

IMPACT STATEMENT

Legislation title: *Authorize sale of land at 815 NW Naito Parkway (Ordinance)
Contact name: **Barbara Shaw, Housing Portfolio Finance Coordinator,
Portland Housing Bureau (“PHB”)**
Contact phone: 503-823-3339
Presenter name: **Traci Manning, Director, PHB**

Purpose of proposed legislation and background information:

- This Ordinance provides authority for the conveyance of land to an affiliate of GSL Properties Inc. in accordance with two 1998 agreements (the “**DDA**” and the “**Option**”) and provides authority for the PHB Director to execute the deed and related documents.
- The land being conveyed is a 2.43 acre parcel at 815 NW Naito upon which a mixed-income development, Yards at Union Station B (“**Yards B**”), was developed in 2003. Yards B is a 321-unit development including 138 units affordable to households at or below 60% MFI. This conveyance also includes a transfer of the city’s interest in a parcel of land abutting Yards B known as “**Tract A**”. Tract A is owned by several adjacent landowners, each with an undivided interest, and is the location of the GSL-built, privately-owned, access road known as NW Ironsides Terrace.
- Several development projects were completed under the DDA and this sale of land is the final conveyance of PHB’s fee interest in this land. Upon consultation with PBOT and PDC, it was determined that an additional easement was needed to support the continued public access across the property to reach the PDC-owned pedestrian bridge crossing the tracks at Union Station. The provision of this easement is a condition of sale and PBOT will accept the easement on behalf of the City.
- The sale of this land was anticipated by the 1998 DDA, as amended, as well as by the Option under which Yards B was developed. These project documents require the sale of the land upon payment of certain sums and the satisfaction of certain conditions. With the acceptance of this easement and the payment of approximately \$8.8M to PHB, the conditions required for the transfer of property will be satisfied.
- The payment of \$8.8 M represents the sum of three amounts;
 - the outstanding loan balance due to PHB of approximately \$5,200,000,
 - the outstanding option payments due to PBH of approximately \$1,200,000, and
 - a fixed payment of \$2,450,000.
- The easement assigns all liability and maintenance expenses in the easement area to the land owner, i.e. Union Station B, LLC.

Financial and budgetary impacts:

- Approximately \$8.8M will be available in the affordable housing set-aside budget in the Downtown Waterfront Urban Renewal Area in accordance with PHB's 2014-15 budget.
- The buyer is refinancing Yards B to acquire the land and will repay existing City of Portland Multifamily Housing Revenue Bonds originated in 1998.

Community impacts and community involvement:

- This transaction is made in accordance agreements executed in the 1990s by PDC and assumed by PHB. There has been no recent public involvement. In the 1990s, the original developer selection was made through a public solicitation and there was significant PHB-led public involvement in planning the development.

Budgetary Impact Worksheet**Does this action change appropriations?**

- ☐ **YES:** Please complete the information below.
- ☒ **NO:** Skip this section

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