Housing Production Report
Fiscal Year 2007/2008

May 2009

Musolf Manor's renovated housing for low income residents also has several improved commercial business spaces and has helped revitalize this corner in Old Town/China Town.

Portland Development Commission

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EXECUTIVE SUMMARY

In January 2003, the Portland Development Commission (PDC) adopted a resolution with a goal to increase housing production to assist ***20,000 units or households from 2001-2011***. The resolution illustrated the Commission's commitment to housing as part of PDC's overall economic development and revitalization mission, and set a primary focus on preservation of existing affordable rental housing, development of new affordable and market rate rental and ownership housing, and assistance to first-time homebuyers. This aggressive target represents an aggregate of PDC, city and regional housing production goals, policy directives and urban renewal housing implementation strategies.

The 20,000 unit production target has been broken down into the following categories that cross the spectrum of PDC programs and projects:

1,500 Rental Rehab Preservation Units (0-60% MFI[1])	3,000 New Homeownership Units
6,400 New Low-Income Rental Units (0-60% MFI)	1,600 Homes Repaired (owner-occupied)
4,500 New Market Rate Rental Units (>60% MFI)	3,000 First-Time Homebuyers
12,400 Rental Housing Units	**7,600 Homeownership Units and First-Time Homebuyers**

This report tracks progress on PDC housing production by the categories listed above, including all sources of funds that PDC administers—Tax Increment Financing, City, Federal, State, and other funds, as well as indirect financing tools. PDC publishes this report annually, providing both the annual progress summary and the aggregate activity towards the 2011 goals.

Since 2003, PDC and the City of Portland have adopted additional housing-related policies and goals, and embarked on new initiatives, including:

- Home Again: A Ten Year Plan to End Homelessness
- The TIF Set Aside Policy for Affordable Housing
- Closing the minority homeownership gap/Operation HOME
- Schools/Families/Housing Resolution
- New and amended urban renewal area plans and strategies

Changes in funding availability and policy priorities at the local and national level have and will continue to impact PDC's housing production goals as originally outlined. In addition, PDC recognizes that reporting on unit production is just one set of metrics to illustrate the impacts of public investment in Portland's housing and community development needs, and does not provide a comprehensive picture of all housing policy goals and public benefits (e.g., sustainability, minority homeownership, neighborhood revitalization goals).

In December 2008, City Council announced plans to create a new Bureau of Housing, merging housing-related functions and funding of the current Bureau of Housing and Community Development and the Portland Development Commission. PDC expects that the information in this report will serve as an important baseline against which future housing production can be compared.

[1] Median Family Income. For the current MFI calculations, please see www.pdc.us/mfi .

Fiscal Year 2007/2008 Summary

In FY 2007/08, PDC invested over $33 million in direct financing, as well as indirect development incentives, to support housing development and homeowner assistance for 1,999 households.

This includes projects funded with the variety of direct and indirect financing tools administered by PDC, including: Tax Increment Financing (TIF), federal Community Development Block Grant (CDBG), federal HOME, City Housing Investment Fund, City Housing Opportunity Bond, property tax exemptions, system development charge exemptions, and pass-through homeownership mortgage funds from Fannie Mae and the Oregon Residential Bond programs. The chart below summarizes PDC housing activity for FY07/08.

Table 1: FY 07/08 Summary

Units:	Total Units and Buyers	% of Total Units and Buyers	Total PDC Dollars	% of Total PDC Dollars
Rental rehab preservation	397	20%	$10,031,733	30%
New low-income rental uints	375	19%	$13,098,721	39%
New market rate rental units	6	0%	$49,080	0%
New homeownership units	612	31%	$1,406,652	4%
Homes repaired	140	7%	$1,616,712	5%
Homebuyers:				
First-time homebuyers	469	23%	$7,058,267	21%
Total Units and Homebuyers	1,999		$33,261,165	**Total Dollars**

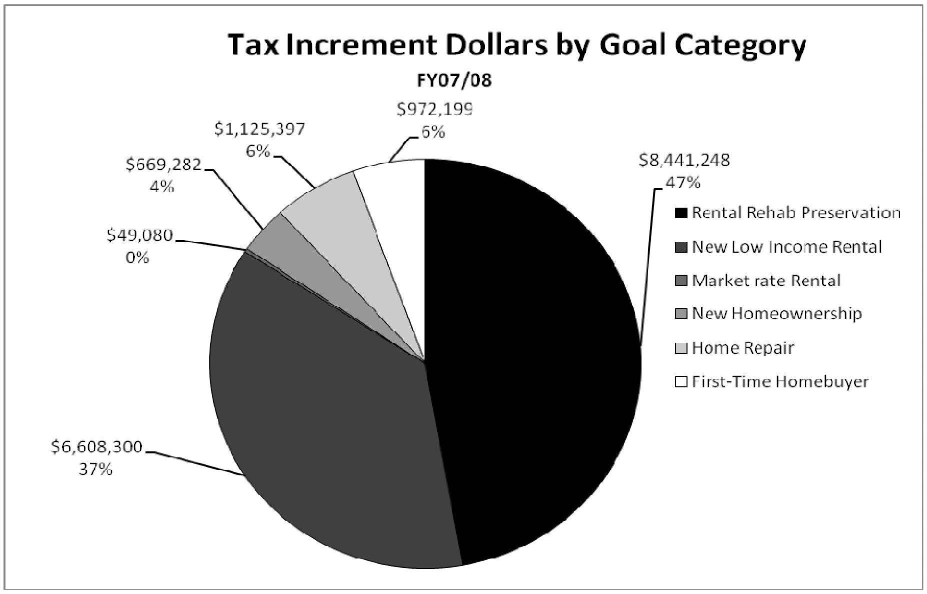
Highlights of PDC's housing production activity in FY07/08 include:

- Of the 1,999 units and homebuyers receiving direct financial assistance and/or development incentives in FY 07/08:
    - 1,221 units were homeownership housing units or buyers (61% of units).
    - 778 units were rental housing (39% of units).
- The total amount of housing dollars (loans and grants) from all sources of funds closed in FY07/08 was $33.3 million. Of this:
    - $23.2 million went toward rental housing: new production and preservation (68% of total expenditures).
    - $10 million went toward homeownership: first-time homebuyers and owner-occupied home repair loans (30% of total expenditures).
- An additional $2.2 million was invested in financial restructures to preserve 293 existing low income rental units. These dollars and units are not included in the totals because they are not considered "new" units (See Section A).
- Of the total direct financing closed on housing loans or grants:
    - 54% was tax increment financing ($17.9 million).

- 25% was federal funds ($8.4 million)
- 21% ($7 million) came from other sources including the City of Portland and private investor sources (Fannie Mae, etc.).

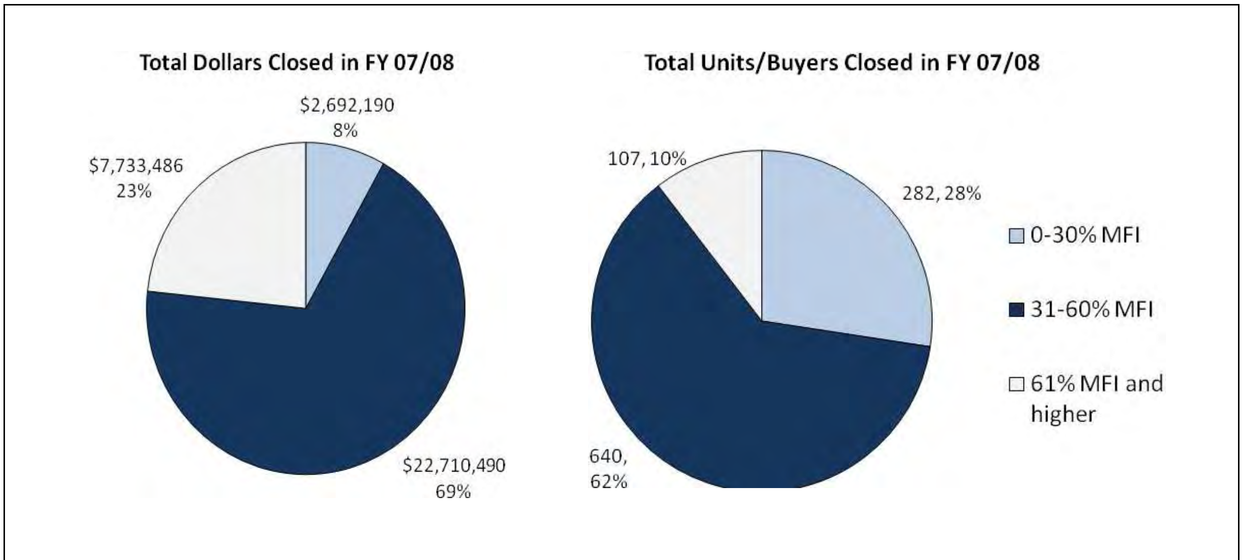
- Of the $17.9 million in TIF spent on housing in FY07/08, 48% went to rental rehab preservation, 37% to new low income rentals, 4% to new affordable homeownership development, 6% to home repair, and 5% to first-time homebuyers. Chart 1 illustrates this break down of tax increment investment in the urban renewal areas.

Chart 1: FY 07/08 TIF by Goal Category



- In FY 07/08, 60% median family income (MFI) for a family of four was $40,740, while 60% MFI for a single person household was $28,500. Of all units and buyers receiving direct financial assistance in FY 07/08 (all funding), 90% served these households below 60% MFI – including both rental and ownership housing.
  - 28% of the units or buyers were at 0-30% MFI (282 households)
  - 62% of the units or buyers were at 31-60% MFI (640 households)
  - $25.4 million was invested in support of these 0-60% MFI households (more than three quarters of all dollars invested).

Chart 2: FY 07/08 Production by Income Level (Direct Financing Only)



Seven-Year Cumulative Progress Summary (FY 2001/02 – 2007/08)

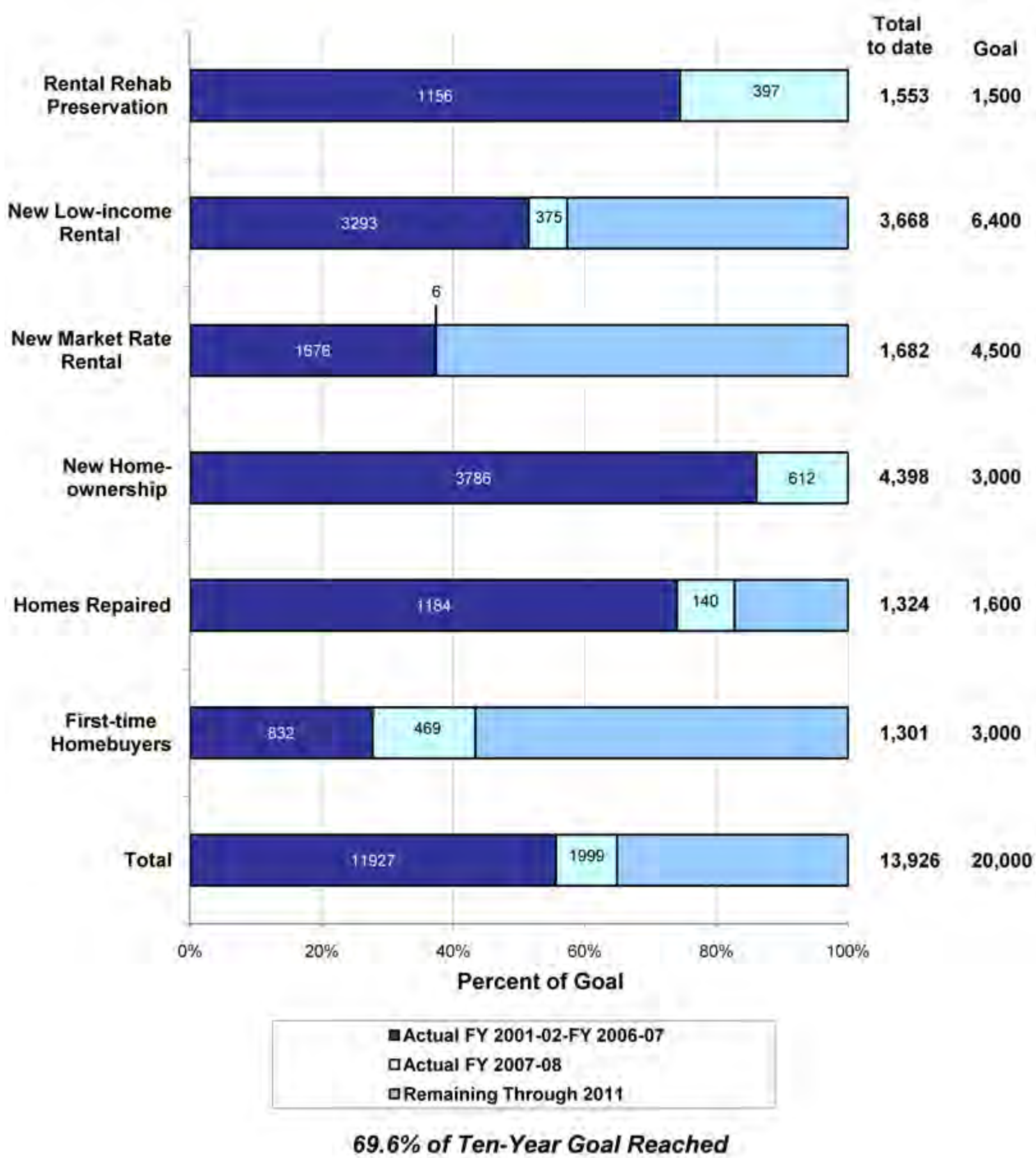
Since 2001, PDC has supported the development of housing or buyer assistance for 13,926 units or households. On average, that amounts to nearly 2,000 units and households each year. Table 2 shows the sum total of the past seven years of PDC housing production.

Table 2: FY 01/02 – 07/08 Summary

	Total Units and Buyers	% of 10 year goal
Units:		
1500 Rental rehab preservation	1,553 units	104%
6400 New low-income rental units	3,668 units	57%
4500 New market rate rental units	1,682 units	37%
3000 New homeownership units	4,398 units	147%
1600 Homes repaired	1,324 units	83%
Homebuyers:		
3000 First-time homebuyers	1,301 buyers	43%
Total Units and Homebuyers:	13,926	

Although housing production is expected to vary from year to year due to available resources, real estate development cycles, and other factors, ideally at least 70% of the goal should be met in total and in individual categories by year seven of the 2001-2011 timeline. The overall goal of 20,000 units is nearly 70% met as of this year, but production toward different categories of housing varies widely, as shown in Chart 3.

Chart 3: Progress Toward 10-Year Goals

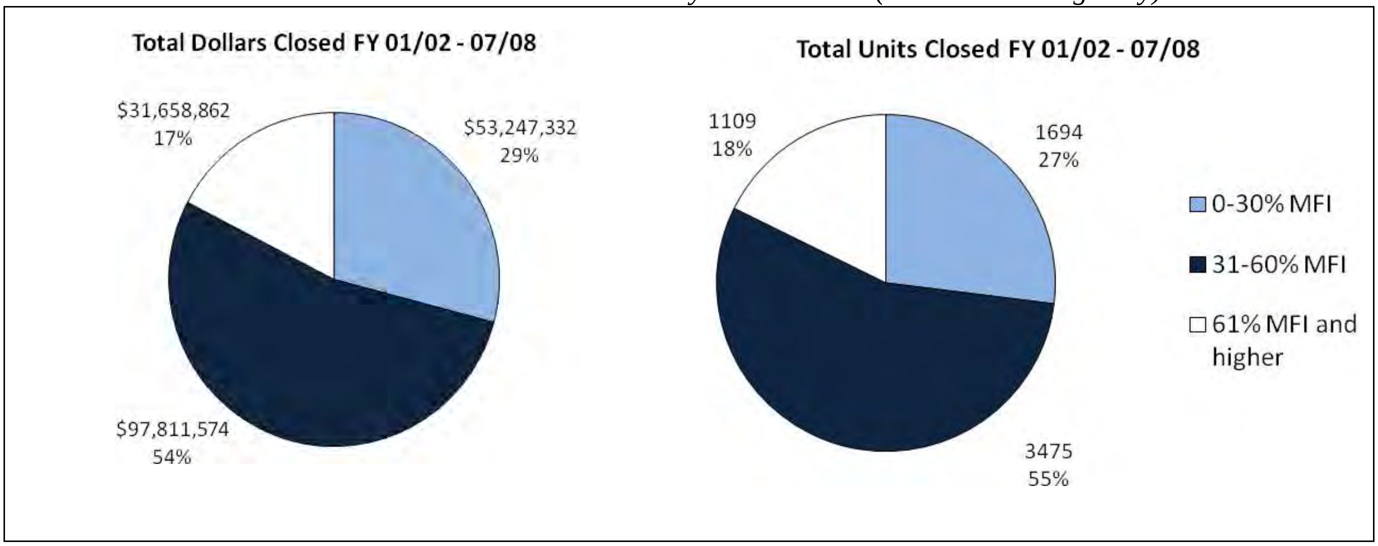


Summary highlights of PDC's cumulative housing activity from FY01/02 through FY07/08 include:

- Both Rental Rehab/Preservation and New Homeownership unit development have already exceeded 10-Year goals.
- Progress toward goals for New Low Income Rental Housing, New Market Rate Rental Housing, and First-time Homebuyers is lagging, for a variety of reasons, at less than 60% complete in each of these categories.
- Owner-Occupied Homes Repaired is on track to meet or exceed the 10-Year goal.
- PDC has invested nearly $183 million in housing since FY 01/02 (direct financial investment):

- 83% of the direct financial assistance dollars went toward units/buyers below 60% MFI.
- Direct investment has supported 6,279 rental units and homebuyers; another 8,281 units were developed with only indirect incentives, such as tax abatements and/or system development charge waivers.

Chart 4: FY 01/02 – 07/08 Production by Income Level (Direct Financing Only)



- END OF EXECUTIVE SUMMARY -

The full FY 2007/08 Housing Production Report follows, with more detail about the policy goals, PDC housing programs, and production breakdowns by housing type.

Note: As this annual report expands over multiple years, the presentation of the total unit count becomes increasingly complex, as approval for incentives and financing is often spread over multiple fiscal years. Careful explanations are given throughout the report in the form of footnotes to explain how double counting was avoided. Each year PDC evaluates how production is reported and makes revisions to ensure the highest level of accuracy and clarity.

This report summarizes units for which financing has closed ("closed units"). Projects that have received a formal commitment of financing are also presented—separate from the production totals--as "committed units." PDC has a legal obligation to fund projects in the committed status, and once projects reach this status they are not likely to significantly change. Projects that have received a reservation of funds or are in early predevelopment are not included in this report. All units that are closed or committed, and all units with indirect financing incentives received in FY07/08 are included in this report. For more information on the methodology used, please see Appendix A.

PDC HOUSING PRODUCTION REPORT
FY 2007/2008

In January 2003, the Portland Development Commission (PDC) adopted a resolution with a goal to increase housing production to assist ***20,000 units or households from 2001-2011***. The resolution illustrated the Commission's commitment to housing as part of PDC's overall economic development and revitalization mission, and set a primary focus on preservation of existing affordable rental housing, development of new affordable and market rate rental and ownership housing, and assistance to first-time homebuyers. This aggressive target represents an aggregate of PDC, city and regional housing production goals, policy directives and urban renewal housing implementation strategies.

The 2011 target has been broken down into the following categories which cross the spectrum of PDC programs and projects:

1,500 Rental Rehab Preservation Units (0-60% MFI[2])	3,000 New Homeownership Units
6,400 New Low-Income Rental Units (0-60% MFI)	1,600 Homes Repaired (owner-occupied)
4,500 New Market Rate Rental Units (>60% MFI)	3,000 First-Time Homebuyers
12,400 Rental Housing Units	**7,600 Homeownership Units and First-Time Homebuyers**

This report tracks progress on PDC housing production towards the 20,000 unit goal, and includes all projects and homebuyer assistance financed with the variety of direct and indirect sources administered by PDC including: Tax Increment Financing (TIF), federal funds (CDBG and HOME), the Housing Investment Fund (HIF), Fannie Mae HomeStyle and Oregon Residential Bond home mortgage loans, and tax abatement and system development charge waivers.

Production Target Directives

The production target brings together various approved policies and stated numeric goals into an overall housing production target for the Commission. A goal of establishing consolidated targets is to enable the agency and its partners to more clearly determine direction, impacts and priorities when allocating resources. The 20,000 unit and household target was originally based on the following goals and priorities:

- The City of Portland has joined other jurisdictions in committing to absorb population growth by increasing housing production to meet growth management goals established by the Metro Regional Government in the 2040 Growth Concept.
- Both the Consolidated Plan and the Regional Affordable Housing Strategy (17,000 affordable units in Portland by 2017) recognize the lack of affordable housing in the region and project the shortage to continue into the next decades.
- Increased production is supported by several City area plans, such as the Central City Plan which targets the addition of 15,000 units to the Central City by 2015.
- City Council adopted a Central City No Net Loss policy with a specific goal of preserving or replacing 1,200 units of affordable housing within the Central City by 2006.

[2] Median Family Income. For the current MFI calculations, please see www.pdc.us/mfi .

- As part of urban renewal planning, the Commission has adopted housing production targets for new and existing urban renewal areas (URAs).

New policies and goals adopted since then, as mentioned above, add increased relevance to some of the housing production goals. While separate reporting and tracking occurs for some of these policies, the investments in housing new development, preservation, and homebuyer assistance also roll-up into the overall housing production goals in this report. The newer policies and goals include:

- As part of the "10-Year Plan to End Homelessness," the City set a goal of developing 2,200 new permanent supportive housing units for chronically homeless individuals and homeless families with special needs.
- The Operation HOME effort was spurred by a Council resolution calling for closing the minority homeownership gap in Portland, which requires 13,000 new minority homeowners by 2015 (a citywide/community effort, not just from public funding). PDC established a specific goal to assist 2,500 minority first-time homebuyers by 2010.
- The TIF Set Aside for Affordable Housing policy, adopted in 2006, sets required minimum expenditures for housing as a percentage of all project expenditures in nine existing (and any new) urban renewal areas. Within the policy, ranges are targeted for expenditures in various categories (very low income rental housing, low/moderate rental and homeownership, and community facilities serving low income and homeless populations). More information about the Set Aside policy and reporting is at www.pdc.us/tifsetaside.
- URA Plan amendments in 2008 for the River District and Lents Town Center URAs, and close-out plans for the South Park Blocks and Downtown Waterfront URAs identified housing funds for specific goals (Resource Access Center in the River District, and Section 8 Preservation in South Park Blocks URA).
- The Schools/Families/Housing resolution, adopted by City Council in 2006, emphasizes investment in family housing around schools, as part of both neighborhood revitalization and housing stability efforts. PDC has prioritized new development dollars in some areas for housing that achieves this goal and has engaged in collaborative planning efforts with the school districts for future redevelopment.

Assumptions for Reaching Targets

Success in achieving the 20,000 unit target, as well as the additional adopted goals and policy priorities, is predicated on the availability of tax increment financing, City and Federal funds, and new resource development efforts. Changes in funding availability and policy priorities at the local and national level have and will continue to impact PDC's housing unit production goals as originally outlined. In short, much has changed since 2001. The City's increased focus on very low income rental housing, including Permanent Supportive Housing in support of the Ten Year Plan to End Homelessness, as well as increased costs of land and construction, have significant impacts on the balance of housing produced for the goals as originally outlined. Commission priorities starting in 2006 for increasing homeownership support also influenced the unit production outcomes in recent years.

The primary assumptions for reaching the productions targets were:

- *Federal funds (HOME and CDBG), Housing Investment Funds and Housing Opportunity Bond would be programmed based on City Council policy mandates.* That policy direction has shifted towards lowest-income units in recent years, and several years of federal funding cuts have created challenges in achieving unit production goals and meeting citywide housing project and program needs.

- *The use of urban renewal funds and incentives would be employed to provide a range of new housing development in urban renewal areas that meet URA as well as City policy goals.* The adoption of the TIF Set Aside policy in 2006 provided more budgeted resources for housing, but did limit the range of eligible housing and create new constraints on housing investments.
- *Incentive programs such as tax abatements, system development charge exemptions and fee waiver programs would remain available for affordable housing.* These incentive programs remain available for 0-60% MFI rental housing.
- *PDC continues to leverage federal Low Income Housing Tax Credits, and Historic Tax Credits to support housing and mixed-use development.* In 2008, the national economic downturn began impacting tax credit equity available for affordable housing projects. Less tax credit equity means more direct PDC subsidy in some projects to make them feasible, which means fewer projects or units can be funded with available resources.
- *PDC and the City identify new resources to support the development of affordable housing.* Between 2003 and the end of FY 07/08, the City and PDC secured a $9 million Housing Opportunity Bond, received a Lead Hazard grant of $3 million from the federal government, and secured $844,040 in HUD grants for affordable housing development in North Macadam URA. PDC also completed development of the Headwaters, a workforce housing development (income limitations up to 150% MFI) utilizing City Lights revenue bonds. PDC is working with the City to re-authorize that program, which can provide a new stream of resources for both workforce and low income affordable housing development citywide. PDC also continues to support the Housing Alliance's efforts to establish long-term funding mechanisms for affordable housing at the State level.
- *Incentive programs remain available for market-rate and mixed-income transit oriented development and Central City rental housing.* The Central City tax abatement program (New Multiple Unit Housing program) has been on hold since 2005, limiting the tools available to support new market rate and mixed-income housing development, especially in the Central City. The Transit Oriented Development (TOD) tax abatement program remains available and was changed in recent years to require a percentage of affordable rental housing.
- *PDC identifies additional resources and tools for the development of market rate rental housing in the Central City.* To-date, this effort has not received political support.
- *PDC expands its homebuyer programs to include a broader range of products and leverage private resources.* In 2008, PDC adopted the Mortgage Credit Certificate program (a tax credit) to further assist new homebuyers. PDC has also expanded partnerships with private lenders to further leverage and market available homebuyer resources, and has modified homebuyer assistance programs available in urban renewal areas to better meet market conditions and buyers' needs.
- *PDC and the City identify new resources to support first-time homeownership goals.* PDC and the City partnered on Operation HOME, a comprehensive citywide homeownership initiative to close Portland's minority homeownership gap and to expand first-time homebuyer opportunities. PDC's efforts for marketing and education have increased since 2006, and partnerships with private lenders have increased utilization of existing PDC TIF

resources for first-time buyers. The Mortgage Credit Certificate program mentioned above is one new resource for first-time buyers.

Another shift in resource allocations for housing came in 2006, when the City of Portland and PDC adopted the TIF Set Aside Policy, which dedicates a certain percentage of funding to affordable housing in each of the urban renewal areas (URAs) starting in FY 2006/07. Within the Set Aside policy, specific income guidelines—or investment targets—are established for different income levels and types of housing (ownership and rental). The Set Aside policy has increased resources available for affordable housing in many of the urban renewal areas which has created new affordable housing opportunities. However, prioritization of the bulk of funding for 0-30% MFI housing has created new constraints and challenges to funding housing development in some of the URAs.

Note that reporting for the TIF Set Aside policy has been kept separate from this Unit Production Report. More information can be found at http://www.pdc.us/tifsetaside. It should be noted that the TIF Set Aside report and this Unit Production Report each report on housing from different metrics (dollars expended/disbursed versus loans closed and unit type), and the data will not necessarily match across the two reports, as expenditures for a housing development typically span more than one fiscal year.

Sections A through F break down the FY 07/08 housing production by specific goal categories.

A) Rental Rehab Preservation Units

- **Newly reported this year: 397 units**
- **Total to-date towards goal of 1,500: 1,553 units**

In FY07/08, over $10 million in financing was closed for the preservation and rehabilitation of 555 rental units. Some units were already counted in the previous year's report, so the newly reported units for 2007/08 are 397. The majority of those dollars were tax increment financing (TIF) and guided by the goals of the TIF Set Aside policy and PDC urban renewal plan goals. An additional 293 existing affordable units were preserved through financial restructuring; these units are not included in the total towards the 10-year goal as they are not considered "new" (having previously received PDC funding).

PDC administers a grant from the U.S. Department of Housing and Urban Development to identify and reduce lead-based paint hazards in Multnomah, Clackamas, Washington and Clark (Washington State) counties and the cities of Beaverton, Gresham and Portland. Grants are awarded to owner-occupied homes, Section-8 rental properties, and rental projects owned by nonprofit organizations. In FY 07/08, 56 low income rental units received Lead Paint Grants.

Table 3 lists the specific Rental Rehab projects and lead grant funding closed in FY 2007/08.

Table 3: FY 07/08 Rental Rehab Preservation Projects: Direct Financing and Incentive Programs

Project	Location	Fund Type Federal	TIF	City	Total	Incentives
*GROVE HOTEL	Downtown Waterfront		$3,468,752 70 units		$3,468,752 70 units	0
CLAY TOWER aka ROSE SCHNITZER TOWER	South Park Blocks		$359,000 233 units		$359,000 233 units	
LUKE DORF	Citywide	$1,272,410 14 units		$150,050 14 units	$1,422,460 14 units	14 units
MUSOLF MANOR FKA FOSTER APARTMENTS	Downtown Waterfront		$4,613,496 94 units		$4,613,496 94 units	94 units
Lead Based Paint GRANT	Lents Town Center	$10,000 1 unit			$10,000 1 unit	
Lead Based Paint GRANT	Interstate Corridor	$17,965 2 units			$17,965 2 units	
Lead Based Paint GRANT	Citywide	$51,110 53 units			$51,110 53 units	
*Lead Based Paint GRANT	Citywide	$88,950 88 units			$88,950 88 units	
Subtotals		$1,440,435 158 units	$8,441,248 397 units	$150,050 14 units	$10,031,733 555 units	108 units

Total Rental Rehab Preservation Closed Units (unduplicated)	**397 units**

*The units in these projects were counted in a previous year so only the dollars are included in the totals

Table 4 shows direct-financed units by median income level. All 555 units preserved were below 60% Median Family Income (MFI). The majority of the units (83%) and dollars (54%) went to rehabilitate/preserve units below 50% MFI. The per-unit average costs for 0-30% MFI housing reported in this year appear low ($7,201/unit). This is due to the fact that one of the projects contributing to this category (Clay Tower) was preservation of a large number of 0-30% MFI units, but the PDC contribution to that project was relatively small (See Table 3).

It should also be noted that some of the units recorded as 31-50% or 51-60% MFI in the table below may be *serving* households at 0-30% MFI with Project-Based Section 8 vouchers; PDC has reported only the income level at which the units were underwritten.

Table 4: FY 07/08 Summary of Rental Rehab Preservation Units by Income Level (Direct Financed Only)

	Income Level (%MFI) 0-30	31-50	51-60	61-80	81+	Total
Units	251 units	210 units	94 units			555 units
Dollars	$1,807,460	$3,610,777	$4,613,496			$10,031,733
$/unit	$7,201	$17,194	$49,080			$18,075
% of Units Closed	45%	38%	17%			100%

Table 5 contains information on projects financially restructured in FY07/08. New units were not created in these projects; however, 293 units were preserved as affordable housing with an investment of $2.2 million. These units are not counted toward the 1,500 unit goal since they are not “new” units, either because they have previously received PDC financial assistance, or were not significantly rehabilitated in a manner where the public investment was used for capital improvements.

Table 5: FY 07/08 Preservation of Existing Projects (Restructures)

Project	Location	Fund Type Federal	TIF	City	Total	Incentives
CAMBRIDGE COURT	Oregon Convention Center	$0 0	$931,576 20 units	$0 0	$931,576 20 units	
EMPIRE PLACE APTS AKA FIFT AVE CO	Downtown Waterfront	$0 0	0	$0 0	70	
KATERI PARK RESTRUCTURE	Citywide	$0 0	$0 0	$705,000 50 units	$705,000 50 units	
MCCULLER CROSSING RESTRUCTURE	Interstate Corridor	$0 0	$154,400 40 units	$100,000 40 units	$254,400 40 units	
WESTSHORE	Downtown Waterfront	$0 0	$309,500 113 units	$0 0	$309,500 113 units	
Subtotals		$0 0 units	$1,395,476 173 units	$805,000 90 units	$2,200,476 293 units	

Total Existing Preservation Units (unduplicated)	293 units

B) New Low Income Rental Units

- **Newly reported this year: 375 units**
- **Total to-date towards goal of 6,400: 3,668 units**

In FY07/08, $13 million in financing was closed to create 295 New Low Income Rental Units in support of citywide affordable housing goals as well as PDC urban renewal plan goals. An additional 80 units received only indirect incentives (SDC waivers) in FY 2007/08, for a total of 375 new low income rental units financed. This is significantly fewer units than were financed in FY 06/07 (626 units were reported).

Several of the projects listed below were selected for TIF and/or Federal funding through the Fall 2007 Permanent Supportive Housing Notice of Funding Availability, a joint funding process between the City of Portland, PDC, Multnomah County and Housing Authority of Portland.

Table 6: FY 07/08 New Low Income Rental Units: Direct Financing and Incentive Programs

Project	Location	Fund Type: Federal	TIF	City	Total	Incentives
82ND AVENUE PLACE	Citywide	$2,350,000 57 units			$2,350,000 57 units	57 units
ESPERANZA COURT	Citywide	$2,700,000 69 units			$2,700,000 69 units	
MIRAFLORES (PREV. VILLAS DEL RINC	Citywide	$440,421 31 units			$440,421 31 units	31 units
PATTON SQUARE APTS aka CROWN MO	Interstate Corridor		$4,467,500 54 units		$4,467,500 54 units	54 units
SHAVER GREEN	Interstate Corridor	$1,000,000 84 units	$2,140,800 84 units		$3,140,800 84 units	84 units
SDC	Downtown Waterfront					80 units
Subtotals		$6,490,421 241 units	$6,608,300 138 units		$13,098,721 295 units	80 units

Total New Low Income Rental Closed Units (unduplicated)	375 units

*The units in these projects were counted in a previous year so only the dollars are included in the totals

Table 7 summarizes new low income units by median family income. 52% of New Low Income Rental units and dollars in FY07/08 were between 51-60% MFI. 48% of the units were between 0-50% MFI. Note that many of the units counted as 31-50% MFI or 51-60% MFI are actually serving tenants at 0-30% MFI due to Project-Based Section 8 vouchers or other regulatory agreements; PDC has only reported on the income level at which the units were underwritten.

Table 7: FY 07/08 Summary of New Low Income Rental Units by Income Level (Direct Financing Only)

	Income Level (%MFI): 0-30	31-50	51-60	61-80	81+	Total
Units	24 units	118 units	153 units			295 units
Dollars	$775,593	$3,990,520	$8,332,608			$13,098,721
$/unit	$32,316	$33,818	$54,461			$44,402
% of Units Closed	8%	40%	52%			100%

Table 8 summarizes additional PDC funding commitments made in FY07/08. These units are not included in the 375 new unit totals as the loan(s) did not close in FY07/08.

Table 8: New Low Income Rental Units: Direct Financing and Incentive Programs (Committed in FY 07/08)

Project	Location	Fund Type Federal	TIF	City	Total	Incentives
OAK APARTMENTS	Downtown Waterfront	$0 0	$2,100,000 89 units	$0 0	$2,100,000 89 units	
Subtotals		$0 0	$2,100,000 89 units	$0 0	$2,100,000 89 units	

Total New Low Income Rental Committed Units (unduplicated)	**89 units**

C) Market Rate Rental Units (above 60% MFI)

- **Newly reported this year: 6 units**
- **Total to-date towards goal of 4,500: 1,682 units**

As part of the City's broader neighborhood and Central City revitalization, transit-oriented development and growth management goals, PDC supports the development of market rate rental housing. Note that "market rate" as used in this report includes any housing for renters over 60% MFI. Some of these may still have income or rent restrictions (e.g., at 80% MFI), while others may be purely open-market units.

In recent years, most of these market rate units are within mixed-income projects that include low-income units as well, as City funding priorities have shifted away from incentives for market rate rental development. In FY 07/08, only 6 market rate units were financed by the PDC Housing Department; all were managers units within low income rental projects. Please see Addendum 1 for information about additional market rate units funded by PDC separate from housing/TIF Set Aside programs.

Table 9: FY 07/08 Market Rate Rental Units: Direct Financing and Incentive Programs

Project	Location	Fund Type Federal	TIF	City	Total	Incentives
82ND AVENUE PLACE **	Citywide	1 unit			$0 1 unit	1 unit
CLAY TOWER aka ROSE SCHNITZER TOWER**	South Park Bl		2 units		2 units	
ESPERANZA COURT**	Citywide	1 unit			1 unit	
MUSOLF MANOR FKA FOSTER APARTMENTS **	Downtown W		$49,080 1 unit		$49,080 1 unit	1 unit
SHAVER GREEN **	Interstate Cor	1 unit	1 unit		$0 1 unit	1 unit
Subtotals		3 units	$49,080 4 units		$49,080 6 units	0 units

Total Market Rate Rental Closed Units (unduplicated)	**6 units**

*The units in these projects were counted in a previous year.

**These are mixed income projects and affordable units for these projects appear in sections A and B of this report. Refer to tables 1 and 4.

If units received financial assistance and incentives in the same year the incentives are not counted in the total.

Table 10: FY 07/08 Summary of Market Rate Rental Units by Income Level (Direct Financed Only)

	Income Level (%MFI)					
	0-30	31-50	51-60	61-80	81+	Total
Units				0 units	6 units	6 units
Dollars				0	$49,080	$49,080
$/unit				$0	$8,180	$8,180
% of Units Closed				0%	100%	100%

D) New Homeownership Units

- **Newly reported this year: 612 units**
- **Total to-date towards goal of 3,000: 4,398 units**

PDC supports the development of new for-sale housing in a number of ways, through both direct financial assistance (long and short-term financing) and City programs for indirect financial assistance (incentives including system development charge waivers and limited tax abatements). New for-sale housing development supports PDC URA plan goals as well as citywide minority and first-time homebuyer goals, and regional growth-management goals.

In FY07/08, PDC funded 24 units with direct financing. Of these, 5 were Portland Community Land Trust units financed with Fannie Mae (FNMA) funds. 12 units were in TIF-funded new construction projects in the Lents Town Center Urban Renewal Area, selected through a competitive Request for Proposals process.

595 New Homeownership units received single-family limited tax abatements (LTAs), system development charge (SDC) waivers, and other fee waivers. LTAs, SDCs, and other development fee waivers include affordability requirements for the end buyers and limitations on the sales price. Development fee waivers are granted only to nonprofit housing development organizations, while for-profit developers may receive LTA approvals and SDC waivers. At the time of purchase, the unit must be sold to a family at or below 100% MFI. At the time of purchase PDC will track whether the affordability target has been met. If the affordability target was not met, the properties are assessed taxes in full and the developer must pay the SDC.

Table 11: FY 07/08 New Homeownership Units: Direct Financing and Incentive Programs

Project	Location	Fund Type Federal	TIF	City	Investor	Total	Incentives
OGDEN STREET	Lents Town Center		$165,000 5 units			$165,000 5 units	5 units
THE MARTINS STREET CONDOMINIUMS	Lents Town Center		$231,000 7 units			$231,000 7 units	
*RAYMOND PARK PLACE	Lents Town Center		$273,282 7 units			$273,282 7 units	7 units
FANNIE MAE - COMMUNITY PURCH	Citywide				$737,370 5 units	$737,370 5 units	
Limited Tax Abatement	Citywide						26 units
Limited Tax Abatement	Interstate						6 units
Limited Tax Abatement	Lents						2 units
SDC	Oregon Convention						1 unit
SDC	Citywide						358 units
SDC	Gateway						6 units
SDC	Lents						63 units
SDC	Interstate						47 units
Fee Waiver	Citywide						54 units
SDC/Fee Waiver	Citywide						32 units
*Limited Tax Abatement	Lents						2 units
*Limited Tax Abatement	Interstate						21 units
*Limited Tax Abatement	Citywide						21 units
*SDC	Lents						1 unit
Subtotals		0	$669,282 12 units	0	$737,370 5 units	$1,406,652 17 units	595 units

Total New Homeownership Closed Units (unduplicated)	**612 units**

SDC's from this category and added to the First Time Homowner category due to purchase by First Time Homebuyers: **201**

*The units in these projects were counted in a previous year so only the dollars are included in the totals

Table 12 shows the all of the new direct-financed new homeownership units by income level. All homes were targeted to owners earning 51-80% MFI.

Table 12: FY 07/08 Summary of New Homeownership Units by Income Level (Direct Financed Only)

	Income Level (%MFI)					
	0-30	31-50	51-60	61-80	81+	Total
Units	0 units	0 units	12 units	12 units	0 units	24 units
Dollars	$0	$0	$396,000	$1,010,652	$0	$1,406,652
$/unit	$0	$0	$33,000	$84,221	$0	$58,611
% of Units Closed	0%	0%	50%	50%	0%	100%

Income levels for the buyers of new units funded through indirect financing tools (SDC and LTA) is not reported because it has not been consistently tracked since 2001. However, current program guidelines require, and PDC is tracking, that these new units are purchased by buyers at or below 100% MFI in order to qualify for the SDC waiver or tax abatement.

E) Homes Repaired (owner-occupied)

- **Newly reported this year: 140 homes repaired**
- **Total to-date towards goal of 1,600: 1,324 homes repaired**

PDC finances home repair in the Lents and Interstate urban renewal areas in specific programs that include both direct lending and contracting with local community organizations. These programs are intended to assist with neighborhood revitalization in support of the URA plans, as well as anti-displacement efforts for existing, lower income homeowners in those areas. In FY 07/08, 101 homeowners received home repair loans in the two PDC urban renewal areas ($1.1 million in TIF). PDC also administers the City's federally funded lead-based paint program, which can be used for both rental and owner-occupied properties (rentals are reported in Table 3 Rental Rehab and Preservation).

Until FY 05/06, PDC had administered federal funds for home repair loans citywide, but due to federal funding cuts and the City's re-prioritization of federal funds, PDC discontinued that program. Other than the lead-based paint program, PDC has no citywide home repair resources. $23,125 Federal dollars were used to finance 44 new Lead Paint Program Grants.

Note that FY 07/08 is the last year that PDC administered a federal funds home repair program for the City of Beaverton: $57,992 was used to repair 5 homes.

PDC also partnered with Portland Community Land Trust on grants for the repair and sale of existing homes that became land trust units (affordable for future buyers). Those units are counted towards both Home Repair goals and First Time Homebuyer goals.

Table 13 shows all homes repaired in FY 07/08 through this variety of programs.

Table 13: FY 07/08 Home Repair Loans: Direct Financing and Incentive Programs

Project	Location	Fund Type: Federal	TIF	City	Investor	Total	Incentives
BEAVERTON - CDBG	Citywide	$51,625 4 units				$51,625 4 units	
BEAVERTON - HOME	Citywide	$6,367 1 unit				$6,367 1 unit	
CONTAMINATED PROPERTY	Citywide			$10,198 1 unit		$10,198 1 unit	
LAND TRUST GRANT	Lents Town Center		$53,000 1 unit			$53,000 1 unit	
LAND TRUST GRANT	Interstate Corridor		$300,000 3 units			$300,000 3 units	
LEAD PAINT PROGRAM	Interstate Corridor	$63,260 6 units				$63,260 6 units	
LEAD PAINT PROGRAM	Lents Town Center	$27,045 3 units				$27,045 3 units	
LEAD PAINT PROGRAM	Citywide	$326,195 35 units				$326,195 35 units	
REACH GRANT	Lents Town Center		$125,000 65 units			$125,000 65 units	
TIF HOME REPAIR	Lents Town Center		$144,111 7 units			$144,111 7 units	
TIF HOME REPAIR	Interstate Corridor		$391,544 19 units			$391,544 19 units	
* LEAD PAINT PROGRAM	Lents Town Center	$6,625 1 unit				$6,625 1 unit	
* TIF HOME REPAIR	Interstate Corridor		$63,897 3 units			$63,897 3 units	
* TIF HOME REPAIR	Lents Town Center		$47,845 3 units			$47,845 3 units	
LIMITED TAX ABATEMENT	Citywide						1 unit
LIMITED TAX ABATEMENT	Interstate						2 units
Subtotals		$481,117 50 units	$1,125,397 101 units	$10,198 1 unit		$1,616,712 152 units	3 units

Total Home Repair Closed Loans (unduplicated)	**140 units**

This total subtracts units double counted in the above table in the amount of 8

*The units in these projects were counted in a previous year so only the dollars are included in the totals

Table 14 illustrates the income levels served by PDC's home repair programs. Nearly 57% of home repair funds in FY 07/08 were for households earning less than 60% MFI, while the remaining 43% assisted homeowners at 61-80% MFI with repairs. While not shown in the table below, the REACH home repair program in the Lents Town Center URA served 65 homeowners earning below 50% MFI, the majority of which earn less than 30% MFI.

Table 14: FY 07/08 Summary of Home Repair Loans by Income Level
(Excludes REACH grant and PCLT grant)

	Income Level (%MFI)					
	0-30	**31-50**	**51-60**	**61-80**	**81+**	**Total**
Units	7 units	27 units	13 units	36 units	0 units	83 units
Dollars	$109,137	$416,708	$179,214	$433,653	$0	$1,138,712
$/unit	$15,591	$15,434	$13,786	$12,046	$0	$13,719
% of Total Closed	8.4%	32.5%	15.7%	43.4%	0.0%	100%

F) First Time Homebuyers

- **Newly reported this year: 469 homebuyers**
- **Total to-date towards goal of 3,000: 1,301 homebuyers**

This category is set apart from the others in that the goals are *buyers* and not *units*. The difference is important because buyers in this category may also be counted in other categories (New Homeownership Units or Home Repair). As illustrated in Table 15, PDC homebuyer assistance loans, land trust grants, ORL loans, Fannie Mae loans totaling $7.4 million were closed. 53 new homeowners were assisted in FY 07/08 (with an additional 12 loans closing where buyers were already counted in a previous year).

An additional 239 homebuyers benefitted from indirect incentives (SDC waivers and tax abatements) this year, and 201 more first-time homebuyers became qualified for homes that received SDC waivers in previous years, bringing the total for newly reported first time buyers to 467.

If PDC funded a new homeownership development unit (Section E) but did not directly assist the buyer of that unit with one of these loan programs, only the unit is counted in Section E. An example is the Habitat for Humanity projects (Ogden St. Homes and Martins St. Condominiums), which received construction funding from PDC but not direct homebuyer assistance.

PDC brings in outside resources through the origination of loans that are sold to either Fannie Mae (HomeStyle Loans) or the Oregon Residential State Bond program on the secondary market. By doing this, PDC is able to offer citywide loan products that are otherwise unavailable with local resources. These funds are only available as first time homebuyer loans, renovation loans, or refinances. PDC's other homebuyer assistance is in certain urban renewal areas in the form of second mortgages that help moderate income buyers increase their purchasing power and afford monthly payments on homes for sale in those areas. Historically, these programs have only been available in the Lents Town Center and Interstate Corridor URAs. These programs include the Down Payment Assistance Loans (DPAL), Jump Start, and Rate Reducer. These loans include funds for home renovations and repairs.

Table 15: FY 07/08 First Time Homebuyer Loans: Direct Financing and Incentive Programs

Project	Location	Fund Type: Federal	TIF	City	Investor	Total	Incentives
FANNIE MAE - STANDARD PURCH	Lents Town Center				$263,000 1 buyer	$263,000 1 buyer	
HOMEBUYER ASSISTANCE	Lents Town Center		$496,539 12 buyers			$496,539 12 buyers	1 buyer
HOMEBUYER ASSISTANCE	Interstate Corridor		$321,845 7 buyers			$321,845 7 buyers	
LAND TRUST GRANT	Interstate Corridor		$300,000 3 buyers			$300,000 3 buyers	
LAND TRUST GRANT	Lents Town Center		$53,000 1 buyer			$53,000 1 buyer	
OR STATE BOND	Citywide				$1,418,823 10 buyers	$1,418,823 10 buyers	
OR STATE BOND	Lents Town Center				$2,198,680 13 buyers	$2,198,680 13 buyers	1 buyer
OR STATE BOND	Interstate Corridor				$1,113,350 6 buyers	$1,113,350 6 buyers	
*HOMEBUYER ASSISTANCE	Interstate Corridor		$73,720 3 buyers			$73,720 3 buyers	1 buyer
*HOMEBUYER ASSISTANCE	Lents Town Center		$80,095 3 buyers			$80,095 3 buyers	1 buyer
*OR STATE BOND	Interstate Corridor				$546,405 3 buyers	$546,405 3 buyers	3 buyers
*OR STATE BOND	Lents Town Center				$545,811 3 buyers	$545,811 3 buyers	1 buyer
SDC	Citywide						17 buyers
SDC	Interstate Corridor						1 buyer
SDC	Lents Town Center						4 buyers
LTA	Interstate Corridor						54 buyers
LTA	Lents Town Center						39 buyers
LTA	Citywide						124 buyers
Subtotals			$1,325,199 29 buyers		$6,086,068 36 buyers	$7,411,267 65 buyers	247 buyers

Total First Time Homebuyer Closed Loans (unduplicated)	**268 buyers**

SDC's counted in the New Homeownership category and added to this category due to purchase by First Time Homebuyers: 201

This total subtracts buyers double counted in the above table in the amount of 24

The total dollars double counts TIF dollars in the amount of $353,000 that are duplicated in the Home Repair table due to the Portland Community Land Trust loans.

*The buyers in these loans were counted in a previous year so only dollars are included in totals

Table 16 highlights that 75% of buyers receiving direct financial assistance earned less than 80% MFI. All homeowners receiving TIF-funded assistance must earn below 100% MFI according to TIF Set Aside policy guidelines. OR Bond and Fannie Mae loans can serve buyers with slightly higher income levels.

Table 16: FY 07/08 Summary of Homebuyer Assistance Loans by Income Level (Includes Fannie Mae and OR State Bond Loans, but not incentive programs)

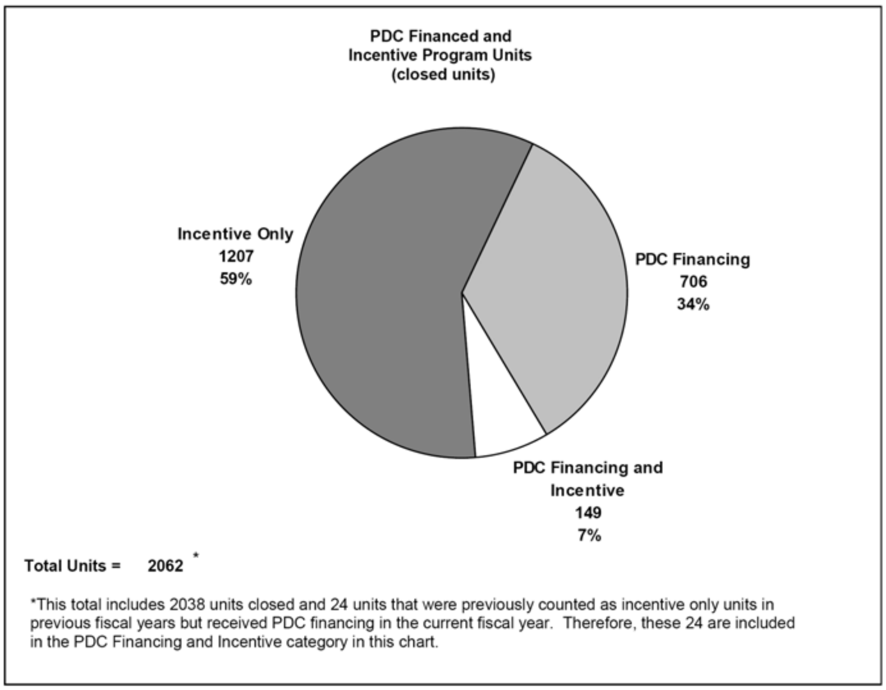
	Income Level (%MFI) 0-30	31-50	51-60	61-80	81+	Total
Units	0 buyers	7 buyers	6 buyers	36 buyers	16 buyers	65 buyers
Dollars	$0	$696,400	$474,767	$4,188,658	$2,051,443	$7,411,267
$/unit	$0	$99,486	$79,128	$116,352	$128,215	$114,019
% of Total Closed	0.0%	10.8%	9.2%	55.4%	24.6%	100%

G) FY07/08 Summary of Production toward 2011 Production Goals

- **Newly reported this year: 1,999 units and homebuyers**

In FY07/08, PDC provided direct financing and indirect subsidy for 1,999 total units, supporting rental households, first-time homebuyers, and existing low income homeowners. As shown in Chart 5 below, the majority of units and buyers (59%) received only an incentive and no direct PDC financing. 34% of the units and buyers received direct PDC financing and no incentive during this fiscal year (although some may have been granted an incentive in a previous year, or possibly will receive an incentive in a later year). 7% percent of the total units received both PDC financing and an incentive.

Chart 5: FY 07/08 Total Units by Financing Type (Direct vs. Indirect/Incentive)



Among the housing receiving direct PDC financing, the majority of dollars and majority of units were funded with TIF loans and grants. Chart 6 shows the source of funds used to finance the FY07/08 units. 54% of the total dollars were TIF and 55% of the total units were funded with TIF, while 41% of the units were financed with federal dollars (25% of the total dollars). Other sources of funds (City Housing Investment Fund, Fannie Mae HomeStyle Loans and Oregon Residential Loans) accounted for 21% of the dollars and 4% of the units.

Chart 6: FY 07/08 Units and Dollars by Funding Source

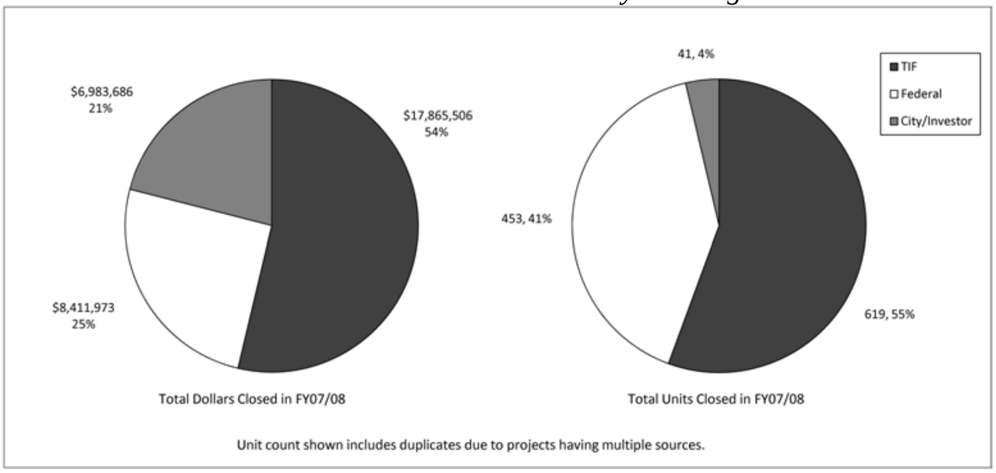


Chart 7 illustrates the same dollars and units funded, but breaks down the funding types used across the various housing goal categories. It does not include indirect funding (SDCs and LTAs). This shows the relative unit production of rental versus ownership housing, as well as the funding sources attributed to the respective programs and projects.

Chart 7: FY 07/08 Production Toward Housing Goals by Funding Source

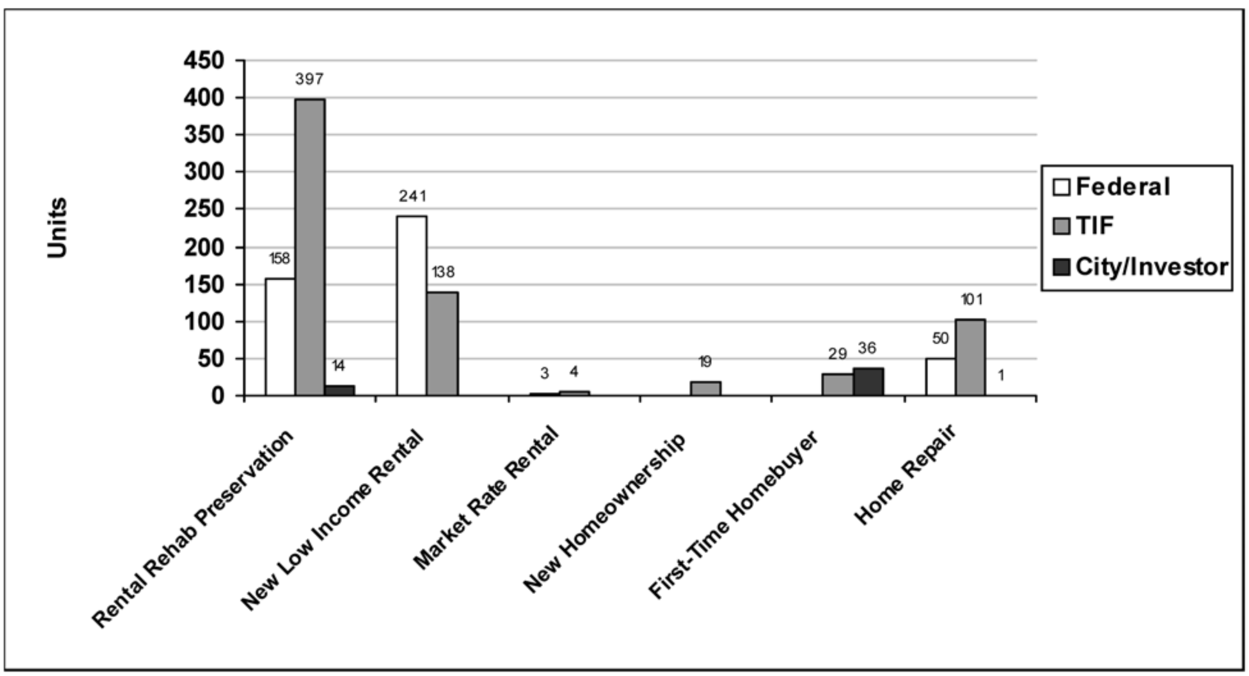


Chart 1 (repeated from the Executive Summary) illustrates just the investment of TIF dollars by goal category (housing type). Of the $17.9 million in TIF dollars, 48% funded Rental Rehab Preservation projects units and 37% went towards New Low Income Rental units. Home repair received 6% of the TIF dollars, and first time homebuyers received 5% of total TIF dollars. The remaining 4% of TIF went to new homeownership development projects.

Chart 1: FY 07/08 TIF by Goal Category

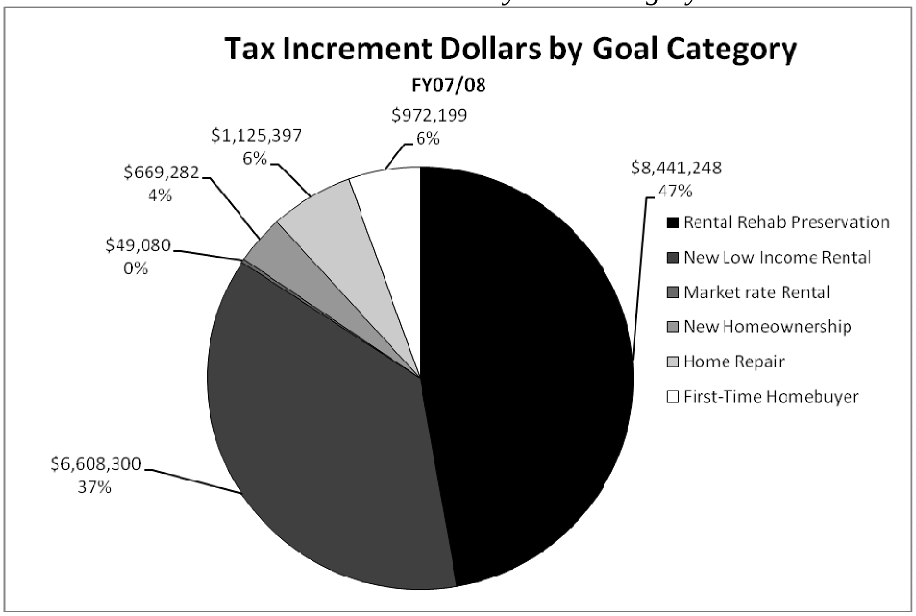
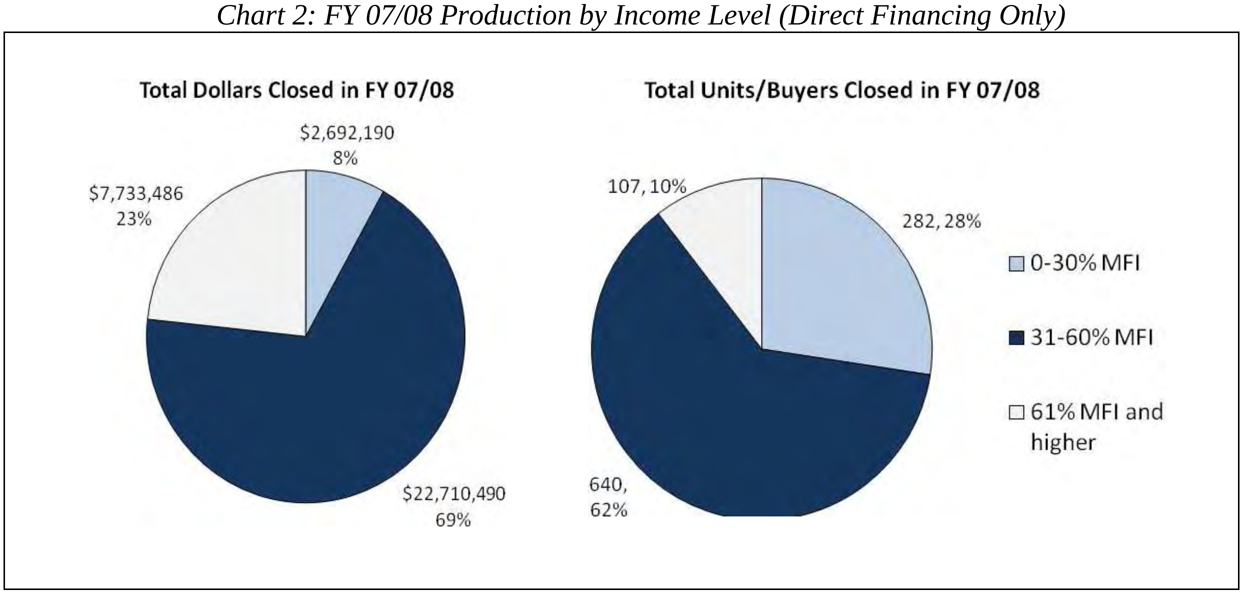


Chart 2 breaks down the total units/buyers and dollars funded in FY 07/08 by income level, for all sources of funding (TIF, federal, and other). Of all units and buyers receiving direct financial assistance, 90% were below 60% median family income (MFI) – including both rental and ownership housing.[3]

- 28% of the units or buyers were at 0-30% MFI (282 households)
- 62% of the units or buyers were at 31-60% MFI (640 households)
- $25.4 million was invested in support of these 0-60% MFI households (77% of all dollars invested).

Chart 2: FY 07/08 Production by Income Level (Direct Financing Only)



[3] See Appendix B for source table.

H) Summary of FY01/02- FY07/08 Cumulative Production toward 2011 Goals

- **Total to-date towards goal of 20,000: 13,926 units and homebuyers**

This section includes summary information for the first seven years of reporting on the 2011 goals: from FY01/02- FY07/08. In that seven year period, PDC has invested nearly $183 million in direct housing funding, as well as administering thousands of indirect incentives through City programs. Highlights from the seven years of housing production reported are:

- Both Rental Rehab/Preservation and New Homeownership unit development have already exceeded those 10-Year goals.
- Progress toward goals for New Low Income Rental Housing, New Market Rate Rental Housing, and First-time Homebuyers is lagging, for a variety of reasons, at less than 60% complete in each of these categories.
- Owner-Occupied Homes Repaired is on track to meet or exceed the 10-Year goal.
- 58% ($106.6 million) of total direct housing funding has been TIF funding in the URAs.

Chart 3: Progress Toward 10-Year Goals

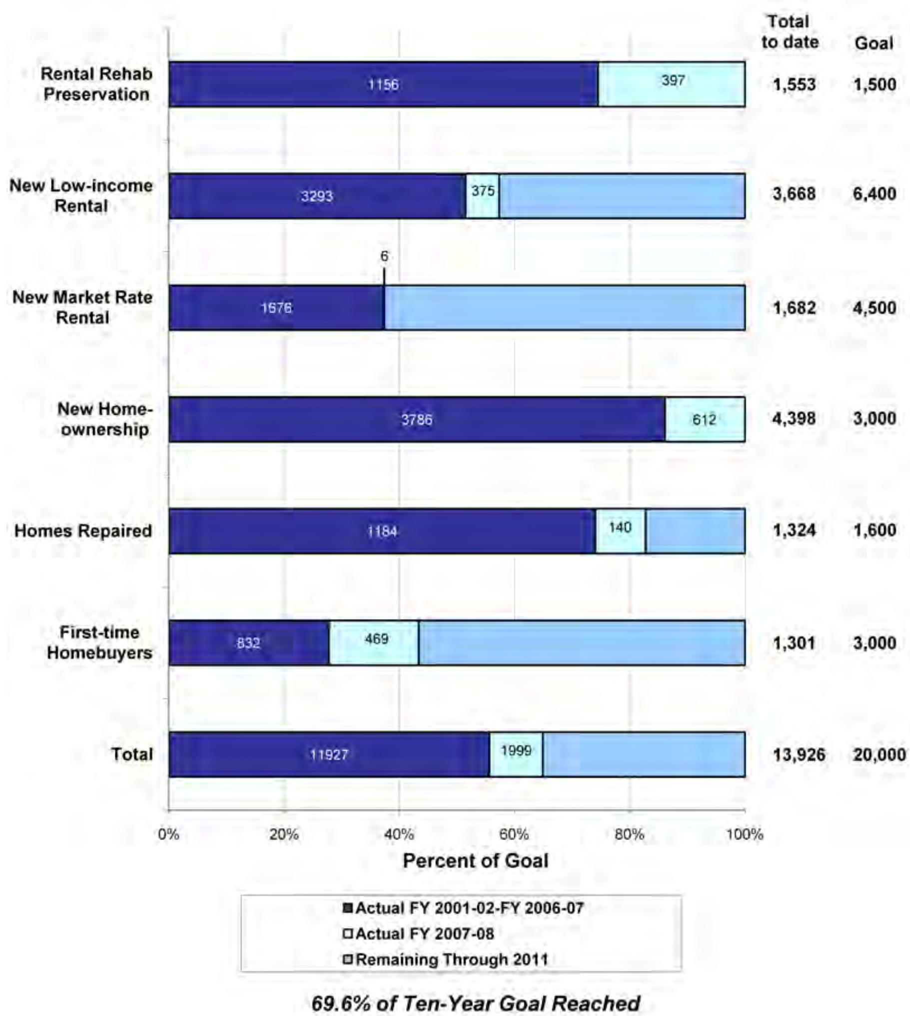


Chart 8 presents the type of financing (direct or indirect) that funded units for the past seven years combined. More than half of the total units developed received indirect incentives only; this is primarily due to the single family limited tax abatement program intended to spur development of new homeownership units in certain "distressed areas" and SDC waivers for homes that are affordable to moderate income buyers. A total of 42% of the units/buyers received PDC financing. This distribution of financing types is similar to the one-year totals for FY 2007/08 (Chart 5).

Chart 8: FY 01/02 – 07/08 Total Units by Financing Type (Direct vs. Indirect/Incentive)

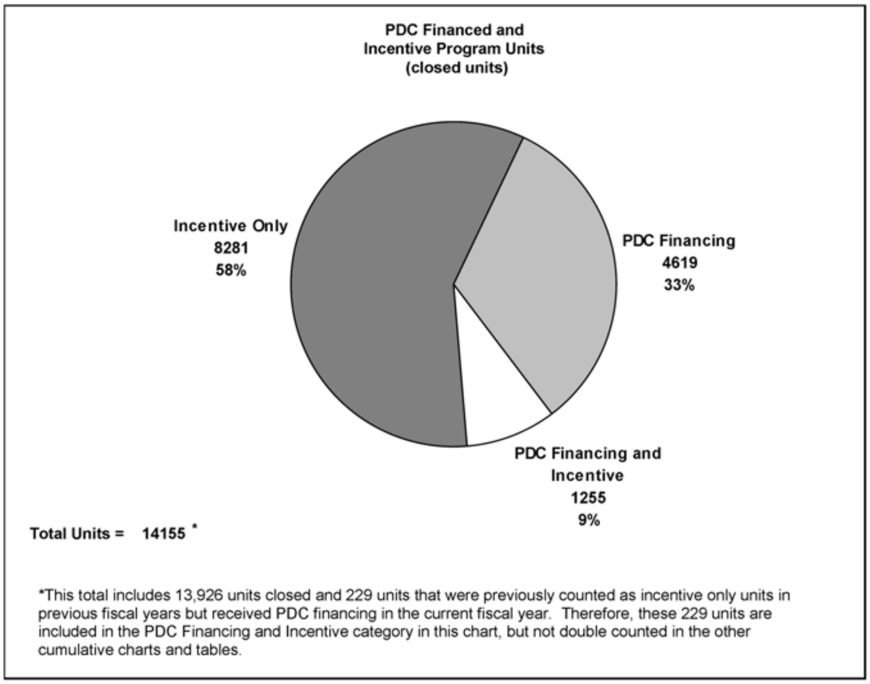


Chart 9 illustrates the cumulative investment of TIF dollars by goal category (housing type). Since FY 01/02, $106.6 million in urban renewal dollars (TIF) has been invested in affordable housing that meets both Citywide housing goals and specific urban renewal area objectives for revitalization and development. Historically, a higher percentage of dollars has been invested in New Low Income Rental housing (60% cumulative) than in FY 07/08 (37%). FY 07/08 saw a higher relative investment in Rental Rehab Preservation (47% versus the cumulative 26%), Home Repair (6% versus the cumulative 3%), and First Time Homebuyers (6% versus the cumulative 4%).

Chart 9: FY 01/02 – 07/08 TIF by Goal Category

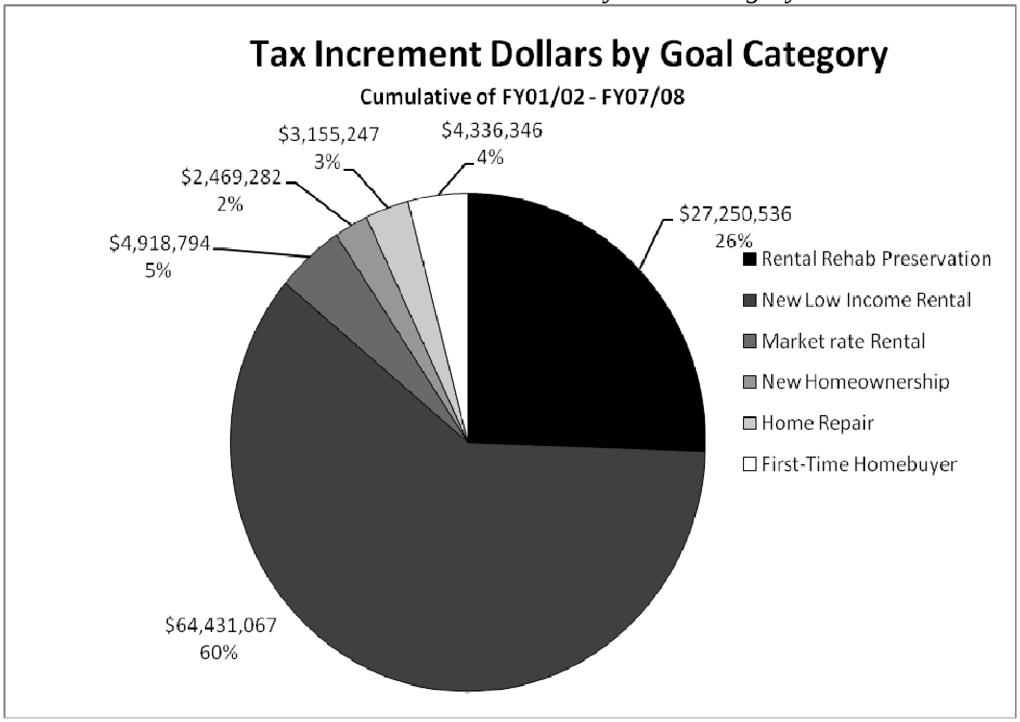
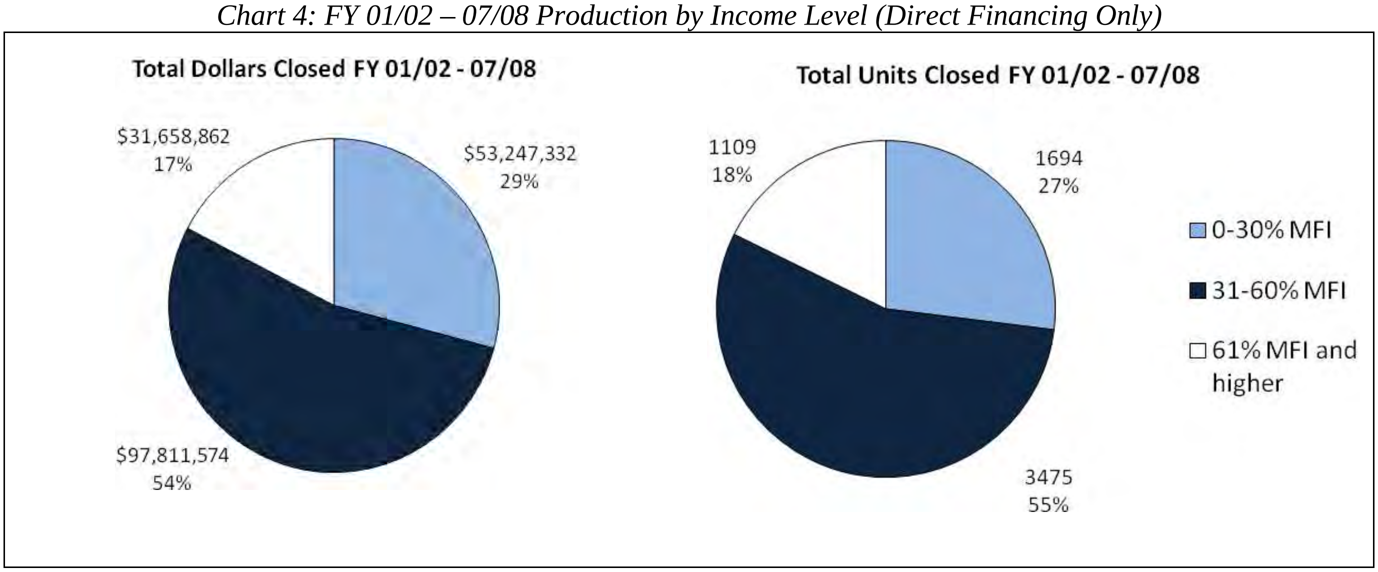


Chart 4 shows the breakdown of the total units and buyers funded since FY 2001/02 by income level. Of the total units, 82% were at or below 60% MFI; 27% of the units or homeowners were at 30% MFI or below. See Table 18 in Appendix B for the source data.

Chart 4: FY 01/02 – 07/08 Production by Income Level (Direct Financing Only)



Over seven years, more than $141 million (77% of total PDC housing investments) has been invested in rental housing affordable to households between 0-60% MFI, and $34.4 million (18% of total housing funding) has been invested in homeownership opportunities for low and moderate income households. The remaining 4% of total funding has gone towards market rate rental housing.

1,540 homeowners have received direct financial assistance (not including thousands of homeowners receiving indirect financial incentives) through either first-time homebuyer loans or development of affordable new homes. 4,337 affordable rental homes have been created or preserved; PDC has also restructured financing to preserve thousands of existing affordable rental units.

- **END OF REPORT -**

Appendix A: Reporting Methodology

How PDC Financed Units are counted toward the 2011 goals:

Units are counted toward the unit goals in the year the construction/permanent financing closes. Each goal section of the report includes a table on committed dollars to give an indication of the upcoming pipeline of projects (if any were recorded as committed at the time of the report). But, these units do not count toward the goals until their financing closes. A project is considered *committed* when the PDC Loan Committee approves the loan; a project is considered *closed* when the loan has been closed in escrow.

In order to avoid double counting, when a project receives acquisition dollars the units are not counted until the construction/permanent financing closes. The acquisition dollars will still be reported in the year they close and the number of units noted in the report. However, in order to accurately represent the relationship between dollars and actual units, acquisition units are included in the Income Level tables throughout the report.

How Incentive Units are counted toward the 2011 goals:

Incentive units (tax abatements, SDCs and fee waivers) are counted toward the unit goals in the year they are approved. When a project receives an incentive in one year and in another year PDC dollars are closed, the units are only counted towards the totals in one year. The units may appear in tables in multiple years, but are de-duplicated from the totals to avoid double counting.

What goal do the SDCs and LTAs? (requires first-time homebuyer status) count toward, First-time Homebuyer or New Homeownership Units?

SDCs and LTAs? require that the owner be a first-time homebuyer and that the buyer have an income at or below 100% MFI. Once a unit with an approved SDC or LTA is sold, the title company involved in the sale supplies PDC with verification of the homebuyer's income and first-time homebuyer status. If the homebuyer does not meet both requirements, the incentive must be repaid. In terms of how to count these units for the purposes of the 2011 goals, once a unit is approved for a SDC, it is counted toward the New Homeownership goal. However, as PDC collects verification information on these units, if the buyer meets both requirements the buyer will then also be counted toward the First-Time Homebuyer goal. Units receiving an LTA are counted towards both the New Homeownership unit goal and the First Time homebuyer goal within the same year, assuming the buyer qualifies.

In FY01/02 and FY02/03 the system for verifying the Water Homeowner SDCs was not consistent. A new system was recently established providing a more dependable tool for tracking these units. Therefore, adjustments will be made annually to the New Homeownership Units and First-Time Homebuyer sections of the report.

How are First Time Homebuyers counted toward goals:

The housing production target includes a range of homeownership targets: 1) new homeownership *units*, 2) owner rehab *units*, and 3) first-time *homebuyers*. In some cases a unit may have been purchased by a first-time homebuyer and also received PDC financing as a new homeownership or owner rehab unit. First-Time Homebuyer Units are counted in all categories for which they qualify and applied toward the 17,000 unit production goal and/or the 3,000 first-time homebuyer goal as appropriate. Thus, some units will be counted toward both the unit goal and the first-time homebuyer goal. This "double counting" is appropriate as public subsidy is achieving multiple goals: assistance to individual homebuyers, as well as a new unit (contributing to density goals) or repaired home that may serve multiple future owners.

Mixed Income Rental Units

Rental projects with units at income levels above and below 60% MFI appear in more than one category. The units at or below 60% MFI are counted toward the Rental Rehab Preservation goal or the New Rental Units goal and the units above 60% MFI are counted toward the Market Rate Rental goal.

It should be noted throughout the report that rental units are counted at the income level at which they are underwritten, not the level at which they may be serving a lower income tenant with the addition of other subsidy (Section 8 vouchers). In recent years, many units are reported at 50% or 60% MFI, but are actually permanent supportive housing, serving households at 30% MFI or below.

APPENDIX B: Total Production Summary Tables

Table 17 is a summary of all units/buyers that received direct financial assistance in FY 07/08 by income level.

Table 17: 07/08 Summary of All Closed Loans and Grants by Income Level (Direct Financed Only)

	Income Level (%MFI)					
	0-30	31-50	51-60	61-80	81+	Total
Rental Rehab Preservation (below 60% MFI)						
Units	251	210	94			555
Dollars	$1,807,460	$3,610,777	$4,613,496			$10,031,733
$/unit	$7,201	$17,194	$49,080			$18,075
% of Subtotal Units Closed	45%	38%	17%			100%
New Low Income Rental (below 60% MFI)						
Units	24	118	153			295
Dollars	$775,593	$3,990,520	$8,332,608			$13,098,721
$/unit	$32,316	$33,818	$54,461			$44,402
% of Subtotal Units Closed	8%	40%	52%			100%
Market Rate Rental (below 60% MFI)						
Units				0	6	6
Dollars				$0	$49,080	$49,080
$/unit				$0	$8,180	$8,180
% of Subtotal Units Closed				0%	100%	100%
New Homeownership						
Units	0	0	12	12	0	24
Dollars	$0	$0	$396,000	$1,010,652	$0	$1,406,652
$/unit	$0	$0	$33,000	$84,221	$0	$58,611
% of Subtotal Units Closed	0%	0%	50%	50%	0%	100%
Home Repair						
Units	7	27	13	36	0	83
Dollars	$109,137	$416,708	$179,214	$433,653	$0	$1,138,712
$/unit	$15,591	$15,434	$13,786	$12,046	$0	$13,719
% of Subtotal Units Closed	8%	33%	16%	43%	0%	100%
First-Time Homebuyer						
Units	0	7	6	36	16	65
Dollars	$0	$696,400	$474,767	$4,188,658	$2,051,443	$7,411,267
$/unit	$0	$99,486	$79,128	$116,352	$128,215	$114,019
% of Subtotal Units Closed	0%	11%	9%	55%	25%	100%
Total Closed Units	282	362	278	84	23	1029
Total Closed Dollars	$2,692,190	$8,714,405	$13,996,085	$5,632,963	$2,100,523	$33,136,165
$/unit	$9,547	$24,073	$50,346	$67,059	$91,327	$32,202
% Total Units Closed	27%	35%	27%	8%	2%	100%

Unit counts include duplicates due to multiple loans to the same project or homeowner/homebuyer.

Table 18 is a summary of the seven years of reporting by income (MFI level) for units receiving PDC financing (incentive only units are excluded).

Table 18: FY 01/02 – 07/08 Summary of All Closed Loans and Grants by Income Level (Direct Financed Only)

	Income Level (%MFI)					
	0-30	31-50	51-60	61-80	81+	Total
1. Rental Rehab Preservation						
Units	798	550	339			1687
Dollars	$16,562,043	$13,659,865	$9,531,935			$39,753,843
$/unit	$20,754	$24,836	$28,118			$23,565
% of Subtotal Units Closed	47%	33%	20%			100%
2. New Low Income Rental						
Units	635	964	1051			2650
Dollars	$34,584,507	$41,715,714	$25,010,624			$101,310,845
$/unit	$54,464	$43,274	$23,797			$38,231
% of Subtotal Units Closed	24%	36%	40%			100%
3. Market Rate Rental						
Units				66	335	401
Dollars				2594607	4623171	$7,217,778
$/unit				$39,312	$13,801	$17,999
% of Subtotal Units Closed				16%	84%	100%
4. New Homeownership						
Units				16	304	320
Dollars				$1,104,422	$1,800,000	$2,904,422
$/unit				$69,026	$5,921	$9,076
% of Subtotal Units Closed				5%	95%	100%
5. Home Repair Loans						
Units	260	393	146	209	31	1039
Dollars	$2,060,782	$3,842,428	$1,649,026	$2,123,951	$3,965,841	$13,642,028
$/unit	$7,926	$9,777	$11,295	$10,162	$127,930	$13,130
% of Subtotal Units Closed	25%	38%	14%	20%	3%	100%
6. First-Time Homebuyer Assistance						
Units	1	21	11	79	69	181
Dollars	$40,000	$1,746,215	$655,767	$8,326,859	$7,120,011	$17,888,851
$/unit	$40,000	$83,153	$59,615	$105,403	$103,189	$98,833
% of Subtotal Units Closed	1%	12%	6%	44%	38%	100%
Total Closed Units	1694	1928	1547	370	739	6278
Total Closed Dollars	$53,247,332	$60,964,222	$36,847,352	$14,149,839	$17,509,023	$182,717,767
$/unit	$31,433	$31,620	$23,819	$38,243	$23,693	$29,104
% Total Units Closed	27%	31%	25%	6%	12%	100%

Addendum 1: Additional Market Rate Housing Units

PDC closed loans for mixed use projects with market rate housing (rental and ownership) in FY 2006/07 and 2007/08. This data was not captured in the original charts and tables in either of those FY reports. It is included here as a separate addendum and will be incorporated into cumulative totals starting in the next annual report. It is important to include these projects as the housing contributes to PDC's 10-year goal for market rate housing production.

These projects were funded with PDC's commercial loan program and funding was attributed to both the commercial and residential portions of the projects. No affordability restrictions are included in these projects, as the intent of the loans was to spur commercial and market rate redevelopment. The funding was outside of the TIF Set Aside for Affordable Housing.

FY 2007/08 Market Rate Rental:

URA	Project	Date Closed	Units	Income Restriction	Loan Amount
South Park Blocks	Esquire	5/20/08	16	None	$733,600 (Commercial)

FY 2006/07 New Homeownership Units:

URA	Project	Date Closed	Units	Income Restriction	Loan Amount
Oregon Convention Center	Fremont homes	6/07	7	None (6); 80% MFI (1 unit- not closed yet).	$250,000 (Commercial)

Addendum 2: PDC Homeownership Program Customers by Ethnicity

One of PDC's key goals in recent years is assisting with efforts to close the minority homeownership gap. As part of the Operation H.O.M.E. (Home Ownership and Minority Equity) effort, PDC has increased marketing efforts and modified programs to better serve all first time homebuyers, including those who have traditionally faced barriers to homeownership.
In FY 2007/08, PDC's programs supported homeownership for a diverse population of homebuyers and current homeowners in need of repair assistance. Overall homebuyer and homeowner assistance increased greatly from FY 2006/07 and new strategies and programs were developed to increase support for minority homeownership starting in 2008:

- Operation H.O.M.E. was a key initiative staffed by PDC; at the end of FY 07/08 a draft final report was produced that identified new strategies to reduce the minority home ownership gap in Portland.
- PDC's Neighborhood Housing Program sponsored six different home ownership fairs during the year with $60,000 in financial support to the host community organizations. All but one fair were specifically targeted to communities of color and there were over 1,500 attendees. Many people there attended homebuyer workshops about PDC programs.
- In June 2008, PDC and other Operation H.O.M.E. partners produced and began distributing 25,000 copies of the My First Home Magazine designed specifically to appeal to underserved first-time buyers.

The table below shows ethnicity of the homebuyers PDC assisted in FY 07/08 through direct first-time homebuyer programs:

Ethnicity (Head of Household)	# of Buyers	% of Total
White (not Hispanic)	**23**	**64%**
Black (not Hispanic)	**9**	**25%**
Hispanic	**2**	**6%**
Native Hawaiian/other Pacific	**1**	**3%**
I do not wish to furnish this info	**1**	**3%**
Black/African Am. & Hispanic	**0**	**0%**
White & Hispanic	**0**	**0%**
Asian	**0**	**0%**
TOTAL	**36**[i]	**100%**

The following table illustrates the ethnicity of homeowners accessing PDC home repair loans in FY 07/08.

Ethnicity (Head of Household)	**# of Homes Repaired**	**% of Total**
White (not Hispanic)	54	72%
Black (not Hispanic)	13	17%
Hispanic	1	1%
Native Hawaiian/other Pacific	1	1%
I do not wish to furnish this info	3	4%
Black/African Am. & Hispanic	1	1%
White & Hispanic	1	1%
Asian	1	1%
TOTAL	**75**[ii]	**100%**

PDC also tracks demographic information, when provided, for buyers through the Limited Tax Abatement (LTA) program. This program sees much higher rates of minority buyers.

Ethnicity (Head of Household)	**# of Buyers**	**% of Total**
White (not Hispanic)	124	42%
Black (not Hispanic)	32	11%
Hispanic	29	10%
Native Hawaiian/other Pacific	2	1%
American Indian/Alaskan Native	2	1%
I do not wish to furnish this info	19	6%
Asian	79	27%
Other	4	1%
Not Available	6	2%
TOTAL	**297**	**100%**

[i] Total First Time Homebuyers does not match homebuyer total reported in Section F (Table 15) of the Housing Production Report due to the fact that not all buyers provide this demographic information, and Table 15 reports some buyers from a previous year although does not count them towards cumulative totals.

[ii] Total homes repaired does not match home repair totals in Section E (Table 13) due to the fact that not all buyers provide this demographic information. This table also does not include the REACH home repair grant program.