

## **ORDINANCE No. 183836**

Delegate authority to review and approve financial assistance under Council-adopted guidelines to the Portland Housing Bureau (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City consolidated the housing functions that existed at the City and the Portland Development Commission (PDC) through Ordinance No. 182465 on January 7, 2009, and established the Portland Housing Bureau (PHB).
2. Over its long history, PDC established lending practices that included financial assistance guidelines adopted by the PDC Board of Commissioners as well as an internal Loan Committee to review proposed lending terms prior to the Executive Director's approval.
3. It is in the best interests of the City and the community to continue lending under the existing model with decreased maximum loan amounts and pending PHB's analysis of the housing loan portfolio as well as its strategic planning work and outreach efforts.
4. It is important to establish clear delegations of authority and impose regular reporting requirements so Council and the community are aware of the financial assistance PHB provides.

NOW, THEREFORE, the Council directs:

- a. The PHB Director, in consultation with the Commissioner in Charge, shall establish a Housing Investment Committee (HIC) with a minimum of five voting members, including a voting member from PDC and the Office of Management and Finance, and additional advisory members as the PHB Director deems necessary.
- b. HIC is hereby authorized to review loans and grants for any of the financial assistance guidelines adopted concurrent with or subsequent to this ordinance unless an alternative approval process is established and recommend approval or rejection to the PHB Director. Such recommendation may include exceptions to the guidelines on a case by case basis if the exception is justified by project underwriting and necessary to meet City goals and objectives.
- c. The PHB Commissioner in Charge and Director are hereby authorized to approve or reject financing under the guidelines up to \$3 million and \$2 million respectively and either may forward any action to Council for review and approval.
- d. In addition to approving financing under the guidelines, the PHB Director is hereby authorized to approve or reject, subject to HIC's review and recommendation, a loan or grant up to \$100,000.

- e. The PHB Director is hereby authorized to approve or reject, subject to HIC's review and recommendation, any actions that are related to existing financing such as assignments, subordinations, modifications, deferrals and collections as well as tax abatement actions.
- f. The approval authority above cannot be delegated by the PHB Director to other positions within PHB unless that delegation is to someone who is serving as the acting PHB Director.
- g. PHB shall provide information to the Commissioners and Mayor on at least a quarterly basis of all approved financial assistance, including all exceptions to the guidelines recommended by HIC and approved by the PHB Director.
- h. PHB shall examine the guidelines in conjunction with its strategic planning and outreach efforts and return to Council to recommend any policy changes in lending practices.

Passed by the Council: **MAY 26 2010**

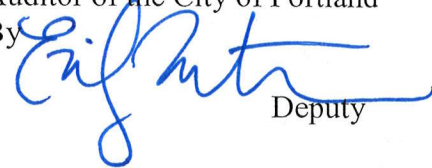
Commissioner Fish

Prepared by: Margarita Molina

Date Prepared: May 10, 2010

**LaVonne Griffin-Valade**  
Auditor of the City of Portland

By

  
Deputy

705: 771  
Agenda No.  
**ORDINANCE NO. 183836**

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| <p><b>INTRODUCED BY</b><br/>Commissioner/Auditor:<br/><b>Nick Fish</b></p> <hr/> <p><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish <i>Nick Fish</i></p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p> <hr/> <p><b>BUREAU APPROVAL</b></p> <p>Bureau: Portland Housing Bureau<br/>Bureau Head: Margaret Van Vliet <i>Margaret Van Vliet</i></p> <hr/> <p>Prepared by: Margarita Molina<br/>Date Prepared: May 10, 2010</p> <hr/> <p>Financial Impact Statement<br/>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/><br/>Not Required <input type="checkbox"/></p> <hr/> <p>Portland Policy Document<br/>If "Yes" requires City Policy paragraph stated in document.<br/>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <hr/> <p>Council Meeting Date<br/><b>May 19, 2010</b></p> <hr/> <p><b>City Attorney Approval</b><br/><i>JAM</i></p> | <p>CLERK USE: DATE FILED <u>MAY 14 2010</u></p><br><p style="text-align: right;">LaVonne Griffin-Valade<br/>Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p><br><p><b>ACTION TAKEN:</b></p> <p style="text-align: center;"><b>MAY 19 2010 PASSED TO SECOND READING MAY 26 2010 9:30 A.M.</b></p> |
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| <b>AGENDA</b>  |
| <p><b>TIME CERTAIN</b> <input type="checkbox"/></p> <p>Start time: _____</p> <p><b>Total amount of time needed:</b> _____<br/>(for presentation, testimony and discussion)</p> |
| <p><b>CONSENT</b> <input type="checkbox"/></p>   |
| <p><b>REGULAR</b> <input checked="" type="checkbox"/></p> <p><b>Total amount of time needed:</b> <b>15 minutes</b><br/>(for presentation, testimony and discussion)</p>        |

| FOUR-FIFTHS AGENDA | COMMISSIONERS VOTED AS FOLLOWS: |      |      |
|--------------------|---------------------------------|------|------|
|                    |                                 | YEAS | NAYS |
| 1. Fritz           | 1. Fritz                        | ✓    |      |
| 2. Fish            | 2. Fish                         | ✓    |      |
| 3. Saltzman        | 3. Saltzman                     | —    |      |
| 4. Leonard         | 4. Leonard                      | ✓    |      |
| Adams              | Adams                           | ✓    |      |