

ORDINANCE No. 187641

*Approve financing not to exceed \$3,200,000 using federal Community Development Block Grant funds for the Hill Park Apartments at 110 SW Arthur St to develop a 39 unit affordable rental housing project (Ordinance)

The City of Portland ordains:

SECTION 1. The Council finds that:

1. On behalf of the City of Portland, the Portland Housing Bureau (“PHB”) administers affordable housing programs using resources, including tax increment proceeds and federal funds to support the development of affordable housing.
2. As a result of the public solicitation “Notice of Funding Availability”, PHB is seeking to make available up to \$3,200,000 of federal Community Development Block Grant (CDBG) funds (“City Funding”) for a development to be constructed in the Lair Hill neighborhood in southwest Portland at 110 SW Arthur Street known as “Hill Park Apartments” (“the Project”).
3. The Project will be developed and operated by Central City Concern (“CCC”).
4. The Project will have 39 residential units including 14 serving households earning up to 30% of the area Median Family Income and the remaining units will serve households earning up to 60% of the area Median Family Income.
5. Eight of the project’s units will be targeted to residents that have a diagnosed severe mental illness and are able to live independently. Thirty units will have a preference for individuals who have graduated from CCC’s supportive services/rehabilitation programs and achieved employment from CCC’s downtown Employment Access Center. The one remaining unit will be reserved for the on-site manager.
6. Home Forward, the housing authority for Multnomah County, will provide ten project – based Section 8 rent assistance vouchers for very low income households. Four of these will be for residents with a severe mental illness that are able to live independently.
7. The location in southwest Portland provides new affordable housing in a high opportunity neighborhood with easy access to employment, transportation, and other Portland amenities.

8. The City Funding is necessary to leverage more than \$8M of other public and private financing needed from sources including US National Bank Association, US National Bank Community Development Corporation, the State of Oregon Health Authority, Central City Concern, Oregon Housing and Community Services, US Department of Housing and Urban Development, and the Energy Trust of Oregon.
9. On February 25, 2016, the PHB Housing Investment Committee recommended approval of the City Funding for the Project subject to Council authorization.

NOW, THEREFORE, the Council directs:

- a. The City Funding to the 1st and Arthur Limited Partnership to implement the Project will consist of up to \$3,200,000 from PHB's budget for federal CDBG funds.
- b. The Director of PHB is authorized to approve amendments or modifications to the financing and to execute regulatory agreements, loan documents, trust deeds, and such other documents in form and substance as required to complete the financing authorized by this Ordinance, within the maximum amounts approved under this Ordinance, 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 funding would impair the ability of participants in the Project to adhere to a timeline required by other financing sources and would delay the development of Project and the availability of construction jobs; therefore, this ordinance shall be in full force and effective from and after its passage.

MAR 23 2016

Passed by the Council:
 Commissioner: Dan Saltzman
 Prepared by: John Marshall
 Date Prepared: March 2, 2016

MARY HULL CABALLERO

Auditor of the City of Portland

By

Susan Parsons

Deputy

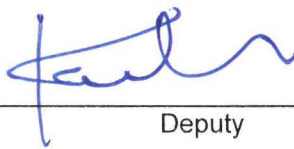

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187641

Agenda No.
ORDINANCE NO.
 Title

community
 development
 Block Grant

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INTRODUCED BY Commissioner/Auditor: Dan Saltzman	CLERK USE: DATE FILED <u>MAR 15 2016</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Hales Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Novick	Mary Hull Caballero Auditor of the City of Portland By:  Deputy
BUREAU APPROVAL Bureau: Portland Housing Bureau Bureau Head: Kurt Creager Prepared by: John Marshall Date Prepared: March 2, 2016 Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> City Auditor Office Approval: required for Code Ordinances City Attorney Approval:  Council Meeting Date March 23, 2016	ACTION TAKEN:

AGENDA TIME CERTAIN <input checked="" type="checkbox"/> Start time: 10:00 AM Total amount of time needed: 20-30 minutes (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

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