

RESOLUTION No. 37068

Approve revised financial assistance guidelines for the Portland Housing Bureau (Resolution)

WHEREAS, the City consolidated the housing functions that existed at the City's Bureau of Housing and Community Development and the Portland Development Commission ("PDC") through Ordinance No. 182465 on January 7, 2009, and established the Portland Housing Bureau ("PHB");

WHEREAS, PDC had established certain lending practices that included guidelines for financial assistance as well as an internal loan committee to review and recommend proposed lending terms prior to the PDC's Executive Director's approval;

WHEREAS, PHB continued such lending practices using similar guidelines that were adopted for PHB (the "Original Guidelines") by the Council through Resolution No. 36787;

WHEREAS, Resolution No. 36787 resolved that PHB shall review the Original Guidelines in conjunction with its strategic planning effort and loan portfolio analysis and return to Council with changes;

WHEREAS, it is the goal of PHB to use lending guidelines and policies that prioritize accountability to the public for expenditure of public dollars, are transparent, can be applied consistently and equitably, produce for the public an affordable housing infrastructure that will provide a safe, stable home for the people of Portland, and will continue to benefit Portland for at least 60 years;

WHEREAS, in order to meet those goals and ensure alignment with its strategic planning effort and loan portfolio analysis, PHB has undertaken an extensive review of the Original Guidelines including interviewing other public lenders, private financial institutions that are co-lenders with PHB on affordable housing, for profit and nonprofit developers of affordable housing, and for profit and nonprofit owners and operators of affordable housing;

WHEREAS, during that review, the City of Portland Auditor released an audit of the Housing Loan Program in March of 2014 (the "Audit") that contained a recommendation to determine the need for a grant-type product;

WHEREAS, the Housing Commissioner directed PHB to ensure that a grant product would require a higher level of approval, and not change the City's current legal rights to enforce the agreement to provide at least 60 years of affordable housing to the public or seek repayment should that commitment not be met;

WHEREAS, PHB has completed the review required by Council in Resolution No. 36787 and proposes revisions to the Original Guidelines substantially in the form attached hereto as Exhibit A (the "Guidelines");

WHEREAS, the Guidelines include revisions to the equity gap contribution that allow the conversion to a grant after the 60 year affordability regulatory agreement terminates, and lower the approval authority of the Commissioner in Charge and the Director to approve new equity gap funding; and

WHEREAS, a table delineating the changes in the Guidelines as compared to the Original Guidelines is attached hereto as Exhibit B.

WHEREAS, the proposed Guidelines will further the accountability, transparency, and consistency of the application of loan products and policies leading to improvements in the provision of affordable housing to the benefit of the citizens of the City of Portland;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the Guidelines;

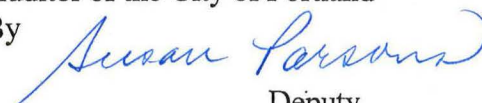
BE IT FURTHER RESOLVED that the PHB Director is authorized to make administrative changes to the Guidelines but must submit any policy changes to Council for approval.

Adopted by the Council: APR 30 2014

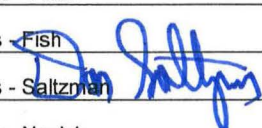
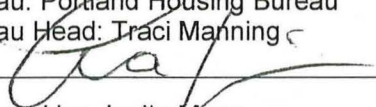
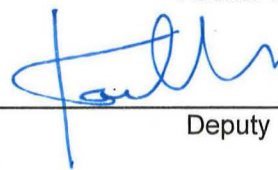
Commissioner Dan Saltzman
Prepared by: Javier Mena
Date Prepared: April 18, 2014

LaVonne Griffin-Valade
Auditor of the City of Portland

By


Deputy

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<p>INTRODUCED BY Commissioner/Auditor: Dan Saltzman</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman </p> <p>Position 4/Safety - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: Portland Housing Bureau Bureau Head: Traci Manning </p> <p>Prepared by: Javier Mena Date Prepared: April 18, 2014</p> <p>Financial Impact & Public Involvement Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan</p> <p>Council Meeting Date April 30, 2014</p>	<p>CLERK USE: DATE FILED <u>APR 25 2014</u></p> <p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By:  Deputy</p> <p>ACTION TAKEN:</p>
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AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: 9:45</p> <p>Total amount of time needed: 30 Minutes (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input checked="" type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	✓	
2. Fish	✓	
3. Saltzman	✓	
4. Novick	✓	
Hales	✓	