



---

CITY OF  
**PORTLAND, OREGON**  
PORTLAND HOUSING BUREAU

---

Dan Saltzman, Commissioner  
Traci Manning, Director  
421 SW 6th Avenue, Suite 500  
Portland, OR 97204  
(503) 823-2375  
Fax (503) 823-2387  
[www.portlandonline.com/PHB](http://www.portlandonline.com/PHB)

---

Date: Insert Date

To: City Council

From: Traci Manning

Re: Fiscal Year 2010-2011  
Annual PHB Housing Investment Committee Report

Per Council Ordinance No. 183836 passed by Council on May 6, 2010, the Portland Housing Bureau is providing you with a report of all approved loan and investment activity which were recommended for approval by our Housing Investment Committee (HIC) and approved by the Director and/or Commissioner.

### **HOUSING INVESTMENT COMMITTEE ACTIVITY**

#### **Housing Investment Committee Activity FY 2010-2011**

During the Fiscal Year 2010-2011 HIC recommended approval of 18 major projects broken down in the following tables as Acquisition/Rehabilitation, New Construction, and Rehabilitation of current units in the PHB portfolio. HIC recommended an investment total of \$43,730,686 to fund the construction or rehabilitation of 749 units.

#### **Acquisition/Rehabilitation**

Project	Sponsor/Owner	Loan Type	Funds Source	Units	Amount
Amethyst Development LLC	Amethyst Development LLC	For-Sale Development	TIF	6	1,168,000
Briarwood Apartments	Portland Housing Bureau	Cash Flow	HOME, Section 108, CDBG	22	2,246,230
Chaucer Court	Chaucer Court Union Manor LP	Cash Flow	TIF	84	2,615,000
Halsey Center - JOIN	The Halsey Project	Amortized	Section 108, CDBG		650,000
Rose - HAP Scattered	Rose CDC	For-Sale Development	TIF	5	985,000
Uptown Tower	Uptown Tower Apartments LP	Cash Flow	Section 108, CDBG	72	700,000
<b>Total Acquisition/Rehabilitation</b>	<b>6</b>		<b>Total Units/Dollars</b>	<b>189</b>	<b>\$8,364,230</b>

## New Construction

Project	Sponsor/Owner	Loan Type	Funds Source	Units	Amount
Blanchet House of Hospitality	Blanchet House of Hospitality	Grant	TIF	42	4,000,000
Block 49	REACH CDC	Predevelopment	TIF		700,000
Block 49	REACH CDC	Amortized, Cash Flow	TIF	209	22,136,545
Glisan Commons	Human Solutions Inc	Predevelopment	TIF	67	995,567
Habitat 420 SE 106th Ave	Habitat for Humanity Portland	For-Sale Development	TIF	14	144,200
Habitat for Humanity - NSP	Habitat for Humanity Portland	For-Sale Development	NSP	45	1,376,757
Svaboda Court	PCLT Development LLC	For-Sale Development	TIF	12	1,800,000
<b>Total New Construction</b>	<b>7</b>		<b>Total Units/Dollars</b>	<b>389</b>	<b>\$31,153,069</b>

## Rehabilitation

Project	Sponsor/Owner	Loan Type	Funds Source	Units	Amount
Ainsworth Court	Home Forward	Equity Gap	TIF	88	1,400,000
Gladys McCoy Apartments	Gladys McCoy Apartments LP	Cash Flow	TIF	55	1,500,000
Otesha Place Apartments	Sabin CDC	Equity Gap	CDBG	11	229,273
PCRI Scattered Sites	PCRI	Cash Flow	CDBG	12	707,506
Proud Ground - Ownership	Proud Ground	For-Sale Development	NSP	5	376,608
<b>Total Rehabilitation</b>	<b>5</b>		<b>Total Units/Dollars</b>	<b>171</b>	<b>\$4,213,387</b>

During the Fiscal Year 2010-2011 HIC recommended the approval of 61 action items broken down in the following tables as Multifamily or Single Family housing types. The tables are further broken down by request categories.

Project	Sponsor/Owner	Items	Amount
<b>Multifamily</b>			
<b>■ Amendment</b>		<b>10</b>	
▫ Collins Circle	RSGF Collins Circle LLC		n/a
▫ Taggart Manor	Central City Concern		n/a
▫ Blanchet House of Hospitality	Blanchet House of Hospitality		n/a
▫ Block 49	REACH CDC		n/a
▫ Ramona Apartments	Nuture 247 Limited Partnership		n/a
▫ King/Parks	Piedmont Community Developers		n/a
▫ 12th Avenue Terrace	REACH CDC		n/a
▫ Shaver Green	Shaver Green LP		n/a
▫ River Gate Commons	Habitat for Humanity Portland		n/a
▫ PCRI Scattered Sites	PCRI		n/a
<b>■ Assumption/Transfer</b>		<b>1</b>	
▫ Fessenden Court Apartments	Peninsula CDC		n/a
<b>■ Funding Increase</b>		<b>2</b>	
▫ Bellrose Station	Rose CDC		50,000
▫ Svaboda Court	PCLT Development LLC		30,000
<b>■ Informational</b>		<b>7</b>	
▫ Halsey Center - JOIN	The Halsey Project		n/a
▫ Project Support Program RFP	Portland Housing Bureau		100,000
▫ South Park Blocks Section 8 Preservation	Harsch Investmnets, Jim Winkler		n/a
▫ Renew Kenton Scattered Sites	Renew Kenton Homes LLC		n/a
▫ Killingsworth Station	Killingsworth Station LLC		n/a
▫ Informational - RFP	Portland Housing Bureau		400,000
▫ Informational - RFP	Portland Housing Bureau		1,000,000
<b>■ Loan Deferral</b>		<b>4</b>	
▫ Ritzdorf Court	REACH CDC		n/a
▫ Ritzdorf Court	REACH CDC		n/a
▫ Gladys McCoy Apartments	Gladys McCoy Apartments LP		n/a
▫ Los Jardines de la Paz	Hacienda CDC		n/a

<b>■ Loan Modification/Restructure</b>		<b>8</b>
▫ Rosemont Townhomes and Plaza	Northwest Housing Alternatives	n/a
▫ Woolsey Corner	Orange Splott LLC	n/a
▫ Gretchen Kafoury Commons	Home Forward	n/a
▫ Dawson Park	Home Forward	n/a
▫ PCRI Exeter Fessenden	PCRI	n/a
▫ Helen A Swindells	Home Forward	n/a
▫ Rose CDC Loan Portfolio	Rose CDC	n/a
▫ Admiral Apartments	REACH CDC	n/a
<b>■ Short Sale</b>		<b>1</b>
▫ Fessenden Court Apartments	Peninsula CDC	n/a
<b>■ Subordination</b>		<b>5</b>
▫ Nelson Court	Sawash Housing LLC	n/a
▫ Quad Building	QUAD	n/a
▫ Community Services Inc	Community Services Inc	n/a
▫ St. James Apartments	St. James Housing LP	n/a
▫ Ortiz Center	Hacienda CDC	n/a
<b>■ Tax Exemption</b>		<b>2</b>
▫ Ash Street Apartments	Ash Street Apartments LLC	n/a
▫ Hazelwood Retirement Community Apts	Hazelwood Group LLC	n/a
<b>■ Write-Off</b>		<b>2</b>
▫ West Hotel	Portland Housing Bureau	-99,185
▫ St. Stephens Project	Episcopal Center for Caring LLC	-160,462
<b>Total Multifamily Items</b>		<b>42</b>

Project	Items	Amount
<b>Single Family</b>		
▪ <b>Amendment</b>	<b>3</b>	
▫ Single Family Loan - Kenton Neighborhood		n/a
▫ HUD Dollar Homes Program		n/a
▫ Single Family Loan - Old Town/Chinatown		n/a
▪ <b>Assumption/Transfer</b>	<b>1</b>	
▫ Single Family Loan - Lents Neighborhood		n/a
▪ <b>Guideline Exception</b>	<b>5</b>	
▫ Single Family Loan - Overlook Neighborhood		n/a
▫ Single Family Loan - Portsmouth Neighborhood		n/a
▫ Single Family Loan - Lents Neighborhood		n/a
▫ Single Family Loan - Woodlawn Neighborhood		9,500
▫ Single Family Loan - Lents Neighborhood		n/a
▪ <b>Informational</b>	<b>1</b>	
▫ Homeownership Programs and Services RFP		1,685,000
▪ <b>Loan Modification/Restructure</b>	<b>2</b>	
▫ Single Family Loans - SAM Modification		n/a
▫ Single Family Loan - Kenton Neighborhood		n/a
▪ <b>Short Sale</b>	<b>2</b>	
▫ Single Family Loan - Boise Neighborhood		n/a
▫ Single Family Loan - Old Town/Chinatown		n/a
▪ <b>Subordination</b>	<b>2</b>	
▫ Single Family Loan - King Neighborhood		n/a
▫ Single Family Loan - Brentwood Neighborhood		n/a
▪ <b>Write-Off</b>	<b>3</b>	
▫ Single Family Loan - Kenton Neighborhood		-1,316.37
▫ Single Family Loans - Group write-offs		-28,848
▫ Single Family Loans - Group write-offs		-239,353.76
<b>Total Single Family Items</b>	<b>19</b>	

During the Fiscal Year 2010-2011 HIC recommended approval of 16 items that required exceptions to PHB's Housing Development Loan Manual guidelines. These exceptions are summarized in the table below.

Project	Exceptions to Guidelines
Ainsworth Court	Capitalized developer fee exceeds PHB guidelines. Cashflow split starts in year 9. No interest charged until year 9.
Blanchet House of Hospitality	See Footnote
Block 49	The new loan will not be secured because PHB owns the property.
Block 49	Maturity date on the predevelopment loan has been extended in excess of PHB loan policy guidelines.
Chaucer Court	60 year loan term. Loan to value exceeds 100%. Front loaded disbursement schedule. 100% of hard and soft cost savings to PHB.
Habitat for Humanity - NSP	The interest rate on the construction loan is 0% rather than a minimum of 3% to reduce the overall project cost.
PCRI Scattered Sites	Appraisal and Phase 1 environmental requirement waived. Sponsor does not meet the 2% equity hurdle requirement.
Proud Ground - Ownership	The interest rate on the construction loan is 0% rather than a minimum of 3% to reduce the overall project cost.
Rose - HAP Scattered	Appraisal, performance bond, and equity requirement waived. Disbursements on a draw basis instead of retainage.
Single Family Loan - Kenton Neighborhood	Borrower's 90% debt to income ratio exceeds Home Repair guidelines maximum debt to income ratio of 60%
Single Family Loan - Lents Neighborhood	Borrower's 110% loan to value ratio exceeds the home repair guideline limit of 100%.
Single Family Loan - Lents Neighborhood	Borrower's 130% loan to value ratio exceeds the home repair guideline limit of 100%.
Single Family Loan - Old Town/Chinatown	The terms of the SAM state that the home must be owner occupied.
Single Family Loan - Portsmouth Neighborhood	Borrower exceed's Home Repair guidelines maximum debt to income ratio of 60% and loan to value of 100%.
Single Family Loan - Woodlawn Neighborhood	Borrower's 77% debt to income ratio exceeds Home Repair guidelines maximum debt to income ratio of 60%
Uptown Tower	The 6% developer fee is high for a project this size.
<b>Total Guideline Exceptions</b>	<b>16</b>

#### Footnote - Blanchet House Guideline Exceptions

There is no direct relationship between PHB and New Riley House related to project funding. There is no collateral to secure City interest. City funds will be 100% disbursed to the IF before construction starts. PHB cannot be named as a loss payee on New Riley House insurance policies because PHB has no recorded loan/grant secured by the property. There is no reserve account to be monitored by PHB's asset management team.