

ORDINANCE No. 188273

*Authorize acquisition of certain real property at 7104-7120 and 7126-7130 SE Foster Rd from Portland Development Commission for the development of a mixed-use affordable housing project (Ordinance)

The City of Portland ordains:

Section 1. The Council finds that:

1. The Portland Development Commission ("PDC") acquired 7104-7120 and 7126-7130 SE Foster Road (the "Property") in 2011 and offered the Property for affordable housing development in the Fall 2015 Affordable Rental Housing Notice of Funding Availability issued October 27, 2015. REACH CDC ("REACH") was selected to develop a mixed-use affordable housing project on this publicly owned land in order to further the affordable housing and urban development goals of the Lents Town Center Urban Renewal Area Plan.
2. In order to facilitate the development of the mixed-use affordable housing project, PDC and the Portland Housing Bureau ("PHB") have agreed to transfer the Property to PHB.

The price agreed to by PDC and PHB is \$954,101 (Purchase Price). The Purchase Price shall be increased by an amount equal to PDC's incremental costs for remediating the environmental conditions on the Property, an amount not to exceed \$60,000, and offset by a seller credit to PHB of \$783,509 (which may decrease if remediation costs are below \$60,000). The seller credit is adjusted to include an asset management fee payable in the amount of \$56,100.

3. PDC will ensure that the existing Portland Bureau of Transportation easement is resolved by capping the sewer line and finalizing the issue with Multnomah County, prior to transferring the Property to PHB.

NOW, THEREFORE, the Council directs:

- a. PHB is hereby authorized to acquire the Property and pay the asset management fee.
- b. The Director of PHB is hereby authorized to execute the Transfer Agreement substantially in the form attached hereto as Exhibit A and to execute other documents as may be required to effectuate the conveyance of the Property from PDC to PHB, subject to the approval as to form of such documents by the City Attorney's Office.

Section 2. The Council declares that an emergency exists because a delay in the City's approval would possibly delay the project's construction schedule, due to remediation work to be performed by PDC prior to transferring the site to PHB, expected to take approximately 90 days; therefore, this Ordinance shall be in full force and effective from and after its passage.

Passed by the Council: MAR 08 2017

Mayor Ted Wheeler

Prepared by: Siobain Beddow

Date Prepared: February 8, 2017

Mary Hull Caballero
Auditor of the City of Portland

By


Deputy

Agenda No.
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INTRODUCED BY Commissioner/Auditor: Ted Wheeler	CLERK USE: DATE FILED <u>FEB 28 2017</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Wheeler <i>KAD</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Eudaly	Mary Hull Caballero Auditor of the City of Portland By: <i>[Signature]</i> Deputy
BUREAU APPROVAL Bureau: Portland Housing Bureau Bureau Head: Kurt Creager <i>[Signature]</i> Prepared by: Siobain Beddow Date Prepared: February 8, 2017	ACTION TAKEN:
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
City Auditor Office Approval: N/A	
City Attorney Approval: <i>62</i>	
Council Meeting Date March 8, 2017	

AGENDA
TIME CERTAIN <input type="checkbox"/> Start time: Total amount of time needed: (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 5 mins (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz	<i>[Signature]</i>
2. Fish	2. Fish	✓
3. Saltzman	3. Saltzman	✓
4. Eudaly	4. Eudaly	✓
Wheeler	Wheeler	✓