

Rendering of Resource Access Center



**TAX INCREMENT FINANCING
AFFORDABLE HOUSING SET ASIDE**

ANNUAL REPORT FY 2009/10

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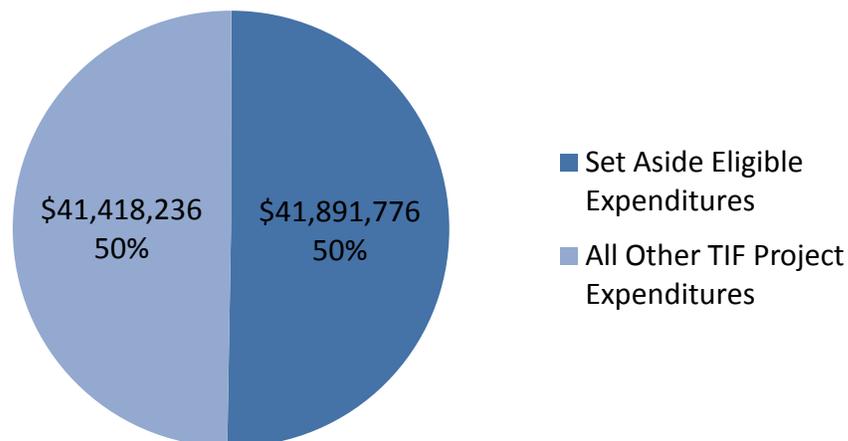
Executive Summary

Four years into implementation, the Tax Increment Financing (TIF) Set Aside for Affordable Housing policy continues to prove to be an effective tool for affordable housing development and preservation. Fiscal Year 2009/10 added an additional \$41.8M in affordable housing expenditures, bringing the four-year Set Aside total expenditures to just shy of \$109M. Budgeted projects in FY 2010/11 will ensure that five-year Set Aside spending will far exceed the originally anticipated five-year total of \$121M.

At a time when the economic recession is drawing renewed attention to the lack of affordable housing in Portland and the nation, the Set Aside policy provided \$41.8M for projects like the Martha Washington which rehabilitated and preserved 102 extremely-low and low-income rental units in the Central City, Madrona Studios which created 176 new extremely-low and low-income rental units by overhauling a blighted hotel in the Rose Quarter district and The Glen which is rehabilitating and preserving 40 low-income rental units in the Lents URA. Set Aside funds also made it possible to for the Portland Development Commission (PDC) and the Portland Housing Bureau (PHB) to continue to assist first-time homebuyers and provide home repair for low-income and senior homeowners in the Interstate and Lents URAs.

Affordable housing investments became a natural way to get money out the door when public spending on shovel-ready projects became a national priority. To that end, spending on Set Aside projects and programs represented 50% of all project and program expenditures in the nine URAs under the Set Aside policy. Projects receiving Set Aside funding in FY 2009/10 had total hard costs of \$141M, resulting in an estimated 1,500 construction jobs over the life of the projects.

FY 09-10 URA Project Expenditures



Investment of Set Aside funds in low-income rental units restricted at 31-60% MFI remained strong with 49% of FY 2009/10 spending directed toward that income range, and a total of 42% of Set Aside spending over the first four years of the policy. Spending for 0-30% MFI units continues to lag behind policy goals, particularly in the neighborhood URAs. PHB and housing providers continue to work to find ways to sustainably invest in extremely-low income rental units that will operate successfully and help tenants remain successful renters. PHB also recognizes that many of the units restricted at 50% and 60% MFI are actually serving clients at lower income levels.

Overall highlights of affordable housing investments under the TIF Set Aside for the fourth year of the policy include:

- Nearly \$42M of TIF was spent on affordable housing under the TIF Set Aside in FY 2009/10, bringing four-year cumulative spending to \$108.9M. In 2009/10:
 - Over \$29M was invested in extremely-low and low-income rental projects.
 - Approximately \$2.2M was spent for acquisition of property or other pre-development activities expected to result in future affordable housing.
 - \$3.7M was invested in ongoing homeownership and home repair programs and projects to stabilize neighborhoods and assist underserved populations.
- Housing spending in 2009/10 was a greater proportion of overall TIF project and program expenditures (50%) than it was in any of the first three years of the policy, reflecting the expected “ramp up” of housing investments with implementation of the TIF Set Aside policy.
- Investment in 0-30% MFI rental housing reached \$9M in FY 2009/10. In the past four years spending on extremely-low income rental units totaled \$34M across all nine urban renewal areas; the bulk of this investment has been in the South Park Blocks and Downtown Waterfront URAs for preservation of existing extremely-low income housing.
- Investment of \$3.7M in homeownership programs and projects represented 9% of FY 2009/10 Set Aside spending. Overall homeownership spending has reached \$16M. This total is somewhat misleading as it includes \$3.5M for the acquisition of 20 scattered site homes in Lents and Interstate from the Housing Authority of Portland which will be partially recaptured when the homes are sold to first-time buyers in 2011.

Urban Renewal Area	4 Year Cumulative Expenditures		5 Yr Policy Targets	
	TIF Set Aside Eligible Expenditures	% of Total URA Expenditures	Proposed Minimum Requirement from Policy	%
Central Eastside	\$4,441,889	20%	\$5,100,000	15%*
Downtown Waterfront	\$17,322,290	22%	\$16,000,000	22%
Gateway Regional Center	\$2,288,992	24%	\$4,575,000	30%
Interstate Corridor	\$15,418,376	48%	\$12,826,000	30%
Lents Town Center	\$11,948,518	34%	\$12,684,142	30%
North Macadam	\$7,215,738	24%	\$22,741,000	39%**
Oregon Convention Center	\$3,944,977	16%	\$7,000,000	26%
River District	\$21,013,804	39%	\$22,738,815	30%
South Park Blocks	\$25,317,320	57%	\$17,688,319	30%
Total	\$108,911,904		\$121,353,276	

*Central Eastside: A minimum of \$5,100,000 (15%) of all tax increment resources of the first \$35 million of debt issued and a minimum of 30% of all tax increment resources for any additional debt beyond \$35 million.

**North Macadam URA requirements are to spend according to the Council and Commission adopted funding plan for the district for the first 5 years, which is 39% (\$22.7M). After that, 30% of expenditures must be for affordable housing.

Policy Background and Methodology

On October 25, 2006 through ordinance No. 180547, the Portland City Council established a policy to dedicate a percentage of TIF in urban renewal areas (URAs) to the development, preservation and rehabilitation of affordable housing that serves individuals and families earning 100% MFI or less. PDC and the City Council subsequently adopted income guideline target “brackets” for these housing expenditures in each URA to guide the allocation of resources to different types of housing as defined by the income and rent (or sale) restrictions. The income guidelines created the following brackets:

- 0-30% Median Family Income Rentals.
- 31-60% Median Family Income Rentals or Homeownership (recognizing that some homeownership and home repair programs and projects serve households at this income level).
- 61-80% Median Family Income Homeownership, with an allowance for up to 100% MFI homeownership for larger units serving families (3 bedroom +).
- Community Facilities (defined as facilities for social service providers with a primary mission of serving homeless and extremely-low income people).

The adopted policy is applied to any newly formed urban renewal area, subject to City Council adoption of the URA Plan. It requires that all URAs with bonding authority beyond June 30, 2011 spend a minimum of 30% of total TIF resources on affordable housing. For existing URAs, specific set-aside requirements and income guidelines were adopted, shown in the table below. *Note that not all existing URAs have a 30% Set Aside, due to the resource constraints (in cases where it is below 30%) or project pipeline (in cases where it is above 30%) in those URAs at the time the policy was adopted. Therefore, the policy is not 30% when averaged across all URAs.*

Adopted Set Aside Policy Guidelines

Urban Renewal Area***	Set Aside for Affordable Housing (% of Total URA Expenditures)	Income Guidelines (Percent of Total Set Aside by Income/Use Category)			
		0-30% MFI Rentals	31-60% MFI Rentals/ 0-60% MFI Ownership	61-100% MFI Ownership	Community Facilities
Central Eastside	30%**	35-50%	20-50%	10-30%	0-25%
Downtown Waterfront	22%	50-70%	20-40%	0-20%	0-25%
Gateway	30%	35-50%	20-45%	20-40%	0-10%
Interstate	30%	35-50%	20-45%	20-40%	0-10%
Lents	30%	35-50%	20-45%	20-40%	0-10%
North Macadam	39%*	50-70%	20-40%	0-20%	0-10%
Oregon Convention Center	26%	35-50%	20-45%	20-40%	0-10%
River District	30%	50-70%	20-40%	0-20%	0-10%
South Park Blocks	30%	75-90%	10-25%	0-10%	0-10%

*North Macadam URA requirements are to spend according to the Council and Commission adopted funding plan for the district for the first 5 years, which is 39% (\$22.7M). After that, 30% of expenditures must be for affordable housing.

** A minimum of \$5,100,000 (15%) of all tax increment resources of the first \$35M of debt issued and a minimum of 30% of all tax increment resources for any additional debt beyond \$35M.

*** Airport Way & Willamette Industrial URAs have no requirement for budgeting or spending on Affordable Housing.

Methodology for calculating the Set Aside

The Set Aside is calculated as a percentage of total project expenditures in an urban renewal area. Total project expenditures include all capital outlays, financial assistance, and materials and services expenses related to qualified affordable housing and community facility projects and programs. The Set Aside does not include administrative and overhead costs in either the numerator or denominator of this calculation, so the Set Aside totals do not reflect the total cost of housing program delivery.

The Set Aside is projected in each year's adopted budget and five-year forecast as the amount of resources needed to reach the required percentage for affordable housing in each URA, based on the projections of overall resources and expected projects (including infrastructure, commercial development, and business assistance). In some cases, these may be projections of "opportunity fund" line items for rental and/or ownership housing. In other cases, there may already be a pipeline of expected or committed projects, and the budget is forecast for those projects accordingly.

As expenditures occur in the current fiscal year for both affordable housing projects and all other types of projects, the forecast for meeting the Set Aside requirements must be re-calibrated to maintain a balance of planned housing resources to other project resources that is in compliance with the policy as well as reflecting a realistic pipeline of projects. As TIF projections change each year and project realities change, the future forecast for the Set Aside dollar amounts is subject to significant change.

Currently, both construction loan and predevelopment loan amounts are counted in the Housing Set Aside totals until they are paid back at closing or conversion, so expenditures shown may over-represent the amounts committed to housing projects. To date, revenues from payback of pre-development and construction loans have been shown in the resources section of URA budgets on the Loan Collections line.

POLICY HISTORY

The City of Portland and Portland Development Commission (PDC) have very broad and diverse urban development and revitalization goals, and TIF is a key resource for meeting those goals. Ensuring that affordable housing options remain in Portland's neighborhoods as revitalization occurs and property values increase is an important part of the City's development strategy.

The City Council and PDC adopted the TIF Set Aside Policy to ensure that affordable housing goals are met in urban renewal areas, and to ensure a consistent and predictable level of funding for affordable housing development. The policy requires a certain percentage of TIF resources in each of nine URAs be spent on affordable housing. The percentages are intended to serve as guides for minimum expenditures in URAs on affordable housing and do not restrict PHB and PDC from allocating greater percentages of URA budgets to affordable housing activities. The policy measures expenditures over a five year period due to the timing of redevelopment projects and availability of funding. Policy documents and further explanation can be found at <http://www.portlandonline.com/phb/index.cfm?c=45223>

This report covers the first four years of the five year policy, and the following tables provide information about each URA's four years expenditures as well as cumulative totals and progress towards the five year requirements.

This report complements the PHB Annual Report, which will contain more comprehensive information on PHB housing activities, including projects and programs that utilize non-TIF resources, such as federal funds, indirect subsidies, and other rental and homeownership programs.

Income Categories and Definitions

PHB utilizes the following categories of Median Family Income, as adjusted for household size, to allocate resources for the development of housing that serves targeted populations in the City of Portland:

- Extremely Low Income: Households with incomes from 0 to 30% MFI.
- Very Low Income: Households with incomes from 31 to 50% MFI.
- Low Income Households: Households with incomes from 51 to 60% MFI.
(This term is also used generically to refer to all households at or below 60% HAMFI.)
- Moderate Income: Households with incomes from 61 to 80% MFI.
- Middle Income: Households with incomes 81% and 150% MFI.
- High Income: Households with incomes over 151% MFI.

2010 Median Income for Portland Metropolitan Area

Household Size	30% MFI	50% MFI	60% MFI	80% MFI	100% MFI
1 person	\$14,950	\$24,950	\$29,940	\$39,900	\$49,840
2 person	\$17,100	\$28,500	\$34,200	\$45,600	\$56,960
3 person	\$19,250	\$32,050	\$38,460	\$51,300	\$64,080
4 person	\$21,350	\$35,600	\$42,720	\$56,950	\$71,200
5 person	\$23,100	\$38,450	\$46,140	\$61,550	\$76,896

A single person working full time for the Oregon Minimum Wage (\$8.40/hr) earns \$17,472/year and would qualify as very low income.

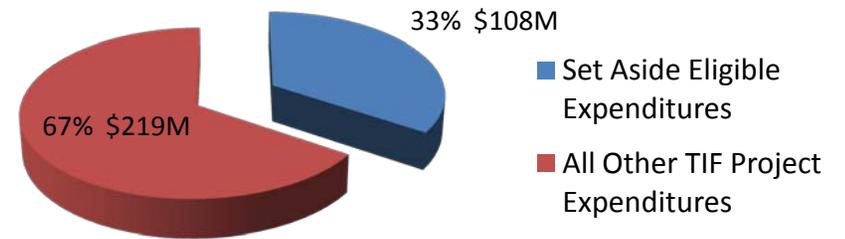
Summary of All Urban Renewal Areas

The table below displays actual expenditures in all URAs combined for the first four years of the Set Aside Policy, totaling over \$108.9M for affordable housing, and the breakdown of those expenditures by the adopted income guidelines ("Actual %" column).

Set-Aside Summary	Actual %	First 4 Year Actuals				Total
		FY06-07 Actuals	FY07-08 Actuals	FY 08-09 Actuals	FY 09-10 Actuals	
0-30 MFI Rental	31%	6,452,897	10,087,066	8,540,847	9,004,206	34,085,016
31-60 MFI Rental	38%	6,878,789	5,389,474	8,739,852	20,418,507	41,426,622
31-60 MFI Ownership	4%	431,265	1,170,468	1,599,419	1,216,685	4,417,838
Total 31-60 MFI Rental & Ownership Housing	42%	7,310,054	6,559,942	10,339,271	21,635,192	45,844,460
61-80/100 MFI Ownership	11%	663,250	1,568,369	6,776,177	2,562,140	11,569,936
Community Facilities	7%	227,954	269,674	958,497	6,456,475	7,912,600
Set-aside eligible, category unknown	9%	5,044,702	1,927,744	293,684	2,233,762	9,499,892
Total Set-Aside (% of total project expenditures)	100%	19,698,857	20,412,794	26,908,476	41,891,776	108,911,904
Non Set Aside Housing Actual Expenditures	1%	217,745	553,643	322,512	653,315	1,747,215
Total Housing Actual Expenditures	34%	19,916,602	20,966,437	27,230,988	42,545,091	110,659,119
Total PDC Project Expenditures	100%	94,497,992	75,355,747	75,076,734	83,310,012	328,240,485
Cumulative TIF Set Aside Actual Expenditures		19,698,857	40,111,651	67,020,128	108,911,904	
Cumulative Total PDC Expenditures		94,497,992	169,853,739	244,930,473	328,240,485	
Cumulative Total TIF Set Aside %		21%	24%	27%	33%	

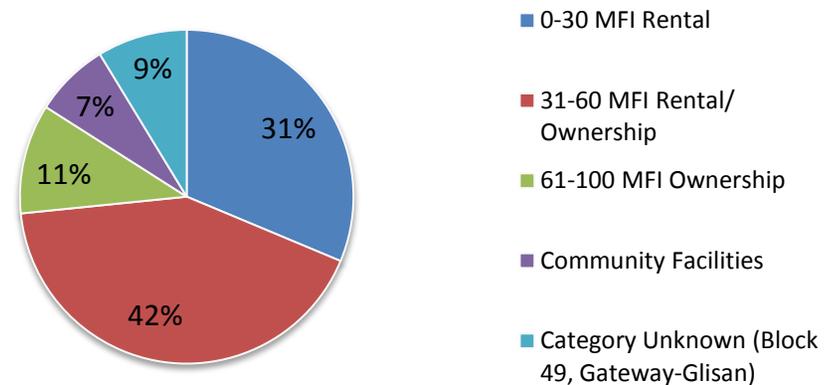
Over the first four years of implementation of the Set Aside Policy, 33% of all TIF-funded project expenditures in the nine Set Aside regulated URAs has been spent on affordable housing projects and programs.

Cumulative 4 Year Investment



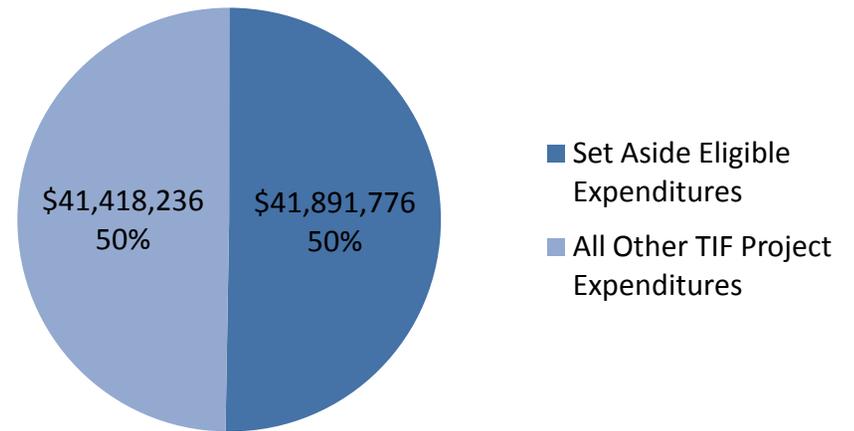
Almost three-quarters (\$79M) of the Set Aside funds have been invested in extremely-low and low income housing—both rental and ownership—with the balance going towards creating homeownership opportunities for moderate-income buyers and the development of community facilities serving extremely-low income populations.

4 Year Set Aside Spending by Income Category



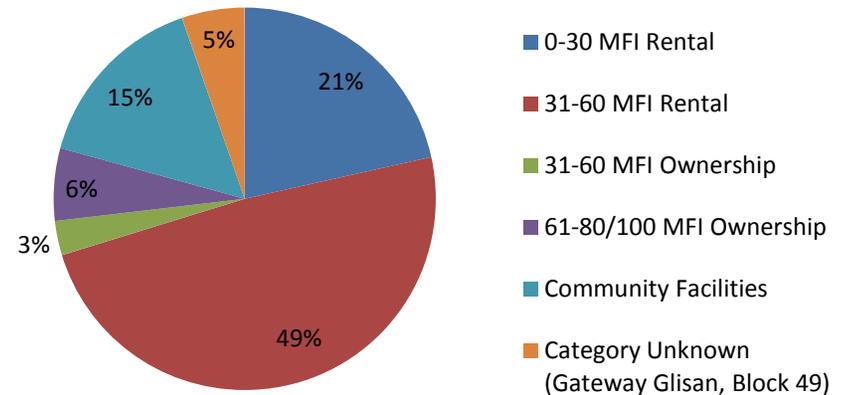
The \$41.8M spent last fiscal year on Set Aside eligible projects and programs is the largest one-year TIF expenditure on affordable housing since the policy's inception. Affordable housing expenditures made up over half of all TIF project expenditures in FY 2009/10.

FY 09-10 URA Project Expenditures



Set Aside expenditures in 2009/10 closely mirrored previous years, with the bulk of spending (73%) flowing to extremely-low income and low income rental and ownership projects. This past year also saw a spike in spending on community facilities with the investments in the Hooper Center Redevelopment, New Avenues for Youth, and the Resource Access Center.

FY 09-10 Set Aside Spending by Category



Central Eastside Urban Renewal Area

- **Total Housing Set Aside expenditures (06/07 – 09/10)** **\$4.36M**
 - **Total Overall Project expenditures (06/07 – 09/10)** **\$22.31M**
 - **% Set Aside to Overall Budget (06/07 – 09/10)** **20%**
 - **Set Aside Policy Target Percentage** **15%**
-
- The five-year Set Aside target for this district was set at \$5.1M (15%) of the first \$35M in debt issued (total expenditures), and 30% of all additional total expenditures. As currently forecast, the CES URA is unlikely to meet \$35M in debt issued within the next 2 years.
 - Total project expenditures for the first four years were \$22.31M, most of which supported large infrastructure investments (Eastside Streetcar, Burnside/Couch Couplet) and businesses.
 - In FY 2009/10 PHB spent \$2.3M of its \$3.15M commitment to the redevelopment of the Clifford Apartments, a joint Permanent Supportive Housing project by Innovative Housing. The project will preserve 88 units of extremely-low and low income housing.
 - \$2M was disbursed to Central City Concern in FY 2009/10 for the redevelopment of the Hooper Center facilities to a short-term mental health crisis facility.
 - Resource projections are constrained for CES, with \$1.8M forecasted to be available for Set Aside projects prior to the expiration of the district in 2016.



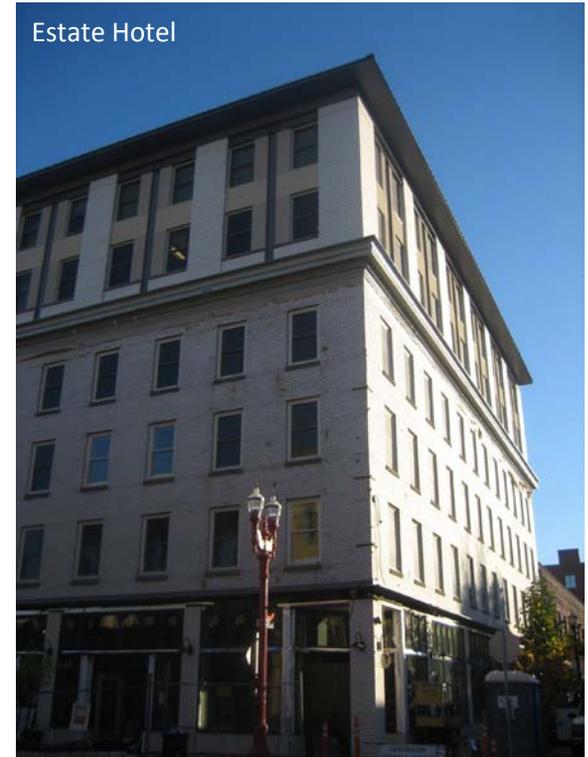
CES URA 4 Year Summary

Set-Aside Summary	Policy Min	Policy Max	Actual %	First 4 Year Actuals				Total
				FY06-07 Actuals	FY07-08 Actuals	FY08-09 Actuals	FY09-10 Actuals	
0-30 MFI Rental	35%	50%	28%	0	0	43,897	1,203,609	1,247,507
31-60 MFI Rental			27%	0	0	41,946	1,150,116	1,192,062
31-60 MFI Ownership			0%	0	0	0	0	0
Total 31-60 MFI Rental & Ownership Housing	20%	50%	27%	0	0	41,946	1,150,116	1,192,062
61-80/100 MFI Ownership	10%	30%	0%	0	0	0	0	0
Community Facilities	0%	25%	45%	0	0	0	2,000,000	2,000,000
Set-aside eligible, category unknown			0%	0	0	0	2,321	2,321
Total Set-Aside (% of total project expenditures)				0	0	85,843	4,356,046	4,441,889
Non Set-Aside Housing				0	0	0	18,007	18,007
Total Housing Budget				0	0	85,843	4,374,053	4,459,896
Total PDC Project Expenditures				4,403,597	6,868,640	1,474,006	9,570,747	22,316,990
Cumulative TIF Set-Aside Budget				0	0	85,843	4,441,889	
Cumulative Total PDC Project Expenditures				4,403,597	11,272,237	12,746,243	22,316,990	
Cumulative TIF Set-Aside %				0%	0%	1%	20%	

Downtown Waterfront Urban Renewal Area

▪ Total Housing Set Aside expenditures (06/07 – 09/10)	\$17.3M
▪ Total Overall Project expenditures (06/07 – 09/10)	\$74.5M
▪ % Set Aside to Overall Budget (06/07 – 09/10)	23%
▪ Set Aside Policy Target Percentage	22%

- The five-year housing Set Aside target for this URA was set at 22% of the district’s total project expenditures. This target was set lower than the 30% Set Aside standard because of the district’s pre-Set Aside investments in affordable housing and the expectation that this URA would generate limited TIF prior to its expiration.
- This district is meeting the income guidelines of the policy with the current pipeline of projects. This is due to large investments in preserving existing low income housing at the Estate Hotel, 333 Oak and Musolf Manor, consistent with the goals and policies guiding this URA.
- Major commitments and acquisition funding or predevelopment funding went to Blanchet House, the Yards Phase C, the Grove Hotel and the Resource Access Center. Capital expenditures for these projects have and will come from the River District URA due to the close-out of the Downtown Waterfront URA and the expansion of the River District URA boundaries. FY 2009/10 capital expenditures for these projects are counted in the River District URA figures.
- Beyond 09/10, little to no funding is available in this URA for new housing projects as the final urban renewal bonds were sold and the district is closing out.



DTWF URA 4 Year Summary

Set-Aside Summary	Policy Min	Policy Max	Actual %	First 4 Year Actuals				Total
				FY06-07 Actuals	FY07-08 Actuals	FY08-09 Actuals	FY09-10 Actuals	
0-30 MFI Rental	50%	70%	64%	3,730,965	6,206,560	1,209,895	15	11,147,436
31-60 MFI Rental			34%	2,640,763	876,316	2,213,836	198,456	5,929,371
31-60 MFI Ownership			0%	0	0	0	0	0
Total 31-60 MFI Rental & Ownership Housing	20%	40%	34%	2,640,763	876,316	2,213,836	198,456	5,929,371
61-80/100 MFI Ownership	0%	20%	0%	5,995	0	462	0	6,457
Community Facilities	0%	25%	1%	0	40,785	99,025	7	139,816
Set-aside eligible, category unknown			1%	0	0	0	99,210	99,210
Total Set-Aside (% of total project expenditures)				6,377,723	7,123,661	3,523,218	297,688	17,322,290
Non Set-Aside Housing				0	95,686	2,486	79,602	177,774
Total Housing Budget				6,377,723	7,219,348	3,525,704	377,290	17,500,064
Total PDC Project Expenditures				23,451,017	28,501,967	19,367,579	3,204,975	74,525,538
Cumulative TIF Set-Aside Budget				6,377,723	13,501,384	17,024,602	17,322,290	
Cumulative Total PDC Project Expenditures				23,451,017	51,952,984	71,320,563	74,525,538	
Cumulative TIF Set-Aside %				27%	26%	24%	23%	

Gateway Regional Center Urban Renewal Area

- **Total Housing Set Aside expenditures (06/07 – 09/10)** **\$2.29M**
 - **Total Overall Project expenditures (06/07 – 09/10)** **\$9.47M**
 - **% Set Aside to Overall Budget (06/07 – 09/10)** **24%**
 - **Set Aside Policy Target Percentage** **30%**
-
- The five-year Set Aside target for this district is 30% of total project expenditures.
 - Set Aside expenditures in this district have been limited by TIF availability and development challenges. The bulk of the \$2.29M spent to date has been for the acquisition of a development site at NE 99th Ave and NE Glisan.
 - Affordability targets in the Set Aside policy will guide development of the 99th and Glisan site as well as investments in other housing opportunities.



GWURA 4 Year Summary

Set-Aside Summary	Policy Min	Policy Max	Actual %	First 4 Year Actuals				Total
				FY06-07 Actuals	FY07-08 Actuals	FY08-09 Actuals	FY09-10 Actuals	
0-30 MFI Rental	35%	50%	0%	0	0	0	0	0
31-60 MFI Rental			0%	0	0	0	0	0
31-60 MFI Ownership			0%	0	0	0	0	0
Total 31-60 MFI Rental & Ownership Housing	20%	45%	0%	0	0	0	0	0
61-80/100 MFI Ownership	20%	40%	0%	0	0	0	0	0
Community Facilities	0%	10%	7%	167,694	0	0	0	167,694
Set-aside eligible, category unknown*			93%	0	39,682	101,186	1,980,430	2,121,298
Total Set-Aside (% of total project expenditures)				167,694	39,682	101,186	1,980,430	2,288,992
Non Set-Aside Housing				0	0	0	62,059	62,059
Total Housing Budget				167,694	39,682	101,186	2,042,489	2,351,051
Total PDC Project Expenditures				3,492,447	211,656	2,779,791	2,982,928	9,466,822
Cumulative TIF Set-Aside Budget				167,694	207,376	308,562	2,288,992	
Cumulative Total PDC Project Expenditures				3,492,447	3,704,103	6,483,894	9,466,822	
Cumulative TIF Set-Aside %				5%	6%	5%	24%	

*Attribution to affordability categories will take place after affordability levels are finalized in the future project's regulatory agreement.

Interstate Corridor Urban Renewal Area

▪ Total Housing Set Aside expenditures (06/07 – 09/10)	\$15.4M
▪ Total Overall Project expenditures (06/07 – 09/10)	\$32M
▪ % Set Aside to Overall Budget (06/07 – 09/10)	48%
▪ Set Aside Policy Target Percentage	30%

- Overall Set Aside spending continues to exceed the policy minimum of 30%, evidencing the need and opportunities for affordable rental and homeownership units in ICURA.
- FY 2009/10 saw a decrease in Set Aside spending from FY 2008/09 (\$2.8M, compared to \$9.2M in 08/09). This is due to significant expenditures for the Patton Park, Cambridge Court and Shaver Green rental projects that were completed in 08/09.
- Majority spending in FY 2009/10 was directed toward the Bridge Meadows Intergenerational rental project and towards first-time homebuyer resources.
- This URA is exceeding 31-60% MFI housing goals due to both rental and low- income homeownership investments, while achieving the extremely-low income housing goals (0-30% MFI) remains challenging with the mixed-income projects that have been proposed in this URA.



ICURA 4 Year Summary

Set-Aside Summary	Policy Min	Policy Max	Actual %	First 4 Year Actuals				Total
				FY06-07 Actuals	FY07-08 Actuals	FY08-09 Actuals	FY09-10 Actuals	
0-30 MFI Rental	35%	50%	16%	28,255	373,439	1,897,308	185,642	2,484,644
31-60 MFI Rental			41%	126,140	1,342,932	3,971,682	948,781	6,389,535
31-60 MFI Ownership			9%	199,903	433,491	529,200	193,913	1,356,507
Total 31-60 MFI Rental & Ownership Housing	20%	45%	50%	326,043	1,776,423	4,500,882	1,142,694	7,746,042
61-80/100 MFI Ownership	20%	40%	34%	132,902	691,610	2,843,499	1,513,703	5,181,715
Community Facilities	0%	10%	0%	550	5,425	0	0	5,975
Set-aside eligible, category unknown			0%	0	0	0	0	0
Total Set-Aside (% of total project expenditures)				487,750	2,846,897	9,241,690	2,842,039	15,418,376
Non Set-Aside Housing				3,459	272,748	313,544	313,369	903,119
Total Housing Budget				491,209	3,119,645	9,555,234	3,155,407	16,321,495
Total PDC Project Expenditures				2,935,971	7,152,297	13,468,960	8,463,744	32,020,972
Cumulative TIF Set-Aside Budget				487,750	3,334,647	12,576,337	15,418,376	
Cumulative Total PDC Project Expenditures				2,935,971	10,088,268	23,557,228	32,020,972	
Cumulative TIF Set-Aside %				17%	33%	53%	48%	

Lents Town Center Urban Renewal Area

▪ Total Housing Set Aside expenditures (06/07 – 09/10)	\$11.95M
▪ Total Overall Project expenditures (06/07 – 09/10)	\$35.12M
▪ % Set Aside to Overall Budget (06/07 – 09/10)	34%
▪ Set Aside Policy Target Percentage	30%

- Similar to Interstate, this district saw a slight decrease in housing investment in 2009/10.
- The bulk of housing funding to-date—over \$8M—has been for homeownership programs and projects. Homeownership goals are being met or exceeded due to program changes and increased demand for homebuyer assistance, home repair programs, and acquisition of 11 HAP homes for future homeownership opportunities. Construction funding went to Habitat for Humanity and ROSE/PCLT for-sale homes, as well as predevelopment work for Svaboda Court, a planned land trust homeownership project.
- Rental investment has increased in Lents with two acquisition/rehabilitation projects by ROSE CDC. Sixteen unit Jim & Salle’s Place was funded and completed rehab work in 2009. The Glen, a 44-unit project, is currently scheduled to complete construction in FY 2010/11. In spite of this spending, Lents remains behind on expenditures for 0-30% MFI rental housing, currently at 7% of Set Aside spending.



LTC URA 4 Year Summary

Set-Aside Summary	Policy Min	Policy Max	Actual %	First 4 Year Actuals				Total
				FY06-07 Actuals	FY07-08 Actuals	FY08-09 Actuals	FY09-10 Actuals	
0-30 MFI Rental	35%	50%	7%	0	218	413,254	423,178	836,651
31-60 MFI Rental			19%	0	383	724,214	1,601,162	2,325,759
31-60 MFI Ownership			26%	231,362	736,977	1,070,219	1,022,772	3,061,331
Total 31-60 MFI Rental & Ownership Housing	20%	45%	45%	231,362	737,360	1,794,434	2,623,934	5,387,090
61-80/100 MFI Ownership	20%	40%	47%	148,110	850,771	3,826,916	789,116	5,614,913
Community Facilities	0%	10%	1%	59,710	3,464	2,578	0	65,752
Set-aside eligible, category unknown			0%	0	0	19,113	25,000	44,113
Total Set-Aside (% of total project expenditures)				439,182	1,591,813	6,056,295	3,861,228	11,948,518
Non Set-Aside Housing				0	480	6	179,368	179,854
Total Housing Budget				439,182	1,592,293	6,056,301	4,040,596	12,128,372
Total PDC Project Expenditures				10,912,061	6,010,990	9,177,114	9,024,550	35,124,715
Cumulative TIF Set-Aside Budget				439,182	2,030,995	8,087,290	11,948,518	
Cumulative Total PDC Project Expenditures				10,912,061	16,923,051	26,100,165	35,124,715	
Cumulative TIF Set-Aside %				4%	12%	31%	34%	

North Macadam Urban Renewal Area

▪ Total Housing Set Aside expenditures (06/07 – 09/10)	\$7.2M
▪ Total Overall Project expenditures (06/07 – 09/10)	\$30.6M
▪ % Set Aside to Overall Budget (06/07 – 09/10)	24%
▪ Set Aside Policy Target Percentage	39%

- The five-year Set Aside target for this district is 39% of total project expenditures for the first five years, based on the adopted funding plan for the 8th Amendment to the URA Plan (\$22.7M for housing). After year five, 30% of expenditures must be for affordable housing.
- Of total project expenditures in this district of \$28.2M in the first three years of the policy, \$7.2M (24%) was spent towards expected Set Aside eligible projects. 2009/10 saw very minimal housing expenditures: \$118,000 in predevelopment and environmental work for Block 49. That proposed project was stalled for most of the fiscal year but is expected to begin construction in 2011.
- It is anticipated that FY 2010/11 and 2011/12 expenditures on the development and construction of Block 49 will make up Set Aside spending shortfalls over the first five years of the policy.



NMAC URA 4 Year Summary

Set-Aside Summary	Policy Min	Policy Max	Actual %	First 4 Year Actuals				Total
				FY06-07 Actuals	FY07-08 Actuals	FY08-09 Actuals	FY09-10 Actuals	
0-30 MFI Rental	50%	70%	0%	0	0	0	0	0
31-60 MFI Rental			0%	0	0	0	0	0
31-60 MFI Ownership			0%	0	0	0	0	0
Total 31-60 MFI Rental & Ownership Housing	20%	40%	0%	0	0	0	0	0
61-80/100 MFI Ownership	0%	20%	0%	0	0	0	0	0
Community Facilities	0%	10%	0%	0	0	0	0	0
Set-aside eligible, category unknown*			100%	5,044,702	1,885,749	167,143	118,144	7,215,738
Total Set-Aside (% of total project expenditures)				5,044,702	1,885,749	167,143	118,144	7,215,738
Non Set-Aside Housing				0	0	0	84,294	84,294
Total Housing Budget				5,044,702	1,885,749	167,143	202,438	7,300,032
Total PDC Project Expenditures				19,636,021	5,854,361	2,742,617	2,409,001	30,642,000
Cumulative TIF Set-Aside Budget				5,044,702	6,930,451	7,097,594	7,215,738	
Cumulative Total PDC Project Expenditures				19,636,021	25,490,382	28,232,999	30,642,000	
Cumulative TIF Set-Aside %				26%	27%	25%	24%	

*Attribution to affordability categories will take place after affordability levels are finalized in the project's regulatory agreement.

Oregon Convention Center Urban Renewal Area

- **Total Housing Set Aside expenditures (06/07 – 09/10)** **\$3.9M**
 - **Total Overall Project expenditures (06/07 – 09/10)** **\$24.8M**
 - **% Set Aside to Overall Budget (06/07 – 09/10)** **16%**
 - **Set Aside Policy Target Percentage** **26%**
-
- The five-year Set Aside target for this district is 26% of total project expenditures. The district is expected to expire before reaching its maximum indebtedness capacity, so resource availability for the next few years is limited.
 - Investment in two major rental projects began in OCC in FY 2009/10 with the completion of the Madrona Studios and the commencement of construction on Miracle’s Club. Madrona Studios provides 176 new units of affordable rental housing, including 10 Permanent Supportive Housing units for chronically homeless individuals. Miracle’s Club will provide 40 new rental units restricted at 60% MFI with six of the units restricted at 30% MFI.
 - OCC continues to exceed policy guidelines on spending for 31-60% MFI, while only 8% of spending has been directed toward 0-30% MFI units.
 - PDC/PHB continued feasibility planning and predevelopment for the King Parks (aka Piedmont Place) and Ivy City/Grant Warehouse affordable homeownership projects.



OCCURA 4 Year Summary

Set-Aside Summary	Policy Min	Policy Max	Actual %	First 4 Year Actuals				Total
				FY06-07 Actuals	FY07-08 Actuals	FY08-09 Actuals	FY09-10 Actuals	
0-30 MFI Rental	35%	50%	8%	0	0	46,125	276,576	322,701
31-60 MFI Rental			71%	412,505	11,777	750,533	1,634,033	2,808,848
31-60 MFI Ownership			0%	0	0	0	0	0
Total 31-60 MFI Rental & Ownership Housing	20%	45%	71%	412,505	11,777	750,533	1,634,033	2,808,848
61-80/100 MFI Ownership	20%	40%	19%	376,243	25,988	105,300	259,321	766,852
Community Facilities	0%	10%	1%	0	20,000	12,000	0	32,000
Set-aside eligible, category unknown			0%	0	2,313	3,606	8,657	14,576
Total Set-Aside (% of total project expenditures)				788,748	60,078	917,564	2,178,587	3,944,977
Non Set-Aside Housing				214,286	134,626	3,990	72,889	425,791
Total Housing Budget				1,003,034	194,705	921,554	2,251,476	4,370,769
Total PDC Project Expenditures				8,944,476	2,893,195	6,171,360	6,833,534	24,842,565
Cumulative TIF Set-Aside Budget				788,748	848,826	1,766,390	3,944,977	
Cumulative Total PDC Project Expenditures				8,944,476	11,837,671	18,009,031	24,842,565	
Cumulative TIF Set-Aside %				9%	7%	10%	16%	

River District Urban Renewal Area

- **Total Housing Set Aside expenditures (06/07 – 09/10)** **\$21M**
 - **Total Overall Project expenditures (06/07 – 09/10)** **\$55M**
 - **% Set Aside to Overall Budget (06/07 – 09/10)** **38%**
 - **Set Aside Policy Target Percentage** **30%**
-
- FY 2009/10 proved to be a big year for spending in the River District URA, primarily due to three main projects – Pearl Family Housing, the Resource Access Center, and New Avenues for Youth.
 - Pearl Family Housing received the bulk of expenditures (\$12M) for the development of 138 family-sized rental units restricted at 60% MFI.
 - FY 2009/10 was the beginning of a \$29M investment in the Resource Access Center. The majority of expenses for the RAC in FY 2009/10 were directed toward the shelter and day center components meaning they counted as community facility expenditures. Future RAC expenditures will be for 130 rental units restricted at 0-30% MFI.
 - The other major community facility investment in FY 2009/10 was rehabilitation and expansion of the New Avenues for Youth facilities serving homeless youth.



RD URA 4 Year Summary

Set-Aside Summary	Policy Min	Policy Max	Actual %	First 4 Year Actuals				Total
				FY06-07 Actuals	FY07-08 Actuals	FY08-09 Actuals	FY09-10 Actuals	
0-30 MFI Rental	50%	70%	6%	366,649	0	442,446	367,744	1,176,839
31-60 MFI Rental			70%	1,007,566	200,000	800,270	12,605,130	14,612,966
31-60 MFI Ownership			0%	0	0	0	0	0
Total 31-60 MFI Rental & Ownership Housing	20%	40%	70%	1,007,566	200,000	800,270	12,605,130	14,612,966
61-80/100 MFI Ownership	0%	20%	0%	0	0	0	0	0
Community Facilities	0%	10%	25%	0	0	764,895	4,456,468	5,221,363
Set-aside eligible, category unknown			0%	0	0	2,636	0	2,636
Total Set-Aside (% of total project expenditures)				1,374,215	200,000	2,010,247	17,429,342	21,013,804
Non Set-Aside Housing				0	50,005	0	0	50,005
Total Housing Budget				1,374,215	250,005	2,010,247	17,429,342	21,063,809
Total PDC Project Expenditures				5,923,566	9,186,182	10,976,758	28,917,303	55,003,809
Cumulative TIF Set-Aside Budget				1,374,215	1,574,215	3,584,462	21,013,804	
Cumulative Total PDC Project Expenditures				5,923,566	15,109,748	26,086,506	55,003,809	
Cumulative TIF Set-Aside %				23%	10%	14%	38%	

South Park Blocks Urban Renewal Area

- **Total Housing Set Aside expenditures (06/07 - 09/10) \$25.3M**
- **Total Overall Project expenditures (06/07 - 09/10) \$44.3M**
- **% Set Aside to Overall Budget (06/07 – 09/10) 57%**
- **Set Aside Policy Target Percentage 30%**

- The five-year Set Aside target for this district is 30% of total project expenditures. The district is reaching maximum indebtedness; forecast housing funding through the end of the district’s lifespan (2012/13) is 56% of total expenditures due to plans for preservation of expiring Section 8 projects and other existing rental housing in the district.
- The bulk of FY 2009/10 spending went towards two rental projects – University Place and the Martha Washington.
 - University Place is a new construction project that replaces and increases the number of apartments that are home to Multnomah County’s Bridgeview program for homeless and at-risk clients. The project provides a total of 48 rental units serving renters earning less than 30% MFI.
 - The rehabilitation of the Martha Washington provides 102 rental units restricted at 30% MFI and 60% MFI.



SPB URA 4 Year Summary

Set-Aside Summary	Policy Min	Policy Max	Actual %	First 4 Year Actuals				Total
				FY06-07 Actuals	FY07-08 Actuals	FY08-09 Actuals	FY09-10 Actuals	
0-30 MFI Rental	75%	90%	67%	2,327,027	3,506,848	4,487,921	6,547,442	16,869,239
31-60 MFI Rental			32%	2,691,816	2,958,065	237,370	2,280,830	8,168,081
31-60 MFI Ownership			0%	0	0	0	0	0
Total 31-60 MFI Rental & Ownership Housing	10%	25%	32%	2,691,816	2,958,065	237,370	2,280,830	8,168,081
61-80/100 MFI Ownership	0%	10%	0%	0	0	0	0	0
Community Facilities	0%	10%	1%	0	200,000	80,000	0	280,000
Set-aside eligible, category unknown			0%	0	0	0	0	0
Total Set-Aside (% of total project expenditures)				5,018,843	6,664,914	4,805,291	8,828,272	25,317,320
Non Set-Aside Housing				0	97	2,486	73,603	76,186
Total Housing Budget				5,018,843	6,665,011	4,807,777	8,901,875	25,393,506
Total PDC Project Expenditures				14,798,836	8,676,459	8,918,549	11,903,230	44,297,074
Cumulative TIF Set-Aside Budget				5,018,843	11,683,757	16,489,048	25,317,320	
Cumulative Total PDC Project Expenditures				14,798,836	23,475,295	32,393,844	44,297,074	
Cumulative TIF Set-Aside %				34%	50%	51%	57%	