



CITY OF
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PORTLAND HOUSING BUREAU

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FY 2012 -2013 TIF Set Aside Spending Report

As the Portland housing market experiences record low vacancy rates and increasing rents and home prices, Tax Increment Financing Set Aside funds continue to represent a large and important pool of resources for affordable housing development in Portland. In 2012-2013 PHB was able to invest over \$28 million in Set Aside funds. The 19 projects and 959 units receiving funding provide affordable rental and for sale homes for low-income families priced out of the private housing market. Additionally, many projects were located in opportunity areas identified as having high levels of access to public and private assets such as family-wage jobs, high-performing schools, parks and public transit.

This year's largest expenditures were in the North Macadam and Interstate Corridor Urban Renewal Areas. In North Macadam, PHB closed out expenditures for the newly constructed Gray's Landing apartments which provides 209 subsidized units, including 42 units reserved for very-low-income veterans. Interstate saw continued investment in new homebuyer and home repair programs, as well as financing for Beech Street, a joint project with Lifeworks NW and Home Forward. The Lifeworks portion includes 13 units with 35 beds for women in recovery. Because of the alcohol and drug recovery structure of the project, the expenditures have been categorized as Community Facility, but the project will serve women earning less than 30% median family income (MFI).

FY 2012-13 Tax Increment Financing Spending and Units Financed by MFI

URA	0-30% MFI	Units	31-60% MFI	Units	61-100% MFI	Units	Community Facility	Pre-Dev/ Property Mgmt	Total
CES	\$0	0	\$0	0	\$0	0	\$0	\$0	\$0
DTWF	\$34,844	38	\$0	0	\$0	0	\$0	\$0	\$34,882
Gateway	\$143,989	4	\$2,498,069	71	\$76,749	2	\$0	\$0	\$2,718,884
ICURA	\$194,099	20	\$599,930	78	\$705,213	64	\$3,142,568	\$162,683	\$4,804,654
Lents	\$1,344,321	16	\$639,681	30	\$494,369	29	\$0	\$500,000	\$2,978,446
NMAC	\$2,153,544	42	\$8,562,899	167	\$0	0	\$0	\$0	\$10,716,652
OCC	\$0	0	\$0	0	\$0	0	\$0	\$6,388	\$6,388
RD	\$0	0	\$1,731,641	80	\$0	0	\$0	\$43,120	\$1,774,840
SPB	\$4,945,034	305	\$0	0	\$0	0	\$0	\$25,554	\$4,970,894
	\$8,815,830	425	\$14,032,220	426	\$1,276,331	95	\$3,142,568	\$737,745	\$28,005,640

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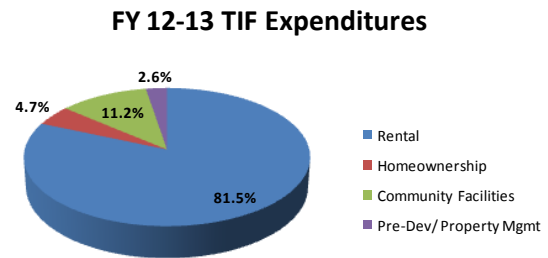
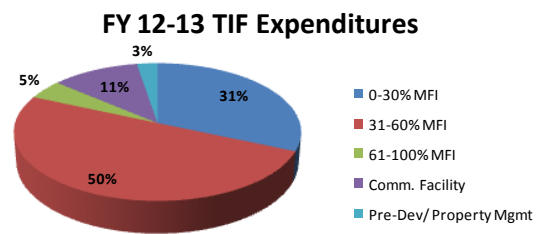
Funding for rental projects was split between units for very-low-income households earning less than 30% MFI and units for those earning less than 60% MFI. The Lexington Tower, Park Avenue and 1200 Building apartments in the South Park Blocks URA accounted for almost half of the year's spending on 0-30% MFI units. All three projects were part of PHB's 11x13 campaign to preserve federally subsidized rental units in the Central City.

¹ Thirteen units are included in the Lifeworks NW project in ICURA, but those units are considered Community Facility as they are temporary units housing women in recovery.

Two urban renewal areas, Central Eastside and Oregon Convention Center reported no spending toward housing projects, and the Downtown Waterfront URA had very low reported expenses. This is due to the lack of new TIF resources in these older districts which are nearing or have past their last dates to issue new debt.

PHB continued spending on homeownership in Gateway, Interstate Corridor and Lents Town Center URAs; however, expenditures over the past year were more heavily weighted toward rental development than in years past. Decreased funding for new construction of for-sale units resulted in only 4.7 percent of total expenditures going toward homeownership.

Predevelopment financing for future projects also accounted for a portion of the year's spending, including \$500,000 for a future project by the Native American Youth and Family Center on the Foster School site in Lents Town Center URA.



Annual Spending Comparison FY 2010/11 – 2012/13

Overall spending in the last fiscal year returned to the level spent in FY 2010-2011, after an unusually high level of expenditure in FY 2011-2012 on large projects in the River District URA including Bud Clark Commons, The Ramona and Blanchet House. Spending on rental units has been relatively even between 0-30% MFI and 31-60% MFI units. Homeownership spending has decreased as PHB finished financing homeownership new construction projects and focused on programmatic spending for new homebuyers and home repair. Financing for the community and shelter space at Bud Clark Commons accounts for the majority of expenditures for Community Facilities over the past three years.

Tax Increment Financing Expenditures Over Three Years by MFI

Fiscal Year	0-30% MFI	31-60% MFI	61-100% MFI	Community Facility	Pre-Dev/ Property Mgmt	Total
2010/11	\$7,332,287	\$13,692,731	\$2,316,348	\$4,862,735	\$23,377	\$28,227,478
2011/12	\$18,515,357	\$13,981,408	\$5,433,252	\$5,374,997	\$104,557	\$43,409,571
2012/13	\$8,815,830	\$14,032,220	\$1,276,331	\$3,142,568	\$737,745	\$28,004,694
Total	\$34,663,474	\$41,706,359	\$9,025,931	\$13,380,300	\$865,680	\$99,641,743
Percentage of Total	34.8%	41.9%	9.1%	13.4%	0.9%	

Units Developed in FY 2012-2013

Over the past year PHB invested TIF Set Aside funds in creating or preserving 959 units, a little under half of which were existing units that received funding for preservation and rehabilitation.² Close to two-thirds of the total units were located in URAs in the Central City. The largest concentration of units in a neighborhood URA was in Interstate Corridor.

Units Financed in FY 2012-13

Project Name	Housing Type	Units	Project Type	URA
Butte Hotel	Rental	38	Rehabilitation	Downtown Waterfront
The Orchards	Homeownership	10	New Construction	Gateway
Glisan Commons	Rental	67	New Construction	Gateway
McCoy Village	Rental	55	Rehabilitation	Interstate
PCRI Scattered Site	Rental	10	Rehabilitation	Interstate
Rivergate - Habitat for Humanity	Homeownership	12	New Construction	Interstate
Beech Street - Home Forward	Rental	32	New Construction	Interstate
Beech Street - Lifeworks NW	Rental/Facility	13	New Construction	Interstate
Killingsworth Station	Homeownership	34	New Construction	Interstate
Home Forward Scattered Site	Homeownership	20	Rehabilitation	Lents and Interstate
Direct Homebuyer Assistance	Homeownership	19	N/A	Lents and Interstate
Svoboda Court	Homeownership	12	New Construction	Lents Town Center
Kah San Chako Haws	Rental	9	New Construction	Lents Town Center
Beyer Court Apartments	Rental	14	Rehabilitation	Lents Town Center
Firland Apartments	Rental	19	Rehabilitation	Lents Town Center
PCRI Ellis Home	Rental	1	Rehabilitation	Lents Town Center
Gray's Landing	Rental	209	New Construction	North Macadam
Yards at Union Station Phase C	Rental	80	New Construction	River District
1200 Building Apartments	Rental	89	Rehabilitation	South Park Blocks
Lexington/Park Tower	Rental	216	Rehabilitation	South Park Blocks
Total		959		

Number of Units Financed Over Two Years by URA

Urban Renewal Area	Units	
	2011/12	2012/13
Downtown Waterfront	38	38
Gateway	10	77
Interstate Corridor	148	175
Lents Town Center	105	75
North Macadam	0	209
River District	390	80
South Park Blocks	210	305
Total	901	959 ³

² Unit count includes units counted in previous years' reports if they received funding in FY 2012-13.

³ 370 units were counted in both FY 2011/12 and 2012/13 as they received funding in both years.