

## **ORDINANCE No. 188542**

\*Authorize the purchase of certain real property located at 3000 SE Powell Blvd. at a price not to exceed \$3,720,000 to develop affordable housing (Ordinance)

The City of Portland ordains:

Section 1. The Council finds that:

1. On behalf of the City of Portland, the Portland Housing Bureau (“PHB”) administers programs to support the development and preservation of affordable housing.
2. PHB has been staffing and providing guidance to the Division Transit Project, formerly known as the Powell-Division Bus Rapid Transit Project. The Powell-Division Local Action Plan associated with the transit project identified a need for at least 300 affordable housing units in the corridor. In response to this need, PHB initiated a property search and through this identified the subject property. The Division Transit Project’s Locally Preferred Alternative (“LPA”) adopted by City Council on December 7, 2016 includes a goal of between “100-300 [affordable housing] units” to be developed in the vicinity.
3. The approximately 50,000 square foot property that is the subject of this ordinance currently contains a single commercial structure, but is otherwise vacant. The property is currently zoned General Commercial (CG), but will change to Central Employment (CE) with implementation of city-wide zoning revisions on January 1, 2018. PHB projects the subject property will accommodate the number of units specified as a goal in the LPA.
4. PHB has conducted or caused to be conducted a series of due diligence items including an appraisal, survey, title report and phase 1 and phase 2 environmental site assessments. From these PHB has determined the risks associated with acquiring the property and deemed them acceptable.
5. PHB and the Seller, G & R Powell Building LLC, originally agreed to a purchase and sale agreement (the “Agreement”) on March 10, 2017. The Agreement, which has been amended twice, is for a purchase price of \$3,720,000 (the “Purchase Price”).
6. Under the Agreement, Council’s approval of the transaction is a condition precedent to the anticipated closing date of September 30, 2017 (the “Closing”).

NOW, THEREFORE, the Council directs:

- a. The PHB Director is hereby authorized to acquire the Property for the Purchase Price and to enter into any and all agreements related to the transaction and to pay, in addition to the Purchase Price, customary costs related to the Closing.
- b. The PHB Director is further authorized to approve amendments or modifications to the Agreement or other related agreements within the maximum amounts approved under

this Ordinance, and 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 impair the ability of PHB to acquire the Property as contemplated by the Closing; therefore, this Ordinance shall be in full force and effective from and after its passage.

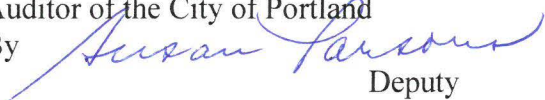
Passed by the Council, **AUG 09** 2017

Commissioner Ted Wheeler  
Prepared by: Karl Dinkelspiel  
Date Prepared: July 18, 2017

**MARY HULL CABALLERO**

Auditor of the City of Portland

By



Deputy

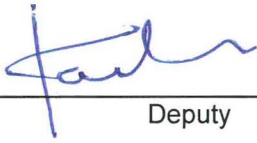
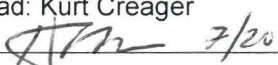

Agenda No.  
**ORDINANCE NO.**

188542

Title

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*to develop affordable housing*

<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Ted Wheeler</b>	CLERK USE: DATE FILED <u>AUG 01 2017</u>
<b>COMMISSIONER APPROVAL</b> Mayor-Finance and Administration - Wheeler <i>bc</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:  Deputy
<b>BUREAU APPROVAL</b> Bureau: Portland Housing Bureau Bureau Head: Kurt Creager  7/20 Prepared by: Karl Dinkelspiel Date Prepared: July 18, 2017	<b>ACTION TAKEN:</b>
Impact 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"/>	
<b>City Auditor Office Approval:</b> required for Code Ordinances	
<b>City Attorney Approval:</b> 	
Council Meeting Date <b>August 9, 2017</b>	

<b>AGENDA</b> <b>TIME CERTAIN</b> <input type="checkbox"/> <b>Total amount of time needed:</b> (for presentation, testimony and discussion)	<b>FOUR-FIFTHS AGENDA</b>	<b>COMMISSIONERS VOTED AS FOLLOWS:</b>	
<b>CONSENT</b> <input checked="" type="checkbox"/> <i>Pulled</i>			
<b>REGULAR</b> <input type="checkbox"/> <b>Total amount of time needed:</b> _____ (for presentation, testimony and discussion)	1. Fritz 2. Fish 3. Saltzman 4. Eudaly Wheeler	1. Fritz 2. Fish 3. Saltzman 4. Eudaly Wheeler	YEAS <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
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