

**FINANCIAL IMPACT STATEMENT  
For Council Action Items**

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator <b>Andrea Matthiessen</b>		3-3279	2. Bureau/Office/Dept. <b>PHB 157/500</b>	
4a. To be filed (date) <b>January 5, 2011</b>	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to FPD Budget Analyst: <b>December 21, 2010</b>	

**1) Legislation Title:**

\* Support the application of the Portland Housing Center to become certified as a Nonprofit Instrumentality of Government (Resolution)

**2) Purpose of the Proposed Legislation:**

This Resolution provides formal support to the Portland Housing Center (PHC) in their application for certification to act as a Nonprofit Instrumentality of Government (IOG).

**3) Revenue:**

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.

No, this Resolution will not generate or reduce revenue to the City.

**4) Expense:**

What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

There are no costs to the City to provide support to the Portland Housing Center in their application to become certified as a Nonprofit Instrumentality of Government.

**Staffing Requirements:**

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No, supporting this Resolution will no create or eliminate positions.

6) Will positions be created or eliminated in future years as a result of this legislation? No

Complete the following section if you are accepting and appropriating a grant via ordinance. This section should only be completed if you are adjusting total appropriations, which currently only applies to grant ordinances.

7) **Change in Appropriations** (If the accompanying ordinance amends the budget, please reflect the dollar amount to be appropriated by this legislation. If the appropriation includes an interagency agreement with another bureau, please include the partner bureau budget adjustments in the table as well. Include the appropriate cost elements that are to be loaded by the Grants Office and/or Financial Planning. Use additional space if needed.)

There is no appropriation change.

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

Margaret Van Vliet, Director

*Margaret Van Vliet for MSV*

APPROPRIATION UNIT HEAD (Typed name and signature)



CITY OF  
**PORTLAND, OREGON**

PORTLAND HOUSING BUREAU

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**COVER SHEET for ORDINANCE, RESOLUTION, REPORT TO COUNCIL**

Today's Date: December 21, 2010  
Expected Date to Council: January 5, 2010  
Title of Ordinance/Resolution: Support the application of the Portland Housing Center to become certified as a Nonprofit Instrumentality of Government (Resolution)  
Contract Manager's Name & Number: Andrea Matthiessen (503) 823-2379  
Preparer's Name & Number: Andrea Matthiessen (503) 823-2379  
Manager's Name: Jacob Fox  
Manager Approval: \_\_\_\_\_  
If this is an Agreement or a Contract, has it been "Approved as to Form" by the City Attorney? Yes  
Your Manager accepts this and signed here: \_\_\_\_\_  
Will this be on **Regular** or **Consent** agenda?: **Consent**  
Budget Impact Statement Attached? Yes

*Please complete the following information*

**A. Provide information about the item (What is it about? Why is it important? Is there anything controversial? If so, why is it controversial and how is the controversy addressed? Any pertinent background information?)**

This Resolution provides formal support to the Portland Housing Center (PHC) in their application for certification to act as a Nonprofit Instrumentality of Government (IOG). Having this designation will allow PHC to generate FHA loans that finance the amount of the down payment, which will benefit low-income homebuyers. There is currently not an entity in Portland that is generating this type of loan.

Prior to the date this will be heard by Council, PHB will notify current homeownership partners that the City is providing this support to the Portland Housing Center. Additionally, PHB has worked with the City Attorney's office to confirm that the level of support provided by this Resolution should not present any significant liability to the City in having PHC work conducting work as an IOG.

**B. Provide three points of information that our Commissioner can use to introduce this item.**

1. Only government entities and IOGs can originate FHA mortgages that will finance the down payment requirements. Currently the Portland Housing Bureau is not doing first mortgage lending and no other entity in Portland is certified as an IOG to be eligible to offer this FHA loan product.

2. Down payment costs can be a significant barrier for low-income households that are trying to purchase a home. Having an organization that can offer a 0% down payment FHA loan will facilitate homeownership opportunities for low-income homebuyers in Portland by removing the barrier of down payment costs.
  3. The Portland Housing Center has a strong history of providing quality homebuyer education and counseling and financial assistance to low-income homebuyers to successfully move them into homeownership.
- C. Will you, as the preparer of this item, be at Council when this is heard? No**
- D. If the item is on the regular agenda, describe who will make the presentation or testimony and how much time will be needed for presentation and for Council discussion and vote.**
- No presentation time needed, just introduction by Commissioner Fish
- E. Will members of the community be part of the presentation or be invited? No**