

May 14, 2015

Plan for one-for-one replacement of housing at 537 NE Ainsworth Street and 12748 NE Halsey Street Portland, OR as required under Section 104 (d) of the Housing and Community Act of 1974, as amended

What is the proposed assisted activity?

The City of Portland, Oregon through the Portland Housing Bureau (PHB) proposes to provide funding in an amount to be determined (initially estimated at \$1.5 million as part of an overall roughly \$2.2 million total project cost) from the Fiscal Year 2014/ 2015 HOME program of the U.S. Department of Housing and Urban Development (HUD) to Portland Community Reinvestment Initiatives (PCRI). PCRI will use the funding to demolish existing housing on two of three sites and build a duplex and two triplexes on all three sites.

What are the units that will be demolished?

PCRI will demolish two homes in substandard condition; a 3 bedroom, 1 bath, 1304 square foot house located at 537 NE Ainsworth Street, and a 2 bedroom, 1 bath, 1000 square foot house located at 12748 NE Halsey Street. When these homes were last vacated by occupying tenants (Ainsworth in 2005 and Halsey in 2002), PCRI determined that the cost to do a full rehabilitation would be prohibitive because it involved bringing the properties up to code, and identified both sites for redevelopment. The units to be demolished are not currently rent restricted.

Are the replacement units in the same neighborhood and are they comparable units?

The single-family home at 537 NE Ainsworth will be replaced on the same site by a triplex containing **three** 3-bedroom 1.5 bath single-family homes of approximately 1,402 square feet each.

The single-family home at 12748 NE Halsey will be replaced on the same site by a duplex containing **two** 3-bedroom 1.5 bath single-family homes of approximately 1,402 square feet each.

These replacement homes will be rent-restricted to families with a maximum 60% of median family income for a period of 60 years. The homes being replaced are not currently rent-restricted.

Will the replacement units be in standard condition as defined by the locality?

The replacement units will be built to achieve or exceed current, applicable local building code as administered by the City of Portland Bureau of Development Services.

What is the exact location of the replacement units by # of bedrooms?

Both homes being demolished will be replaced on the existing sites. All of the replacement homes are three-bedroom in size.

What is the schedule for the start and completion of the demolition and the schedule for providing replacement units? Will the replacement L/M units made available for occupancy within three years from the date of the agreement for demolition or conversion?

Demolition on the vacant homes is schedule to occur during August and September of 2015. Construction completion is anticipated to be August 2016, with lease-up beginning in September 2016.

What is the basis for concluding that each replacement unit will remain L/M for 10 years from the date of initial occupancy?

Both a HOME regulatory agreement of 20 years duration and a City of Portland (PHB) regulatory agreement of 60 years duration will run with the land on both sites at the close of financing for construction. The result of these regulatory agreements is that rents are restricted to a maximum of 60% of median family income.

What are the proposed sources of funding for the proposed activity?

Proposed funding sources are HOME funds - \$1,500,000, private senior loan - \$300,000, Federal Home Loan Bank's Affordable Housing Program funds (or PCRI loan in equivalent amount) - \$318,631, System Development Charge waivers - \$80,000, other miscellaneous - \$4,800.

Where is additional information available about the replacement housing?

Additional information about the project and the replacement housing at can be obtained from the Portland Housing Bureau and from PCRI. Information is obtainable from PCRI by contacting Travis Phillips at 503-288-2923 x116 or travis@pcrihome.org or from the Portland Housing Bureau by contacting Siobain Beddow at 503-823-3273 or siobain.beddow@portlandoregon.gov. Complete project information is available on the PCRI website at www.pcrihome.org/537ainsworth and www.pcrihome.org/nehalsey.

537 NE AINSWORTH ST



12748 NE HALSEY ST

