

**Agenda No. 419**

**ORDINANCE NO. 190436**

\*Authorize new construction financing for an affordable housing project to be developed by a Northwest Housing Alternatives affiliate in amount not to exceed \$19,786,343 (Ordinance)

The City of Portland ordains:

**Introduced by**  
Commissioner Ryan

Section 1. The Council finds:

**Bureau**  
Housing

**Prepared by**  
Siobain Beddow

**Date Prepared**  
May 10, 2021

**Requested Council Date**  
June 2, 2021

**Requested Agenda Type**  
Regular 30 minutes

**Date Filed with Clerk**  
May 25, 2021

1. On behalf of the City of Portland, the Portland Housing Bureau (PHB) administers affordable housing programs using resources, including Portland Housing Bonds ("Portland Bonds"), to support the development of affordable housing.
2. The developer, Northwest Housing Alternatives (NHA) applied for and received a funding award from the Spring 2019 Bond Opportunity Solicitation (BOS). This is the seventh BOS project to be presented to City Council for approval.
3. This BOS combined Portland Bond funds with additional funding support for forty-eight (48) Permanent Supportive Housing (PSH) units totaling of up to \$10,000 per year per unit from the Office of Joint Homeless Services (JOHS). All PSH units are intended to serve the homeless or those at risk of homelessness. In addition to the PSH units, the project will supply 30 unsubsidized units at 30% of median family income.
4. NHA will form a limited partnership, the Susan Emmons Limited Partnership (as Borrower), to adapt the existing historic Buck Prager building

from office to residential uses, and develop new construction three-story and six-story buildings for the multifamily rental project (Project), located at 1727 NW Hoyt Street and 624 NW 18<sup>th</sup> Street in the Northwest District Association neighborhood consisting of 144 affordable rental units plus two manager units.

5. The Project is in a high opportunity area and will serve seniors and adults with incomes at or below 60% of median family income (MFI). It is comprised of one hundred forty-four (144) studios and two (2) one-bedroom manager units.
6. Seventy-eight (78) studio units will be restricted at 30% MFI and thirty (30) of these are unsubsidized by any rental support or Section 8 vouchers. Forty-eight (48) units are subsidized by Section 8 vouchers. The remaining sixty-six (66) units will have rents at or below 60% MFI.
7. Forty-eight (48) studio units will be housing PSH households and receiving service subsidy from JOHS.
8. The Borrower will enter into regulatory agreements with PHB to maintain the affordability requirements for the Project for 20 years to comply with the Portland Bond requirements and for up to 99 years to comply with City Policies.
9. The proposed City funding leverages more than \$28 million of other public and private financing contributed by KeyBank, KeyBank Real Estate Capital, Keybank Community Development, Metro (TOD) and the Oregon Housing and Community Services Department.
10. On March 6, 2021, the PHB Housing Investment Committee recommended approval of the use of Portland Bond funds and other City funds for development of the Project.

NOW, THEREFORE, the Council directs:

- A. The Director of PHB is hereby authorized to execute any and all financing and related documents necessary to provide an amount not to exceed \$19,786,343 to the Borrower or a NHA affiliate for the construction and operation of the Project.

B. The Director of PHB is hereby authorized to approve amendments or modifications to any and all financing and related documents, within the maximum amounts approved under this Ordinance, consistent with City policies, 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 the Project to meet the timeline required by other financing sources and would delay the Project and could affect the budget: therefore, this Ordinance shall be in full force and effective from and after its passage.

Passed by Council: June 2, 2021

**MARY HULL CABALLERO**

Auditor of the City of Portland

Action Taken:

By *Christina Thomas*

Deputy

Commissioners voted as follows (Yea or Nay)

Rubio - Yea

Ryan - Yea

Hardesty - Yea

Mapps - Yea

Wheeler - Yea