

## IMPACT STATEMENT

**Legislation title:** \*Authorize Portland Housing Bureau to assume certain contracts that will be assigned to PHB in connection with PHB's acquisition of real property located at 5827 NE Prescott Street (Ordinance)

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### **Purpose of proposed legislation and background information:**

This legislation authorizes PHB to assume all contracts related to the operations and management of 5827 NE Prescott Street. On February 20, 2018, PHB entered into that certain Purchase and Sale Agreement between PHB and PHILIP M. ROTHROCK TRUST ("Seller") (the "PSA") for the acquisition of certain real property located at 5827 NE Prescott Street (the "Property"). The Property is comprised of one single-family house on a 19,000-square foot lot.

On July 18, 2018 by separate Ordinance, Council reviewed and approved PHB's acquisition of the Property under the PSA. The acquisition is expected to close on or before July 20, 2018.

The PSA provides for the assignment by Seller, and the assumption by PHB, of all existing contracts, including the contract for property management services as set forth on Exhibit A attached hereto (the "Property Management Contract").

In order to provide for a smooth transition between Seller and PHB, PHB desires to assume, on a month-to-month basis, assignment of the existing Property Management Contract until such time that PHB completes its own solicitation process in conjunction with the future redevelopment of the property.

Under the Intergovernmental Agreement (IGA) approved by Council on February 28, 2018, Home Forward will provide asset management services for the property. PHB desires to assign the existing Property Management Contract to Home Forward to oversee the day-to-day operations and maintenance for the existing home per the terms of the IGA.

### **Financial and budgetary impacts:**

In order to properly maintain the Property and ensure smooth transition from the current owners, PHB has a need for third-party contractors to deliver certain services. Upon taking ownership and in collaboration with Home Forward, PHB will evaluate each service and service provider to determine whether to maintain the existing contract, modify it or solicit for a new service provider.

### **Community impacts and community involvement:**

Community Involvement: Due to the highly sensitive nature of negotiations, PHB hasn't involved the community in the purchase. Notice of PHB's interest in acquiring the property was provided to current tenants on June 1, 2018.

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Community Impacts: PHB will work with current residents and the community on a timeline and plan to redevelop the property as a multi-family new construction development. Current tenants in good standing will be offered a lease renewal term of up to one (1) year from the date of purchase of the property. Upon lease renewal, tenants will be notified in advance that their home may be redeveloped, necessitating deconstruction of their dwelling unit and permanent relocation.

As mentioned, upon taking ownership and in collaboration with Home Forward, PHB will evaluate each service and service provider to determine whether to maintain the existing contract, modify it or solicit for a new service provider. Thereafter, a qualified property management vendor can be retained by Home Forward, per the terms of the IGA, in a competitive process to respond to resident questions, manage the property day to day including processing of repair and maintenance requests and to process rent payments on behalf of the City of Portland.

**100% Renewable Goal:**

This Ordinance has no impact on the City's goal to meet 100 percent of community-wide 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
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