

IMPACT STATEMENT

Legislation title: * Authorize conveyance of city-owned property located at 1010-1034 NE Grand Avenue to Home Forward and funding in an amount not to exceed \$5,600,000 to its affiliate, Lloyd Housing Limited Partnership, for the construction of a new mixed-use, affordable housing development located in the Oregon Convention Center Urban Renewal Area (Ordinance)

Contact name: **Jill Chen, Housing Portfolio Finance Coordinator, Portland Housing Bureau (“PHB”)**

Contact phone: 503-823-3339

Presenter name: **Kurt Creager, Director, PHB**

Purpose of proposed legislation and background information:

- This Ordinance requests City Council approval of financing in an amount up to \$5,100,000 using Oregon Convention Center URA funding and \$500,000 in Home for Everyone resources from years 2017-19 and to convey the city-owned Block 45 site located at 1010-1034 NE Grand Avenue.
- The purpose of funding is to allow Home Forward (HF) to construct a new mixed-use project containing 240 affordable housing units, on the site and provide authority for the execution of related disposition and development agreement and loan documents by the Director of the Portland Housing Bureau.

Financial and budgetary impacts:

- There are no additional costs to the City associated with approving this Ordinance other than the \$5,600,000 provided for the project in the Bureau’s 2017-19 budget.
- Funding sources are secure. Multnomah County made available the Home for Everyone resources to PHB in 2015 to support affordable housing units for households at 50% median family income (MFI) or below that is homeless or at risk of homelessness.
- PHB has an adjusted basis of \$1,424,730 for the Property based off the purchase price in 2000; the value of which will be removed from the City’s accounts upon conveyance to Home Forward.
- PHB is required to regulate and monitor all affordable rental projects that contain City allocated funding for ninety-nine (99) years. The ongoing cost of this work is anticipated in PHB staffing budgets.

Community impacts and community involvement:

This Project was awarded funding and development rights through PHB’s Notice of Funding Availability (NOFA) published October 2015. It will take advantage of the site’s high-amenity surroundings, proximity to transit, employment, commerce, and services, and present affordable housing options for low-income households. The Project is a 12-

story tower which will have 240 residential units consisting of studios, one-bedroom and two-bedroom units, of which 43 are larger family-sized, two-bedroom units.

All rental units are will be affordable to households at or below 60% of the area's median income (AMI), of those 3 studios are at or below 50% MFI AMI and 20 two-bedroom units are will be available to those at or below 30% AMI as HF will provide project-based section 8 vouchers. HF will offer resident services that focus on safety, complex trauma, trauma histories, and unique population considerations with a goal to provide services that help maximize income, including training or education, building or repairing credit, and increasing assets and earned income.

Home Forward has presented the Project to community stakeholders and has received a letter of support from the Lloyd District Community Association. The Project has already been through Portland's design review process, which included mailing notice of the proposed development to more than 50 nearby property owners and organizations. HF invited recipients to comment and attend public hearings on the proposal. Generally, comments have been about impacts arising from construction and concern over the area's parking pressures. HF plans to maintain communication during construction process.

PHB stated a minimum goal for MWESB hard cost subcontractor participation of 20% in the NOFA with a preference criteria for bidders with a plan to achieve at least 30%. Home Forward provided detailed plans and has set a goal of 35% MWESB utilization for the Project, which it believes is attainable based on its experience.

Home Forward Executive Director, Michael Buonocore, have been invited to testify.

Project Overview:

<u>Total Units:</u>	240 units
<u>No. at or below 60% MFI:</u>	240 units
<u>No. at Market Rate:</u>	0 units
<u>Bedroom Mix:</u>	

Unit type (bedroom count)	No. of Units	Income Restriction % MFI	HOME/ PBS8/Other
Studio	85	60%	
Studio	3	50%	
1 BR	109	60%	
2 BR	23	60%	
2 BR	20	30%	PBS8

PHB Subsidy	\$5,100,000 OCC URA TIF and \$500,000 in Home for Everyone
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100% Renewable Goal:

Project will be certified LEED GOLD and will contribute to the City's goals to reach 100% energy needs with renewable energy by 2050.

Budgetary Impact Worksheet**Does this action change appropriations?**

- YES: Please complete the information below.
 NO: Skip this section

***1245** **TIME CERTAIN: 10:30 AM** – Authorize conveyance of city-owned property located at 1010-1034 NE Grand Ave to Home Forward, and funding not to exceed \$5,600,000 to its affiliate, Lloyd Housing Limited Partnership, for the construction of a new mixed-use, affordable housing development located in the Oregon Convention Center Urban Renewal Area (Ordinance introduced by Mayor Wheeler) 30 minutes requested

Motion to add to the ordinance directives a new subsection: Within the next year Portland Housing Bureau and Lloyd Housing Limited Partnership shall review the feasibility of including at least 20 units of permanent supportive housing in the development and shall report back to Council: Moved by Fish and seconded by Fritz.

Vote on amendment:

YEA: Fritz, Fish, Eudaly, Wheeler

ABSENT: Saltzman

Vote on ordinance as amended:

YEA: Fritz, Fish, Saltzman, Eudaly, Wheeler

Ordinance No.

188688

AS AMENDED