnover Times (Days)	Certification Status	Budget Variance	A/R Collection	Cash Flow YTD
1	<30	100%	<(5,000)	>95%	>0
2	<60	>90	<(10,000)	<94.9%	> - 5000
3	>60	>80	>(15,000)	<90% Future Goal <95%- 96.9%	>-10,000
4	>90	<79	>(20,000)	<80% Future Goal <90%	>-25,000

### **KEY PERFORMANCE INDICATORS**

PROPERTY	Turnover Times MTD (Days)	Certification Status MTD	Budget Variance YTD	A/R Collection	Cash Flow YTD	Weighted Grade	Reported issue or Incidents (new - insurance, flood, liability, unresolved maintenance)	Action Items
Chancery	3	1	4	1	4	3		
Elbert House	4	1	4	1	4	3		
Emma McRedmond	2	1	1			1		
Fournier Court		4	1			2		
Franciscan	1	1	1					
Kincaid Court	2	1	1					
Pioneer Court			1					
Sumner Commons	2	3	1	1	1	2		
Sumner Townhomes			4	4	4	3		
Sunrise Court		4	1	1	1	2		
Tumwater Apartments	1	1	1	1	1	1		
Portfolio Weight Grades	2	2	2	1	2	2		

### **MONTHLY PORTFOLIO MEETINGS**

#### **Standing Agenda:**

- News/Opportunities
- KPI Review/discussion
- Compliance
- Capital Projects
- Staffing
- Resident Grievances
- Other Business
- Action Items



### ASSET MANAGEMENT

- Asset Management impact in long-term strategic planning and performance
  - Benchmarks performance for sustainability
  - Measures reserves for long-term capital planning
  - Monitors and response to risk in the portfolio

### VIABILITY ISSUES | KEY PERFORMANCE INDICATORS FOR AM

Develop the long-term risk criteria.

### Long-term Check-ups – Asset Biennial Reviews

- Housing Viability Examine Resident Rent Burden and Set-asides
- Evaluate trend lines for cash flow and future projections
- Replacement Reserve forecasts (look for cliffs) & Capital Needs
- Assess Staffing Structure (stand alone, shared operations)
- Review funding contracts; is any funding at risk?
- Physical Condition Report
- Review Debt Obligations; note maturing loans
- Tax Credit Projects overlay existing operations with original pro forma, check-in on investor capital accounts, and plan for exits ahead of time



### **KEY PERFORMANCE INDICATORS**

		A	ERIA (Qu	arterly)		
Score	Insurance Claims last 3 Years	Repl. Res Level	Operating Reserves	C.N.A	C.N.A	Loan Viability - Debt Service Coverage Ratio
A	0	>20 Years	6 months	No physical issues. Very Good Condition (only normal maintenance required) 20 years	< 5 Years Old	>1.20
В	1	>10 Years	<5	Correctible deferred maintenance w/funding sources. Acceptable - Minor Defects or work only, minimal short-term failure risk (no major rehab or equipment repairs/replacement, aesthetic needs)	>5 Years Old	>1.15
с	2	>5Years	<3	Deferred maintenance/structural or environmental issues with minimum funding sources. Fair or Moderate - Maintenance needed to return to acceptable level of service, no immediate risk to health or safety but work required within 2 years to ensure safety. Failure likely within 2 years. (deferred maintenance,) Building Code violations	>7 Years Old	<1.15
D	3	<5 Years	<1	Obsolete/Aged Significant deferred maintenance causing life/safety issues, structural and/or environmental issues with no identified source to remedy (upgrade or Rehab needed, immediate need to replace, health and safety hazards may exist, (substantial structural, building systems, safety concerns, etc.)	>10 Years Old	<1.05

### **PRESERVATION TIMELINE**

#### **Farmworker Preservation Timeline**



# INTEGRATING PROPERTY PERFORMANCE IN PRESERVATION PLANNING

Site Teams Complete Monthly Variance Report Host Monthly Portfolio Meetings with Regional Directors

Troubled assets brought to Agency Watchlist Group

> Workout Strategy Approve

# INTEGRATING PROPERTY PERFORMANCE IN PRESERVATION PLANNING



- Internal Stakeholders
  - CFO
  - Chief Accounting Officer
  - Agency Directors
  - Director of Asset
     Management
  - Director of Agency Operations
  - Director of Finance

#### CASE STUDY | WOODLAND MEADOWS ACQUISITION

Woodland, Washington, 51-units Farmworker Housing

Areas of Assessment:

- Portfolio Fit (location, population served)
- Operating Vitality (achieve efficiencies)
- Property Condition/Capital Needs Scope of Work
- Funder Asks
  - Set-aside changes
  - Capital Infusion
  - Reserves
- Investor Relations
- Debt Structure
- Regulatory Compliance
- Key Document List



# Oregon Housing and Community Services

# 2020 Wildfire Recovery

Rural Rental Preservation Academy August 4, 2021

Presented by:

Connor McDonnell, Oregon Housing and Community Services, Housing Integrator



# Responding state, federal agencies

#### Oregon Department of Human Services

- Coordinate with Red Cross
- Sheltering/Feeding
- Disaster Case Management
- Social service integration



- Non-congregate sheltering reimbursement
- Public Assistance
- Individual Assistance
  - Rental assistance
- Direct (short-term) Housing
  - RV or mobile home
  - Direct lease



- Intermediate housing
- Long-term housing
- Coordinating with Community Action Agencies



- State Coordinating Officer
- Information and planning



### **State Recovery Function 5**

• The mission of SRF 5 is to address **pre- and post-disaster housing issues** and coordinate the delivery of state resources and activities to assist local and tribal governments as they rehabilitate and reconstruct destroyed and damaged housing when feasible, and develop new accessible, permanent housing options.

• The scope is to provide guidance to state departments in aiding local and tribal partners in providing temporary, short-term, and long-term disaster housing for individuals and families with a goal of long-term housing solutions wherever feasible.

• Convene the Oregon Disaster Housing Task Force



### **Disaster Housing Recovery Action Plan (DHRAP)**

- Informed by Disaster Housing Task Force, comprising specific state agencies and community partners
- Articulates existing data on housing impacts and priorities for disaster housing recovery
- Inclusive of short-, medium-, and long-term activities
- Should form basis of CDBG-DR Action Plan, if funds appropriated
- Assumes local and tribal governments are the primary decision-makers driving community recovery



# **DHRAP** Goals

#### • Goal 1: Create Intermediate Housing Solutions

Provide short-term living solutions for wildfire survivors to meet basic needs with a focus on support and services necessary to find and secure longer-term housing.

#### • Goal 2: Bolster Local Capacity

Increase local capacity to promote intermediate and permanent housing supply

#### • Goal 3: Expedite Delivery of Permanent Housing Solutions

*Cross-cutting strategies that facilitate all housing types, tenures, and income levels that result in new construction and reconstruction in wildfire-impacted counties by 2025.* 

#### • Goal 4: Build Community and Family Resilience

Ensure that as families and communities rebuild, they can incorporate lessons from the 2020 wildfires, and strengthen their ability withstand future natural disasters with minimal disruption



## Housing Impact Assessment

Table 22: 2020 Wildfire Impacted CountyMigrant/Seasonal Household Members					
County	Total Migrant, Seasonal Farmworkers and household members (Estimates)				
Clackamas	12,296				
Douglas	2,624				
Jackson	6,567				
Klamath	279				
Lane	2,899				
Lincoln	131				
Linn	4,233				
Marion	26,673				



# Housing Impact Assessment

#### Homes damaged by County

				Major	Destroyed
	Single		Manufactured	Damaged	/Damaged
County	Family	Multifamily	Homes	Homes	Homes
Clackamas	62	0	0	0	62
Douglas	126	0	12	0	138
Jackson	610	193	1,561	9	2,373
Klamath	11	0	0	0	11
Lane	505	0	69	41	615
Lincoln	63	3	222	0	288
Linn	71	0	0	0	71
Marion	629	0	0	4	633
Total	2,077	196	1,864	54	4,191
Source: Ore	egon Office of				

OREGON HOUSING and COMMUNITY SERVICES

## Housing Impact Assessment

#### Table 14: OHCS Pre-Wildfire Affordable Housing Inventory

	Assisted Living		M	НР	<b>Residential Rental</b>	
County	Projects	Units	Projects	Units	Projects	Units
JACKSON	2	189			66	2,128
LANE	3	142	8	300	79	3 <i>,</i> 458
CLACKAMAS	4	202	2	184	54	3,274
DOUGLAS	3	104	3	261	44	1,379
KLAMATH					13	360
LINCOLN	3	174			18	687
LINN	1	42			29	1,060
MARION	7	400			60	2,667
Totals	23	1,253	13	745	363	15,013



# **Current Status of Wildfire Survivors in ODHS** Non Congregate Shelters

Daily (7/26/21) Sheltering Totals - 2020 Wildfires								
County	# Hotels	# Rooms	# People	Change				
Deschutes	2	3	6					
Douglas	2	3	7					
Jackson	10	329	659	-4				
Klamath	1	6	6					
Lane	3	89	156	1				
Lincoln	2	71	118	-5				
Marion	1	6	12					
Total	21	507	964	-8				
Daily (7/26/21) Sheltering Totals - 2021 Wildfires								
County	# Hotels	# Rooms	# People	Change				
Deschutes	1	1	3					
Klamath	1	3	5					
Total	2	4	8	0				



# Moving from Shelter to Housing

#### Engage Landlords in Prioritizing Homes for Wildfire Survivors

- Affordable Rental Housing Division provided temporary relief to survivors seeking housing by allowing Low Income Housing Tax Credit (LIHTC) building owners to request a waiver to rent to over-income households.
- Within weeks OHCS made the call out to encourage existing developments and those in the pipeline to establish a preference wildfire survivors.
- Working with owners and developers of projects in the pipeline to establish preferences in new properties

Provide Housing Navigation, Rapid-Rehousing, and Counseling for wildfire survivors to secure permanent homes

- ACCESS Center for Community Resilience
- Wildfire Recovery and Resilience Account (WRRA) is designed to be a flexible Rapid-Rehousing program that supports households made homeless by the wildfires to find, obtain and sustain new housing in the region of their choosing



# Moving from Shelter to Housing

**Positioning OHCS Resources:** 

- Oregon Emergency Rental Assistance Program (OERAP) prioritization for wildfire survivors
- Changes to the Qualified Allocation Plan (QAP) and other funding programs to establish a point preferences for proximity to disaster impacted zones.
- In the 2021, two Local Innovation Fast Tract (LIFT) projects in wildfire disaster areas were funded totally 198 homes and the LIHTC 9% NOFA recommendations included 123 total homes in Disaster Declared Counties
- Oregon received an allocation of disaster credits in 2021 that will be pooled and released in early 2022. Engagement is pending with developers interested in pursuing disaster credits in affected counties.



# Moving from Shelter to Housing

Develop Intermediate Housing Supply for FEMA-ineligible survivors:

- Project Turnkey acquired motel/hotels for use as noncongregate shelter for people experiencing homelessness & wildfire survivors
- Talent Gateway Project- intermediate housing solution to create RV Park to house approximately 67 families – partnership between city and school district with funding from OHCS
- Continuing to procure RV's and modular homes



# Now & Future State

- Oregon Legislature allocated \$150 M in new resources to implement the Oregon Disaster Housing Recovery Action Plan
  - \$100 M In housing development (infrastructure, rebuilding, construction) and survivor assistance down payments, loans, other services)
  - \$50 M for operations, land acquisition and interim housing supply assets acquired in association with wildfire recovery efforts of which \$20 M is for Land Acquisition.
- Building Out the OHCS Wildfire Recovery Team
  - Staffing up OHCS to continue to implement the Oregon Disaster Housing Recovery Action Plan
- Federal Advocacy Needed to Obtain CDBG-Disaster Recovery (DR) Funds
  - Congress may appropriate federal funding to rebuild affected areas and provide crucial funds to support long-term recovery.



# Questions?



#### **Connor McDonnell**

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