



CITY OF
PORTLAND, OREGON
PORTLAND HOUSING BUREAU

Dan Saltzman, Commissioner

Kurt Creager, Director

421 SW 6th Avenue, Suite 500

Portland OR 97204

Date: November 6, 2015

To: City Council

From: Javier Mena – PHB Assistant Director

Re: Fiscal Year 2015-2016
1st Quarter 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 2015-2016

During the 1st Quarter of Fiscal Year 2015-2016, HIC recommended approval of PCRI's 6 unit development, and a predevelopment loan to cover architectural expenses for the St. Francis Park project. Formal approval of the St. Francis Park project will come at a later date. The two projects are summarized in the table below.

New Construction

Project	Sponsor/Owner	Loan Type	Funds Source	Units	Amount
N/NE Scattered Sites	PCRI	Cash Flow	HOME	6	\$1,486,254
St. Francis Park	Caritas Housing Initiatives, LLC	Predevelopment	HOME		\$500,000
Total New Construction		2	Total Units/Dollars	6	\$1,986,256

Multifamily Activity

During the 1st Quarter of Fiscal Year 2015-2016 HIC recommended the approval of multiple multifamily items detailed in the table below.

Project	Request	Items	Amount
Multifamily			
<ul style="list-style-type: none"> ▪ Loan Deferrals <ul style="list-style-type: none"> ○ Hopewell ○ Hazelwood Retirement Community Apartments 	<p>Approve a twenty year extension of loan payment from 4/1/2016 to 4/1/2036</p> <p>(1) Defer loan payments from August 1, 2015 through October 30, 2015; and (2) Option to extend deferral an additional three months at PHB's discretion</p>	2	N/A
<ul style="list-style-type: none"> ▪ Subordinations <ul style="list-style-type: none"> ○ Village at the Headwaters Apartments 	<p>Approve refinancing of senior debt and subordination of PHB documents to interests of new lender. Amend PHB documents to allow for new operating pro forma and to align loan terms with PHB's HDS loan processing system</p>	1	N/A
<ul style="list-style-type: none"> ▪ Amendments <ul style="list-style-type: none"> ○ Tax Exemption – Hazelwood Plaza ○ Kah San Chako Haws ○ St. Francis Apartments 	<p>Amend the approval of the multiple unit limited tax exemption by reducing the percentage of required affordability from 100% of the units to 40% of the units</p> <p>Waive cash flow share payment 2013-14 and amend operating pro forma to include management fee</p> <p>Approve (1) acquisition by Saint Francis LLC, (2) assignments and amendments of PHB documents to reflect new structure, (3) subordination to new primary lender and the release of Grant Agreement with Loaves and Fishes related to tenant improvements</p>	3	N/A
Total Multifamily Items		6	N/A

Single Family Activity

During the 1st Quarter of Fiscal Year 2015-2016 HIC recommended the approval of multiple single family items detailed in the table below.

Request	Information	Items	Amount
Single Family			
▪ Collection/Loan Assumption	Ownership transferred in 2003, default upon transfer was not enforced	1	\$10,000.00
▪ Write-Off	Chapter 7 Bankruptcy and repossession on a land-sale contract	4	\$14,499.55
	Chapter 7 Bankruptcy		\$63,100.00
	Non-judicial foreclosure received in 2014 with a concurrent chapter 13 bankruptcy		\$12,779.68
	Judicial foreclosure summons received in 2013		\$17,004.87
Total Single Family Items		5	\$117,384.10

Guideline Exceptions

During the 1st Quarter of Fiscal Year 2015-2016 HIC recommended the approval of three items that required exceptions to PHB's Housing Development Loan Manual guidelines. The exceptions are summarized in the table below.

Project	Exceptions to Guidelines
N/NE Neighborhood Scattered Sites	(1) The priority payment for PCRI's conditional sponsor loan is an exception to the priority payment guidelines. (2) Reversion of cost savings to repay any remaining PCRI conditional sponsor loan at completion is an exception to cost savings guidelines.
Shared Appreciation Mortgage Guideline Exception	Request from the finance and accounting/loan servicing department for HIC to approve the usage of language outlining in detail the method of calculating 'net share proceeds' - found in a shared appreciation mortgage and security agreement (SAM) absent of NHP SAM program guidelines established at PDC.
Kah San Chako Haws	Cash flow dependent priority payment for management expenses is an exception according to the guidelines revised in 2014.
Total Guideline Exceptions	3