
Housing Production Report

FISCAL YEAR 2004/2005

March 2006

Investing in Portland's Future

PDC

PORTLAND DEVELOPMENT COMMISSION

Executive Summary

In January 2003, the Commission adopted a resolution to increase housing production to assist an estimated 13,550 units or households from 2001-2011. The resolution illustrated the Commission's primary focus on affordable rental housing and first-time homebuyers. PDC's has committed to an even greater affordable and market-rate production target of 17,000 units and 3,000 homebuyers—**20,000 units or households**—from 2001 to 2011. 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 in the following categories that cross the spectrum of PDC programs and projects:

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| <ul style="list-style-type: none"> • 1,500 rental rehab preservation units (0-60% MFI) • 6,400 new low-income rental units (0-60% MFI) • 4,500 new market rate rental units (>60% MFI) <p>12,400 Rental Housing Units</p> | <ul style="list-style-type: none"> • 3,000 new homeownership units • 1,600 homes repaired (owner-occupied) • 3,000 first-time homebuyers <hr style="border: 0.5px solid black;"/> <p>7,600 Homeownership units and First-Time Homebuyers</p> |
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This report has been developed to track progress on the overall PDC housing production by the categories listed above. PDC publishes this report annually providing both the annual progress summary, as well as the aggregate activity, starting in Fiscal Year 2001/2002 through 2010/2011.

FY 2004/05 Summary

In FY 2004/05, PDC closed financing on and/or granted an incentive to:

Fiscal Year 2004/2005 Totals				
	Total Units and Buyers	% of Total Units and Buyers	Total PDC Dollars	% of Total PDC Dollars
Units:				
Rental rehab preservation units	144 units	6%	\$5,341,991	24%
New low-income rental units	993 units	45%	\$12,410,052	57%
New market rate rental units	14 units	>1%	\$15,604	0%
New homeownership units	521 units	24%	\$0	0%
Owner-occupied homes repaired	353 units	16%	\$3,009,242	14%
Homebuyers:				
First-time homebuyers	177 buyers	8%	\$1,016,635	5%
2,202 Total Units and Homebuyers			\$ 21,883,524 Total Dollars	

The total number of units receiving PDC financing and /or incentives was 2,025 and the total number of homebuyers receiving PDC assistance was 177 in FY 2004/05. The total PDC housing dollars closed in FY 2004/05 was \$21,883,524 (\$20,866,889 on units and \$1,016,635 to first-time homebuyers).

Below are some summary highlights of PDC's housing activity in FY 2004/05:

- Of the units and homebuyers that PDC assisted with incentives and direct financial assistance in FY 2004/05, the totals were nearly split 50-50 between homeownership and rental housing.
- 81% of PDC direct financial assistance (DFA) programs supported the development and renovation of low-income rental housing and the remaining resources supported low and moderate income homeowners and first-time homebuyers:
 - ◊ 321 units/households were between 0-30% MFI and received \$6.6 million total financial assistance (31% of total DFA);

◇ 613 units were between 31-60% MFI and \$13.3 million total financial assistance (92% of total DFA went toward units/households at 0-60% MFI)

- 70% of the resources spent on low income rental housing production were funded by tax increment financing (TIF) in urban renewal areas—\$12.5 million—and \$5.2 million of citywide resources (City and Federal) were spent on new rental housing preservation or production.
- An additional \$1.5 million of citywide resources were spent on restructures of existing projects resulting in no new production.
- While homeownership accounted for 48% of the total production, only 19% of the total resources were directed toward homeownership, with the majority of production resulting from incentive programs.

Year Four Progress on 10-Year 20,000 Production Goals (FY2001/2002 through FY2004/2005)

The following shows the sum total of FY 2001/02 through FY 2004/05 closed PDC financing and/or a City administered incentive for units and homebuyers:

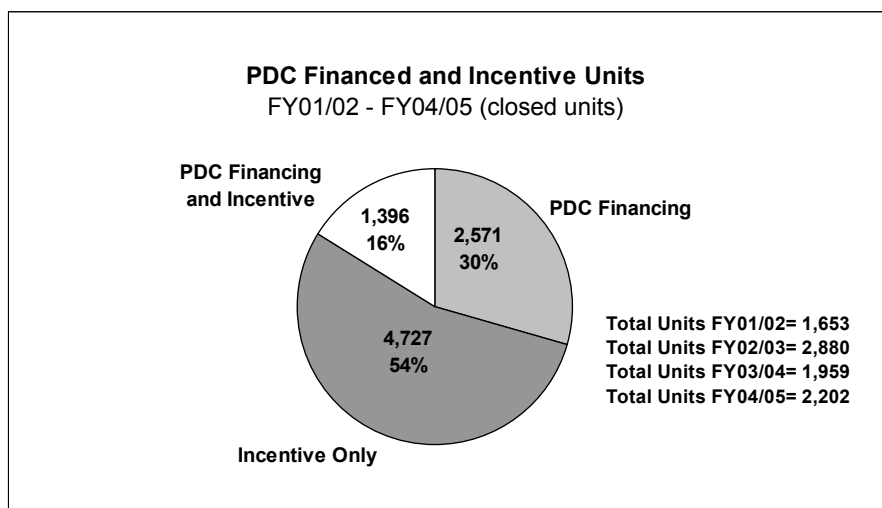
	Total Units and Buyers	% of 10-Year Goal
Units:		
1,500 Rental rehab preservation units	735 units	49%
6,400 New low-income rental units	2,657 units	42%
4,500 New market rate rental units	1,541 units	34%
3,000 New homeownership units	2,469 units	82%
1,600 Owner-occupied homes repaired	832 units	52%
Homebuyers:		
3,000 First-time homebuyers	460 buyers	15%
8,694 Total Units and Homebuyers		

In the fourth year of production toward the 2011 goals, ideally at least 40% of the goal should be met.

- Only New Market Rate Rental and First-time Homebuyers were under 40% complete.
- New Homeownership Units was the only category that far outpaced the goal.

The chart below shows the number of units receiving PDC direct financing, PDC administered incentives or a combination of both for four fiscal years (FY 2001/02- FY 2004/05).

- The majority of units (54%) received only an incentive and no PDC financing
- Almost a third of the units only received PDC financing
- 16% of the units received both an incentive and PDC financing.



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 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 we evaluate how production is reported and make revisions to ensure the highest level of accuracy and clarity.

PDC Resource Development Efforts and Challenges

The report acknowledges additional resources are necessary to achieve the increased affordable and market-rate housing production targets. PDC will need to continue to strategically and effectively use urban renewal, federal and city funds to leverage additional sources of funding. We will continue to seek partnerships with city and regional agencies in pursuit of new and emerging resources, and work with private lenders to determine how to better leverage our resources to increase housing production. We are focusing on efforts that help PDC and partners provide products that better serve homeowners and buyers. Recent accomplishments in developing new resources included assisting the City in securing \$9 million through a Housing Revenue Bond.

Recent activities to address the slow progress on the first-time homebuyer goal have included:

- Partnering with BHCD to lead the City of Portland Minority Homeownership Campaign—a comprehensive city-wide homeownership initiative to close Portland’s minority homeownership gap and to expand first-time homebuyer opportunities.
- Evaluation of the homebuyer products and services PDC and partners provide to determine how they can be expanded or modified to better serve community needs.
- Approval of the JumpStart program which will assist homebuyers with upward income earning potential but find Portland’s housing market just beyond their reach.

Recent activities to mitigate the dwindling federal resources for low income rental housing have included:

- Assisting the City to secure and administer \$9 million through a Housing Opportunity Revenue Bond.
- Working with our funding partners to coordinate capital, service and operating subsidies to ensure long-term sustainable permanent affordable housing (PSH) is developed and resources are more effectively leveraged.

As federal funding cuts continue and the City is forced to make some hard decisions related to housing priorities, PDC will face challenges in achieving the aggressive unit production goals. The reduction of federal funding has resulted in the elimination of the PDC home repair program available citywide. The effects will be evident in fiscal year 2006/2007 when the program is discontinued and home repair is only available in urban renewal areas where there is allocated TIF funding. In addition, as permanent supportive housing serving extremely low income households becomes a major priority for city administered resources, this will result in lower unit production because PSH units require a greater level of subsidy to be viable.

PDC Housing Production Report – FY 2004/2005

In January 2003, the Commission adopted a resolution to increase housing production to assist an estimated 13,550 units or households from 2001-2011. The resolution illustrated the Commission's primary focus on affordable rental housing and first-time homebuyers. PDC's has committed to an even greater affordable and market-rate production target of 17,000 units and 3,000 households—**20,000 units or households**—from 2001 to 2011. This aggressive target represents an aggregate of PDC, city and regional housing production goals, policy directives and urban renewal housing implementation strategies.

This report has been developed to track progress on the overall PDC housing production target. PDC publishes this report annually providing both an annual progress summary, as well as the aggregate activity, starting in Fiscal 2001/2002 through 2011/2012. This report summarizes units in which financing has closed ("closed units"). Projects that have received a formal commitment for financing are also presented 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. Units that have received a reservation or are in early predevelopment, commonly reported as "reserved units," are not included in this report. All units in Portland closed or committed or units with incentives received in FY 2004/05 are included in this report.

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

- 1,500 rental rehab preservation units
- 6,400 new low-income rental units
- 4,500 new market rate rental units
- 3,000 new homeownership units
- 1,600 homes repaired
- 3,000 first-time homebuyers

Success of achieving these targets is predicated on resource development efforts and the continued availability of tax increment financing. This report includes projects financed with Tax Increment Financing (TIF), federal funds (CDBG and HOME), the Housing Investment Fund (HIF), the City Housing Opportunity Bond and Fannie Mae Homestyle and Oregon Residential Bond loans. Future housing production will rely heavily on TIF, federal funds and new resources such as the Housing Opportunity Bond. TIF dollars are spent on housing projects, however housing is not the only goal of the TIF dollars. TIF also finances revitalization and economic development projects and programs. We recognize that TIF and federal funds alone are not sufficient to meet the 2011 housing production targets thus other new resources are needed.

Production Target Directives

The production target brings together various approved policies and stated numeric goals into a unified 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 is intended to address 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.
- Both the Consolidated Plan 2005-2010 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 goal of preserving or replacing 1,200 units of affordable housing within the Central City by 2006.

- As part of the “10-Year Plan to End Homelessness,” the City Council sets a goal of developing 2,200 new permanent supportive housing units for chronically homeless individuals and homeless families with special needs.
- As part of urban renewal planning, the Commission has adopted production targets for new and existing districts. The addition of several new urban renewal districts such as the Gateway, North Macadam, Interstate Corridor, and Lents Town Center in the last five years has created greater funding opportunities for increased housing production.
- There is a commitment to close the homeownership gap for minority and first-time homebuyers by increasing homeownership citywide.

Assumptions for Reaching Targets

Achieving the housing production targets is predicated on the continued availability of existing local and federal resources, as well as the development of new resources and partnerships. Primary assumptions for reaching the productions targets include:

- Federal funds (HOME and CDBG), Housing Investment Funds and Housing Opportunity Bond are programmed based on City Council policy mandates.
- The use of urban renewal funds and incentives will be employed to provide a range of new housing development in urban renewal areas.
- Incentive programs such as the various tax abatements, system development charge exemptions and fee waiver programs remain available.
- PDC continues to leverage federal Low Income Housing Tax Credits, Historic Tax Credits and New Market Tax Credits to support housing and mixed-use development.
- PDC identifies new resources to support the development of market rate housing and a higher level of affordable housing.
- PDC expands its homebuyer programs to include a broader range of first mortgage products and leverage private resources.

Recent accomplishments in developing new resources included assisting the City in securing \$9 million through a Housing Revenue Bond.

Recent activities to address the lack of progress on the first-time homebuyer goal include:

- Partnering with BHCD to staff the City of Portland Minority Homeownership Campaign, a comprehensive city-wide homeownership initiative to close Portland’s minority homeownership gap and to expand first-time homebuyer opportunities.
- Evaluation of the products and services PDC and partners provide and how they can be expanded or modified to better serve community needs.
- Approval of the JumpStart program which is designed to assist homebuyers with upward income earning potential but that find Portland’s housing market just beyond their reach.

Recent activities to mitigate the dwindling federal resources for low income rental housing included:

- Assisting the City in securing \$9 million through a Housing Opportunity Revenue Bond.
- Working with our funding partners to coordinate capital, service and operating subsidies to ensure long-term sustainable permanent affordable housing is developed and resources are more effectively leveraged.

As federal funding cuts continue and the City is forced to make some hard decisions related to housing priorities, PDC will face challenges in achieving the aggressive unit production goals. The reduction of federal funding has resulted in the elimination of the PDC home repair program available citywide. The effects will be evident in fiscal year 2006/2007 when the program is discontinued and home repair is only available in urban renewal areas. In addition, as permanent supportive housing serving extremely low income households becomes a major priority for city funding, this will result in lower unit production because PSH units require a greater level of subsidy to be viable.

Reporting Methodology

Each year the method for tabulating and reporting progress toward the housing production targets is refined. The allocation of funding and incentives toward housing projects is complex and often spans many years and phases for an individual project. This section of the report is intended to provide clarity on the reporting process.

In previous Unit Production Reports the goal was 20,000 *units or households* and the production target was intended to be an “unduplicated” goal meaning that no unit or household was counted toward more than one goal. However, a decision was made for the FY 2004/05 report to refine that goal. In order to more accurately reflect the fact that some units meet dual goals of contributing toward the unit goal and also assisting individual first-time homebuyers, the new goal will be 17,000 units produced or assisted and 3,000 first-time homebuyers assisted. There will be a small amount of duplication between unit and homebuyer counts because, periodically, PDC finances a unit’s production and also directly assists a first-time homebuyer financially to purchase that unit. In a case such as this, the unit will be counted toward the 17,000 unit goal and the homebuyer will be counted toward the 3,000 first-time homebuyer goal. In past years these units have only counted once toward the 20,000 unit goal. In this report, however, the units from past years qualifying for multiple categories are added back into the grand total (there are 32 such units). In past Unit Production Reports these units been included in the category totals and subtracted out of the grand total. With the new methodology of differentiating between the 17,000 unit goal and the 3,000 homebuyer goal these units from past years are added to the grand totals at the end of the report.

Another change in methodology in this FY 2004/05 report is to report all loans that PDC financed outside Portland city limits. Previous year loans outside Portland have been added to this report and total 108 loans. Appendix B contains detailed information on these loans. For more information on the reporting methodology refer to Appendix A.

A) 1,500 Rental Rehab Preservation Units

PDC has a number of policy directives toward the preservation of low-income rental housing including:

- *City Preservation Ordinance* – Preserve federally and locally subsidized low-income housing projects.
- *Central City No Net Loss* – Preserve or replace 1,200 units at or below 60% MFI in the Central City by 2006.
- *Urban Renewal Housing Strategies* – PDC has adopted the Downtown Housing Strategy, Lloyd District Housing Strategy, Interstate Corridor URA Housing Strategy and Central Eastside Housing Strategy that all establish goals to preserve or replace affordable rental housing for residents with household incomes of 0-60% MFI.

In FY 2004/05, \$5,341,991 was spent on Rental Rehab Preservation units. The majority of those dollars were TIF for Hotel Alder's 99 units. Halsey Terrace (16 units) and Prescott Terrace (48 units) were the other multifamily projects to be funded in this category. Twenty-four units received lead grants and two units received an incentive only. Three units were lead grants made outside Portland city limits in past years and are added to this table due to a methodology change to include PDC financed unit outside Portland.

Table 1: Rental Rehab Preservation Projects- PDC Financing and Incentive Programs Closed in FY 2004/05

Project	Location	Fund Type			Incentives
		Federal	TIF	Total	
Hotel Alder-Construction	Downtown Waterfront URA		\$3,568,046 99 units	\$3,568,046 99 units	
Halsey Terrace	Citywide	\$320,000 16 units		\$320,000 16 units	SDC-Rental 16 units FY03/04
Prescott Terrace*	Citywide	\$1,100,000 48 units		\$1,100,000 48 units	SDC-Rental 48 units FY 2004/05
Lead Grant	Interstate URA	\$42,888 3 units		\$42,888 3 units	
Lead Grant	Citywide	\$249,322 21 units		\$249,322 21 units	
Past Years' Grants Outside Portland**	Outside Portland	\$61,735 3 units		\$61,735 3 units	
Incentive Only	Lents URA				Fee Waiver-Rental 2 units FY 2004/05
Subtotals		\$1,773,945 91 units	\$3,568,046 99 units	\$5,341,991 190 units	Unduplicated Incentive Units 2 units

* Prescott Terrace units were counted in the FY03/04 Unit Production Report when the SDC was approved. The project was originally approved for 67 units in FY03/04, however, subsequently the SDC was cancelled and approved again for 50 units in FY 2004/05 (48 units at or below 60% MFI and 2 units above 60% MFI). Adjustments have been made to the grand total at the end of the report.

** These 3 units were lead grants PDC outside Portland's city limits in FY 2001/02 – FY03/04 that were not included in past reports. For more details see the appendix.

Total Rental Rehab Preservation Closed Units (unduplicated)	192 units
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Table 2 shows the PDC financed units by median income level. Although units for Prescott Terrace were reported in a previous Unit Production Report, these units are included in Table 2 to accurately depict the relationship between dollars and actual units. The majority (88%) of the units in Table 2 and dollars (95%) were between 0-30% MFI.

Summary of Rental Rehab Preservation Units by Income Level

(incentive-only units excluded), FY 2004/05 Closed Units

	Income Level (% MFI)					Total
	0-30	31-50	51-60	61-80	81+	
Units	166 units	19 units	4 units			189 units*
Dollars	\$5,024,301	\$210,345	\$60,725			\$5,295,371
\$/unit	\$30,267	\$11,071	\$15,181			\$28,018
% of Total Closed	88%	10%	2%			100%

* One loan in Washington County from FY03/04 had no MFI information available except that it was below 60% MFI.

Table 3 contains information on projects financially restructured in FY 2004/05. New units were not created in these projects; however, 145 units were preserved as affordable units. These units are not counted toward the 1,500 unit goal since they are not new units.

Table 2: Preservation of Existing Projects (Restructures), FY 2004/05

Project	Location	Fund Type Federal	Total
Albina Community Development Corporation	Citywide	\$832,778 33 units	\$832,778 33 units
Albina Community Development Corporation	Interstate URA	\$176,607 12 units	\$176,607 12 units
Betty Campbell Building	Interstate URA	\$5,798 9 units	\$5,798 9 units
Cornetta Smith Courtyards	Citywide	\$36,577 5 units	\$36,577 5 units
Emerson Triplex	Citywide	\$19,271 3 units	\$19,271 3 units
Fargo Court	Citywide	\$11,335 2 units	\$11,335 2 units
Garfield Gardens	Citywide	\$89,689 11 units	\$89,689 11 units
Killingsworth Court	OCC URA	\$64,628 6 units	\$64,628 6 units
Maggie Gibson Plaza	Citywide	\$60,509 9 units	\$60,509 9 units
Maya Angelou Apts	Interstate URA	\$2,648 41 units	\$2,648 41 units
Purcell Place	Interstate URA	\$5,846 5 units	\$5,846 5 units
Rodney Receivership	Interstate URA	\$32,696 1 unit	\$32,696 1 unit
Russet House	Citywide	\$70,652 1 unit	\$70,652 1 unit
St Francis Place	Citywide	\$32,059 3 units	\$32,059 3 units
Vesia Loving	Interstate URA	\$38,444 4 units	\$38,444 4 units
Subtotals		\$1,479,537 145	\$1,479,537 145

B) 6,400 New Low Income Rental Units

Units built in this category support the following City policies and PDC strategies:

- *Central City No Net Loss* – Preserve or replace 1,200 units at or below 60% MFI in the Central City by 2006.
- *10-Year Plan to End Homelessness* – Develop 2,200 new permanent supportive housing units for chronically homeless individuals and homeless families with special needs.
- *Urban Renewal Housing Strategies* – New affordable rental housing construction is a stated goal in each of the adopted urban renewal housing strategies. Strategies have been adopted for Downtown, River District, Lloyd District, Interstate, Lents, Gateway and the Central Eastside.
- Metro's *Regional Affordable Housing Strategy* set the goal of 1,791 citywide units below 50% MFI in Portland by 2005.

The majority of New Low-Income Rental dollars were TIF (73%) and funded the Sitka Apartments. Twenty-three percent of the dollars were federal and 4% were from the Housing Investment Fund (HIF). While most of the PDC financed dollars went to Sitka Apartments, this project was less than half of the total PDC financed units in this category. Just over a quarter of the units were federally funded and another quarter were funded with HIF dollars. Five hundred and fifteen units were incentive only.

Table 3: New Low Income Rental Units- PDC Financing and Incentive Units

Closed in FY 2004/05

Project	Location	Fund Type			Total	Incentives
		Federal	HIF	TIF		
West Gresham Apartments	Gresham	\$130,304 26 units			\$130,304 26 units	
Kateri Park	Citywide	\$500,000 49 units			\$500,000 49 units	
Civic Redevelopment	Citywide		\$500,000 140 units		\$500,000 140 units	
Clara Vista Townhomes	Citywide	\$1,135,437 44 units			\$1,135,437 44 units	
Willow Tree	Gresham	\$1,144,311 17 units			\$1,144,311 17 units	
Sitka Apartments	River District URA			\$9,000,000 202 units	\$9,000,000 202 units	SDC-Rental 202 units FY 2003/04
Incentive Only	Citywide					SDC/Fee Waiver- Rental 3 units FY 2004/05
Incentive Only	Citywide					SDC- Rental 116 units FY 2004/05
Incentive Only	Lents URA					SDC-Rental 11 units FY 2004/05
Incentive Only	Interstate URA					SDC-Rental 376 units FY 2004/05
Incentive Only	Gateway URA					Fee Waiver/SDC- Rental 9 units FY 2004/05
Subtotals		\$2,910,052 136 units	\$500,00 140 units	\$9,000,000 202 units	\$12,410,052 478 units	Unduplicated Incentive Units 515 units

Total New Low Income Rental Closed Units (unduplicated)	993 units
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The majority of New Low Income Rental units and dollars in FY 2004/05 were between 51-60% MFI. Just over a quarter of the units were between 31-50% MFI and 11% were under 30% MFI.

Table 4: Summary of New Low Income Rental Units by Income Level (incentive-only units excluded), FY 2004/05 Closed Units

	Income Level (% MFI)					Total
	0-30	31-50	51-60	61-80	81+	
Units	52 units	134 units	292 units			478 units
Dollars	\$965,447	\$4,631,827	\$6,812,778			\$12,410,052
\$/unit	\$18,566	\$34,566	\$23,331			\$25,962
% of Total Closed	11%	28%	61%			100%

Summary of Low Income Rental Units (Rental Rehab Preservation and New Low-Income Rental units)

Table 6 presents all closed units under 60% MFI (Rental Rehab Preservation and New Low Income Rental units) by income level for FY 2004/05.

Table 5: Summary of Rental Rehab Preservation and New Low-Income Rental Units by Income Level Closed in FY 2004/05

	Income Level (% MFI)					Total
	0-30	31-50	51-60	61-80	81+	
Rehab Units	166 units	19 units	4 units			189 units
% Rehab Units	89%	9%	2%			100%
New Units	52 units	134 units	292 units			478 units
% New Units	11%	28%	61%			100%
Total Units	218 units	153 units	296 units			667 units
% Total Units	33%	23%	44%			100%

Four Year Summary of Low Income Rental Units, FY 2001/02 – FY 2004/05

Table 7 shows a four year summary of units at or below 60% MFI for FY 2001/02 – FY 2004/05. The split across income level categories was fairly equal with each category receiving about a third of the units. The percentage of units in the 51-60% MFI level was slightly higher than a third at 36%.

Table 6: FY 2001/02- FY 2004/05 Summary of Rental Rehab Preservation and New Low-Income Rental Units by Income Level from (4 Fiscal Years Closed Units)

	Income Level (% MFI)					Total
	0-30	31-50	51-60	61-80	81+	
Rehab Units	349 units	278 units	63 units			690 units
% Rehab Units	51%	40%	9%			100%
New Units	470 units	521 units	844 units			1,835 units
% New Units	26%	28%	46%			100%
Total Units	819 units	799 units	907 units			2,525 units
% Total Units	32%	32%	36%			100%

C) 4,500 Market Rate Rental Units (above 60% MFI)

As part of larger revitalization, transit oriented development and growth management goals, PDC supports the development of market rate rental housing. Many of these market rate units are within mixed-income projects that include low-income units as well. PDC generally finances market rate units with amortizing debt, therefore funds are expected to be repaid.

Units built in this category support the following City policies and PDC strategies:

- *Urban Renewal Housing Strategies* – PDC has adopted the Downtown Housing Strategy, Lloyd District Housing Strategy, Interstate Corridor URA Housing Strategy, Lents Housing Strategy, Gateway Housing Strategy and Central Eastside Housing Strategy that all establish goals for new housing including market rate rental housing.
- *Metro’s 2040 Growth Management Goals* – The City of Portland has committed to accommodating new housing in support of 2040 growth management goals.
- *Downtown Retail Strategy, South Park Blocks Urban Renewal Plan and Central City Plan* – Call for the development of new market rate housing to support economic development and revitalization goals for Downtown Portland.

PDC closed financing on 14 market rate units. All these units are part of projects where the majority of units are at or below 60% MFI.

Table 7: Market Rate Rental Units – PDC Financing and Incentive Units

Closed in FY 2004/05

Project	Location	Fund Type		Total	Incentives
		Federal	TIF		
Prescott Terrace*	Citywide	2 units		2 units	SDC-Rental 2 units FY 2004/05
West Gresham Apartments*	Gresham	1 unit		1 unit	
Kateri Park*	Citywide	1 unit		1 unit	
Willow Tree*	Gresham	1 unit		1 unit	
Sitka Apartments*	River District URA		8 units	8 units	SDC-Rental 8 units FY03/04
Lead Grant	Citywide	\$15,604 1 unit		\$15,604 1 unit	
Incentive Only	Gateway				SDC/ Fee Waiver-Rental 1 units FY 2004/05
Incentive Only	Citywide				SDC-Rental 1 units FY 2004/05
Subtotals		\$15,604 6 units	8 units	\$15,604 14 units	Unduplicated Incentive Units 2 units

* These are mixed income projects and affordable units for these projects appear in sections A and B of the report.

Total Market Rate Rental Closed Units (unduplicated)	16 units
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All but one of the PDC financed Market Rate Rental units were above 80% MFI. A lead grant was between 61-80% MFI.

Table 8: Summary of Market Rate Rental Units by Income Level (incentive-only units excluded), *FY 2004/05 Closed Units*

	Income Level (% MFI)					Total
	0-30	31-50	51-60	61-80	81+	
Units				1	13	14
Dollars				\$15,604		\$15,604
\$/unit				15,604		1,115
% of Total Closed				7%	93%	100%

One project, Headwaters Apartments, received a commitment of funds in FY 2004/05.

Table 9: Market Rate Rental Units- PDC Financing and Incentive Units
Committed in FY 2004/05

Project	Location	Fund Type			Total
		Federal	TIF	PDC-Other	
Headwaters Apartments	Citywide			\$1,500,000 100 units	\$1,500,000 \$100 units
Subtotals				\$1,500,000 100 units	\$1,500,000 100 units

Total Market Rate Rental Committed Units (unduplicated)	100 units
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D) 3,000 New Homeownership Units

PDC supports the development of homeownership in a number of ways, including development financial assistance and incentives.

Units built in this category support the following City policies and PDC strategies:

- *Urban Renewal Housing Strategies* – PDC has adopted the Downtown Housing Strategy, Lloyd District Housing Strategy, Interstate Corridor URA Housing Strategy, Lents Housing Strategy, Gateway Housing Strategy and Central Eastside Housing Strategy that all establish goals for new housing including ownership housing.
- *Metro's 2040 Growth Management Goals* – The City of Portland has committed to accommodating new housing in support of 2040 growth management goals.
- There is a commitment by the City and PDC to close the homeownership gap for minority and first-time homebuyers by increasing homeownership citywide. One strategy to achieve this goal is to increase the number of homeownership units in the City.

All of the New Homeownership units received only incentives and no direct PDC financing.

Table 10: New Homeownership Units- PDC Financing and Incentive Programs
Closed in FY 2004/05

Project	Location	Incentives
Incentive Only	Citywide	345 units Tax Abatement, SDC Ownership, and/or Fee Waiver
Incentive Only	Gateway URA	42 units SDC Ownership
Incentive Only	Interstate URA	74 units SDC Ownership
Incentive Only	Lents URA	58 units Tax Abatement, SDC Ownership, and/or Fee Waiver
Incentive Only	Oregon Convention Center	2 units Tax Abatement
Total		Unduplicated Incentive Units 521

E) 1,600 Homes Repaired

PDC finances home repair loan and grant programs citywide and in urban renewal areas. PDC administers the City's home repair and lead-based paint programs using federal funds and has established specific urban renewal programs for home repair that include direct lending and contracting with local community organizations.

Units built in this category support the following City policies and PDC strategies:

- *Urban Renewal Housing Strategies* – In urban renewal areas with a significant number of single family homes, home repair and renovation goals have been established to increase neighborhood revitalization and help homeowners stay in their home.
- *Anti-Displacement*--Home repair is recognized as an anti-displacement tool for many lower income homeowners.

The majority of the Home Repair financing was from federal dollars (73% of the dollars and 80% of the units). Table 12 includes loans that PDC made outside of Portland for FY 2001/02- FY 2004/05, as noted in the methodology section of this report (see the appendix for more detail on these loans).

Table 11: Home Repair Loans – PDC Financing and Incentive Units
Closed in FY 2004/05 (includes loans made outside of the city of Portland)

Project	Location	Fund Type				Total	Incentives
		Federal	TIF	HIF	Investor		
Home Rehab Loans	Citywide	\$772,685 115 units ¹		\$5,068 1 unit		\$777,753 116 units	
Home Rehab Loans	Gateway URA	\$5,201 1 unit				\$5,201 1 unit	
Home Rehab Loans	Interstate URA	\$182,494 22 units ²	\$53,625 4 units			\$236,119 26 units	
Home Rehab Loans	Lents URA	\$55,421 10 units ³	\$196,169 15 units			\$251,590 25 units	
Home Rehab Loans	Beaverton	\$83,626 14 units				\$83,626 14 units	
Lead Grant	Citywide	\$351,634 31 units ⁴				\$351,634 31 units	
Lead Grant	Lents URA	\$23,660 4 units ⁵				\$23,660 4 units	
Lead Grant	Interstate	\$33,745 4 units ⁶				\$33,745 4 units	
Land Trust	Citywide			\$20,000 0 units ⁷		\$20,000 0 units	
Land Trust	Lents URA		\$105,945 2 units			\$105,945 2 units	
Homestyle Loan	Citywide				\$240,000 1 unit	\$240,000 1 unit	
Homestyle Loan	Lents URA				\$119,700 1 unit	\$119,700 1 unit	
REACH Community Builders	Lents		\$100,000 48 units			\$100,000 48 units	
Past Years' Loans/Grants Outside Ptd ⁸	Outside Portland	\$750,269 91 units				\$750,269 91 units	

(Table 12 continued)

Project	Location	Fund Type					Incentives
		Federal	TIF	HIF	Investor	Total	
Incentive Only	Citywide						2 units Owner Rehab Tax Abatement
Incentive Only	Interstate URA						3 units Owner Rehab Tax Abatement
Incentive Only	Lents URA						1 unit Owner Rehab Tax Abatement
Incentive Only	Beaverton						1 unit Owner Rehab Tax Abatement
Subtotals		\$2,258,735 292 units	\$455,739 69 units	\$25,068 1 units	\$359,700 2 units	\$3,099,242 364 units	Unduplicated Incentive Units 7 units

¹ Several of these units received multiple loan type: One unit received two Home Rehab Loans, seven units received a Lead Grant and a Home Rehab Loan, and one unit received a Lead Grant and a Sewer on Site (in the Home Rehab category). These units are not double counted in the grand total.

² Two units received TIF and Federal dollars and two of the Federally funded units received a Lead Grant.

³ Two units received a Home Rehab Loan with Federal dollars, Home Rehab Loan with TIF dollars and a Lead Grant. One unit received Federal and TIF dollars for a Home Rehab Loan.

⁴ Seven of these units also received a Home Rehab Loan.

⁵ Two units also received a Home Rehab Loan.

⁶ Two units also received a Home Rehab Loan.

⁷ This Land Trust Unit also received funding in FY03/04 and was already counted in that year.

⁸ These 91 units were loans PDC outside Portland's city limits in FY 2001/02 – FY03/04 that were not included in past reports. For more details see the appendix

Total Home Repair Closed Units (unduplicated)	353* units
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* This total subtracts 18 units double counted in Table 12.

The REACH Community Builders Program organizes volunteers and in-kind materials to repair houses for low-income senior and low income disabled homeowners in Lents URA who need assistance. The form of this assistance is a grant.

In addition, PDC is also a qualified lender of the Fannie Mae Homestyle Loan program. These loans enable existing homeowners to refinance and renovate their homes. Loans are originated by PDC and sold to Fannie Mae on the secondary market. The following table summarizes Fannie Mae activity.

Table 12: Summary of Home Rehab Loans by Income Level (Includes Homestyle Loans and excludes REACH grants), FY 2004/05

	Income Level (% MFI)					Total*
	0-30	31-50	51-60	61-80	81+	
Units	103 units	125 units	39 units	45 units	4 units**	316 units
Dollars	\$648,817	\$1,197,378	\$366,306	\$414,633	\$372,108	\$2,999,242
\$/unit	\$6,299	\$9,579	\$9,392	\$9,214	\$93,027	\$9,491
% of Total Closed	46%	56%	17%	20%	2%	140%

*Of the total units financed, the 48 Reach Community Builder Grants did not have specific income level information available and are excluded from this income level table. However, these grants were all under 80% MFI.

** Two of the units above 80% MFI were Fannie Mae Homestyle Loans.

F) Assist 3,000 First Time Homebuyers

This category is set apart from the others in that the goals are *buyers* and not *units*. The difference is important because it allows for units in this category to qualify for other categories (New Homeownership Units and Home Repair). In FY 2004/05, two units/ buyers counted toward both home repair and first-time homebuyer goals, both were Portland Community Land Trust units. This category also includes units that receive a Water Bureau Homeowner SDC, requiring the buyers to be first-time homebuyers. Further information about the SDC is available in Appendix A and D.

Units built in this category support the following City policies and PDC strategies:

- There is a commitment by the City and PDC to close the homeownership gap for minority and first-time homebuyers by increasing homeownership citywide. A strategy to achieve this goal is by helping existing renters become homeowners.
- *Minority Homeownership*--Both PDC and the City of Portland have adopted goals to decrease the minority homeownership gap. PDC has established a specific goal to assist 2,500 first-time, minority homebuyers by 2010.
- *Urban Renewal Housing Strategies* – In urban renewal areas with a significant number of single family homes, first-time homebuyer goals have been established to help new and existing residents become homeowners to promote housing stability and wealth creation.

PDC originates loans that are sold to either Fannie Mae (Homestyle Loans) or the Oregon Residential Loan (ORL) program on the secondary market. In Table 14, five ORL loans were closed and two of those loans also received a Shared Appreciation Mortgage (SAM).

Table 13: First Time Homebuyer Loans—PDC Financing and Incentive Programs
Closed in FY 2004/05

Project	Location	TIF	HIF	Investor	Total	Incentives
Oregon Residential Loan and SAM	Lents URA	\$50,500 2 buyers*		\$219,000 2 buyers*	\$269,500 4 buyers	
Oregon Residential Loan	Citywide			\$431,190 3 buyers	\$431,190 3 buyers	
Portland Community Land Trust	Citywide		\$20,000 1buyer**		\$20,000 1 buyers	
Portland Community Land Trust	Lents URA	\$105,945 2 buyers			\$105,945 2 buyers	
Fannie Mae Homestyle Loan	Citywide			\$190,000 1 buyer	\$190,000 1 buyer	
Incentive Only	Citywide					SDC- Homeowner 144 buyers in FY 2004/05***
Incentive Only	Lents URA					SDC- Homeowner 16 buyers in FY 2004/05***
Incentive Only	Interstate URA					SDC- Homeowner 8 buyers in FY 2004/05***
Incentive Only	OR Conv. Center URA					SDC- Homeowner 1 buyer in FY 2004/05***
Subtotals		\$156,445 4 buyers	\$20,000 1 buyer	\$840,190 6 buyers	\$1,016,635 11 buyers	Unduplicated Incentive Buyers 169 Buyers

* A total of two units each received an Oregon Residential Loan and a Shared Appreciation Mortgage Loan (TIF).

** This unit was already counted in the FY03/04 report when it received its first PDC loan.

*** These units were approved in FY 2004/05 and in the same year verified as having met the Water Bureau SDC

requirements (first-time homebuyer and 100% MFI or below). See Table 16 for more detail.

Total Home Buyer Assistance Closed Loans (unduplicated)	177 buyers *
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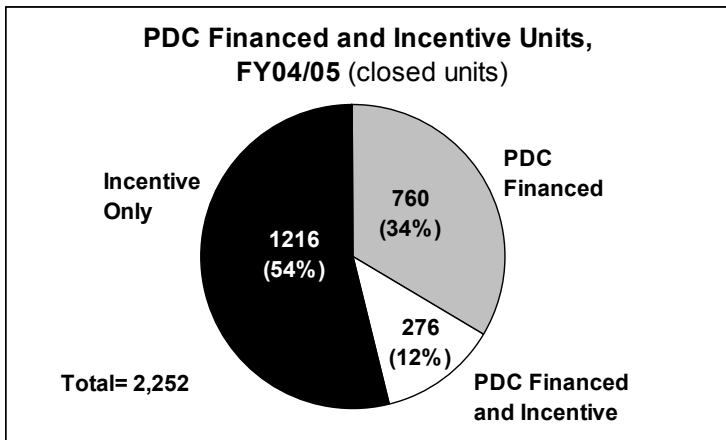
* This total excludes the Land Trust unit counted in FY03/04 and does not double count the units receiving an Oregon Residential Loan and a Shared Appreciation Mortgage.

Table 14: Summary of Home Buyer Assistance Loans by Income Level
(Includes Homestyle Loans), FY 2004/05

	Income Level (% MFI)					Total
	0-30	31-50	51-60	61-80	81+	
Units		2 buyers		4 buyers	2 buyers	8 buyers
Dollars		\$105,945		\$572,885	\$337,805	\$1,016,635
\$/unit		\$52,973		\$143,221	\$168,903	\$127,079
% of Total Closed		25%		50%	25%	100%

G) FY 2004/05 Summary of Production and 2011 Production Goals

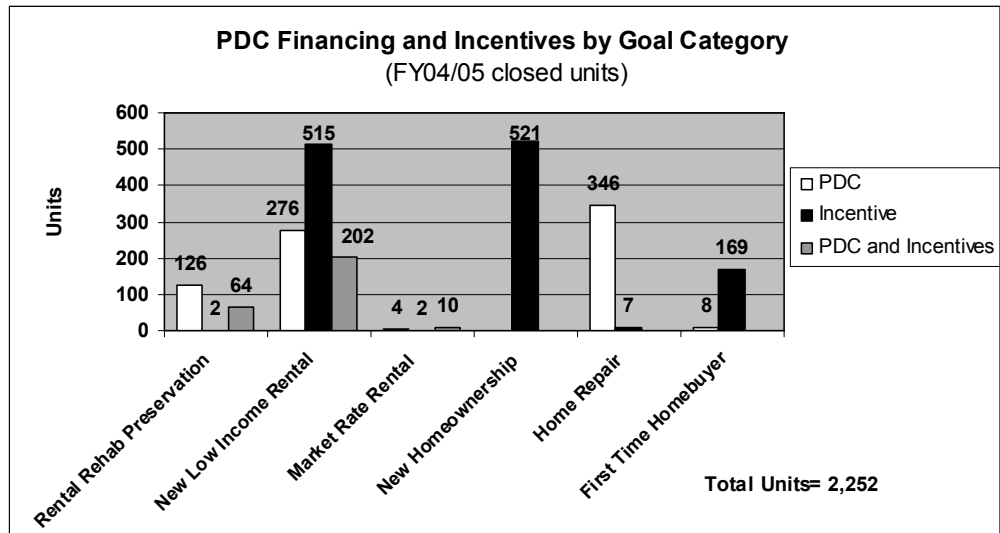
Chart 1: PDC Financed and Incentive Program Units



In FY 2004/05, the majority of units (54%) received an incentive only and no direct PDC financing. About a third of the units received PDC financing and no incentive. Twelve percent of the units received both PDC financing and an incentive.

Chart 2: PDC Financed and Incentive Program Units by Goal Category

Chart 2 shows PDC financed and incentive units and buyers by category. New Homeownership and New Low-Income Rental had the most incentive only units; both categories had over 500 incentive only units. Nearly all the Home Repair units were PDC financed only and nearly all of the First-Time Homebuyer units were incentive only.



The category with the most units was New Low-Income Rental—993 units.

Chart 3: FY 2004/05 PDC Financed Units by Fund Type

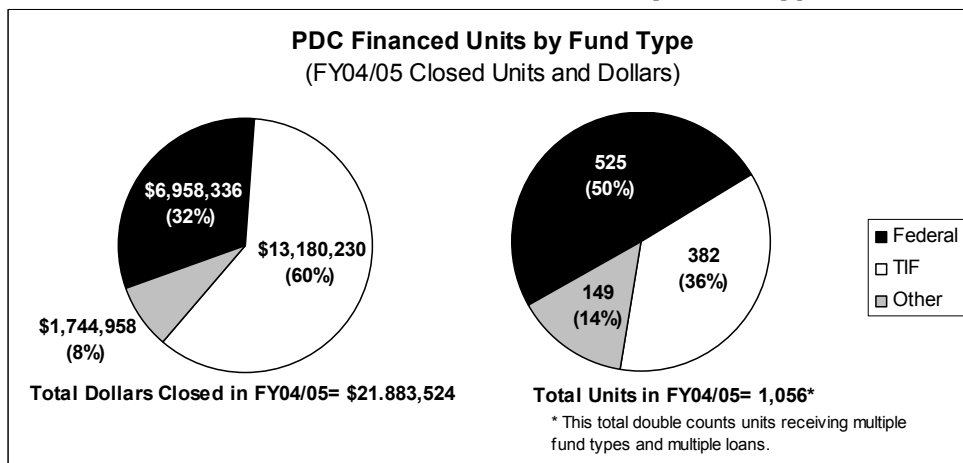


Chart 3 shows the type of funds used to finance FY 2004/05 units. Half of the units were financed with federal dollars while federal dollars constituted 32% of the total dollars. Sixty percent of the total dollars were TIF and 36% of the total units were TIF. Other sources of funds (Housing Investment Fund,

Fannie Mae Homestyle Loans and Oregon Residential Loans) accounted for 8% of the dollars and 14% of the units).

Chart 4: Fund Type by Goal Category

Chart 4 shows the type of funds by goal category. The majority of federally funded units (56%) were Home Repair units. The federal resources will be not available for home repair and will decrease for low income rental housing in FY06/07. Fifty-three of the TIF funded units were New Low-Income Rental units.

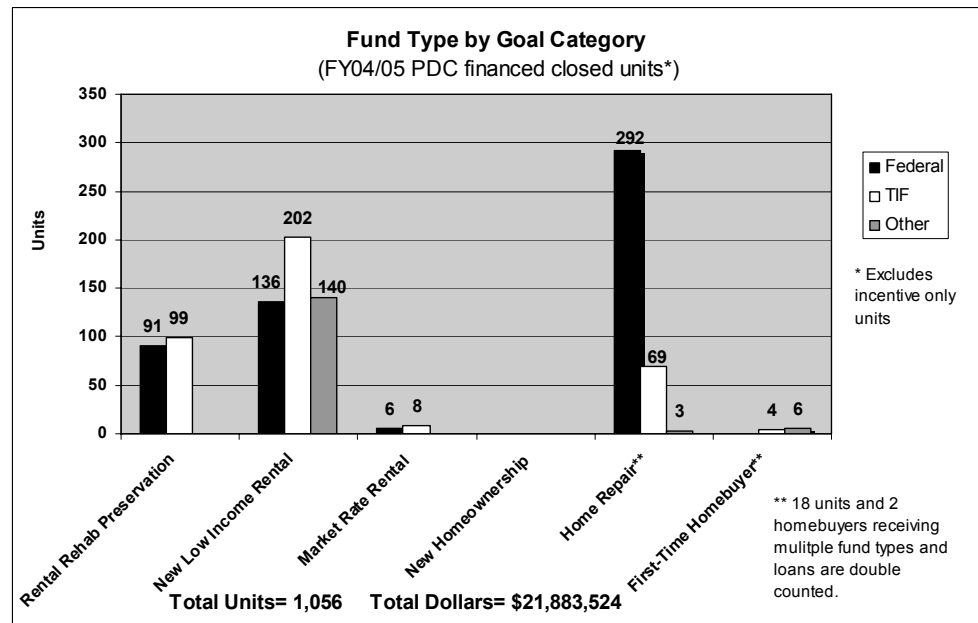


Chart 5: Tax Increment Dollars and Units by Goal Category

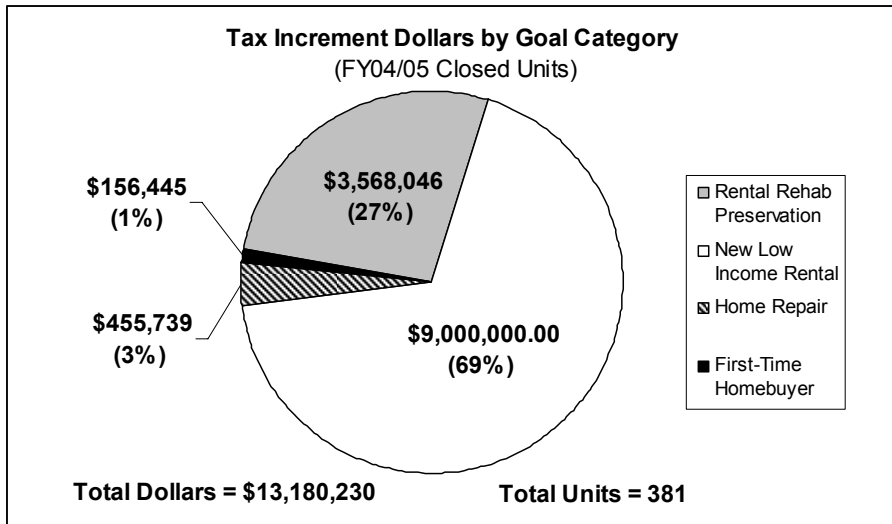


Chart 5 illustrates the TIF dollars by goal category. Of the \$13,180,230 TIF dollars, 69% funded New Low-Income Rental units which funded one project (Sitka Apartments). Rental Rehab Preservation received 27% of the TIF dollars. A total of 381 units were funded with TIF. 94% of all TIF funded rental units serving households at 60% MFI and below. The remaining 4% of TIF went to low and moderate income homeowners and homebuyers.

Table 17: Summary of FY 2004/05 Closed Loans and Grants by Income Level
(incentive-only units excluded)

	Income Level (% MFI)					Total
	0-30	31-50	51-60	61-80	81+	
Rental Rehab Preservation (below 60% MFI)						
Units	166 units	19 units	4 units			189 units
Dollars	\$5,024,301	\$210,345	\$60,725			\$5,295,371
\$/unit	\$30,267	\$11,071	\$15,181			\$28,018
% of Subtotal Units						
Closed	88%	10%	2%			100%
New Low Income Rental (below 60% MFI)						
Units	52 units	134 units	292 units			478 units
Dollars	\$965,447	\$4,631,827	\$6,812,778			\$12,410,052
\$/unit	\$18,566	\$34,566	\$23,331			\$25,962
% of Subtotal Units						
Closed	11%	28%	61%			100%
Market Rate Rental (above 60% MFI)						
Units				1 units	13 units	14 units
Dollars				\$15,604		\$15,604
\$/unit				\$15,604		\$1,115
% of Subtotal Units						
Closed				7%	93%	100%
New Homeownership						
Units						
Dollars						
\$/unit						
% of Subtotal Units						
Closed						
Home Repair						
Units	103 units	125 units	39 units	45 units	4 units	316 units
Dollars	\$648,817	\$1,197,378	\$366,306	\$414,633	\$372,108	\$2,999,242
\$/unit	\$6,299	\$9,579	\$9,392	\$9,214	\$93,027	\$9,491
% of Subtotal Units						
Closed	46%	56%	17%	20%	2%	140%
First-Time Homebuyer						
Units		2 buyers		4 buyers	2 buyers	8 buyers
Dollars		\$105,945		\$572,885	\$337,805	\$1,016,635
\$/unit		\$52,973		\$143,221	\$168,903	\$127,079
% of Subtotal Units						
Closed		25%		50%	25%	100%
Total Closed Units	321 units	280 units	335 units	50 unit	19 units	1,005 units
% Total Closed Units	32%	28%	33%	5%	2%	100%
Total Closed Dollars*	\$6,638,565	\$6,145,495	\$7,239,809	\$1,003,122	\$709,913	\$21,736,904
% Total Closed Dollars	31%	28%	33%	5%	3%	100%

* Specific income breakdown was not available for the REACH Community Builders \$100,000 for home repair and \$46,620 Rental Rehab investment in Washington County. Total Closed Dollars for FY 2004/05 was \$21,883,524

H) Summary of FY 2001/02 through FY 2004/05 Production and Progress Toward 2011 Goals

The following tables include summary information for the first four years of reporting on the 2011 goals: FY 2001/02, FY 2002/03, FY 2003/04 and FY 2004/05. Chart 6 presents the units for all four years (FY 2001/02 through FY 2004/05).

Chart 6: FY 2001/02- FY 2004/05 PDC Financed and Incentive Units by Fund

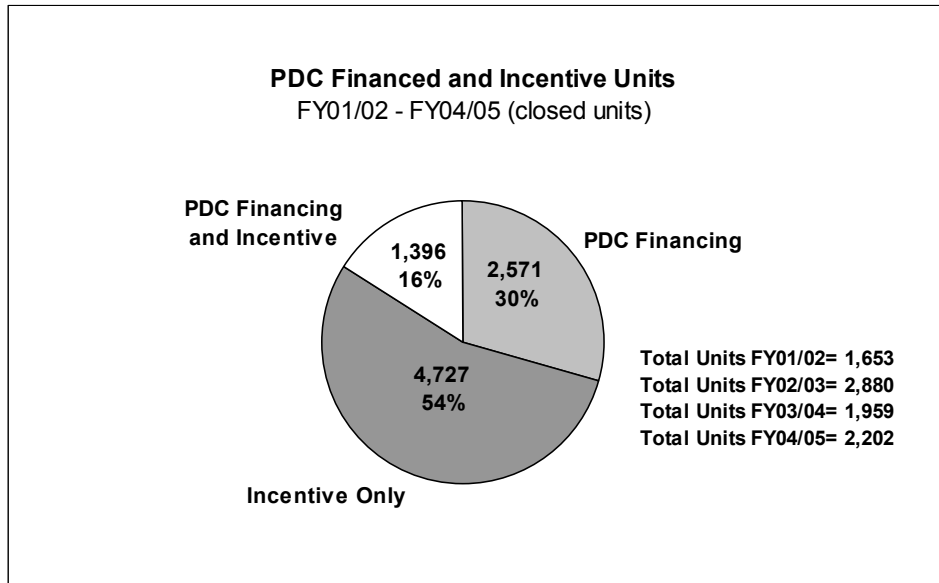


Chart 7: Progress Toward 2011 Goals, FY 2001/02 – FY 2004/05

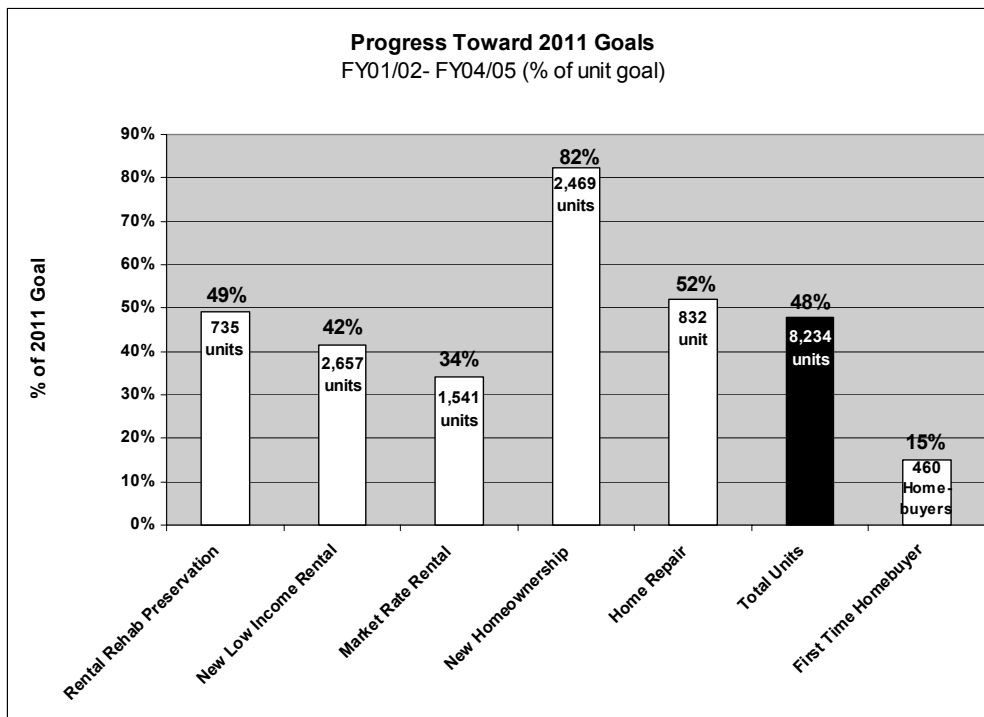


Chart 7 shows the percentage of each goal completed through FY 2004/05. In the fourth year of production toward the 2011 goals, ideally at least 40% of the goal should be met.

- Only New Market Rate Rental and First-time Homebuyers were under 40% complete.
- New Homeownership Units was the only category that far outpaced the goal.

Three Year Grand Total Closed Units, FY 2001/02 to FY 2004/05 =	8,694 units
4 Year Total Percent of 2011 Unit Goal (FY 2001/02 to FY 2004/05) =	48%
4 Year Total Percent of 2011 Homebuyer Goal (FY 2001/02 to FY 2004/05) =	15%

Table 18 is a summary of the three years of reporting by income (MFI level) for units receiving PDC financing (incentive only units are excluded). Of the total units, 80% were at or below 60% MFI and 86% of the dollars went to units at this MFI level.

Table 18: Summary of FY 2001/02- FY 2004/05 Closed Units and Homebuyers by Income
(excludes incentive only units)

	Income Level (% MFI)					Total
	0-30	31-50	51-60	61-80	81+	
1. Rental Rehab Preservation						
Units	349 units	278 units	63 units			690 units
Dollars	\$10,231,090	\$5,230,718	\$3,359,555			\$18,821,363
\$/unit	\$29,315	\$18,816	\$53,326			\$27,277
2. New Low Income Rental						
Units	470 units	521 units	844 units			1,835 units
Dollars	\$24,616,907	\$21,110,929	\$14,223,481			\$59,951,317
\$/unit	\$52,376	\$40,520	\$16,852			\$32,671
3. Market Rate Rental						
Units				65 units	190 units	255 units
Dollars				\$2,552,807	-	\$2,552,807
\$/unit				\$39,274	-	\$10,011
4. Homeownership						
Units				2 units	302 units	\$304 units
Dollars				\$68,340	\$1,800,000	\$1,868,340
\$/unit				\$34,170	\$5,960	\$6,146
5. Home Repair Loans						
Units	198 units	293 units	97 units	117 units	19 units	724 units
Dollars	\$1,507,199	\$2,635,894	\$948,028	\$1,170,150	\$2,635,462	\$8,896,733
\$/unit	\$7,612	\$8,996	\$9,773	\$10,001	\$138,709	\$12,288
6. First-Time Homebuyer Assistance						
Units		10 units	3 units	31 units	39 units	83 units
Dollars		\$578,845	\$75,000	\$2,614,465	\$1,960,176	\$5,228,486
\$/unit		\$57,885	\$25,000	\$84,338	\$50,261	\$62,994
Total Closed Units	1,017 units	1,102 units	1,007 units	215 units	550 units	3,891 units*
% of Total Units	26%	28%	26%	6%	14%	100%
Total Closed \$	\$36,355,196	\$29,556,386	\$18,606,064	\$6,405,762	\$6,395,638	\$97,319,046
%Total Closed \$	37%	30%	19%	7%	7%	100%

* This total excludes REACH Grants for which no MFI information was available. This total also excludes acquisition dollars and units.

Table 19 includes all projects with dollars closed and/or that received an incentive in FY 2004/05.

Table 19: FY 2004/05 Closed Projects/ Loans and Production Targets

Projects Closed in FY 2004/05	Production Targets					
	1 1,500 Rental Rehab Preservation Units	2 6,400 New Low Income Rental Units	3 4,500 Market Rate Rental Units	4 3,000 New Homeownership Units	5 1,600 Homes Repaired	6 Assist 3,000 First Time Homebuyers
Civic Redevelopment		140				
Clara Vista Townhomes		44				
Halsey Terrace	16					
Hotel Alder-Construction	99					
Kateri Park		49		1		
Lead Grant	3					
Past Years' Loans/Grants Outside Portland	3					91
Prescott Terrace	48*			2*		
Rental Lead Grant	21			1		
Sitka Apartments		202		8		
West Gresham Apartments		26		1		
Willow Tree		17		1		
Home Rehab Loans					182	
Lead Grant					39	
Land Trust					2	
Homestyle Loans					2	
Reach Community Builder Grants					48	
Homebuyer Loans						8
Incentive Only	2	515		2	521	7
Total Units Excluding Incentive Only						
	142	478		12	0	8
	15%	49%		1%	0%	100%
Total Units Including Incentive Only						
Total Units	144	993		14	521	177
% Total Units	7%	49%		1%	26%	100%

*Prescott Terrace was counted in FY 2003/04 when its initial SDC was approved.

Grand Totals**

Closed Units (including incentives) = 2,025 units

First-Time Homebuyers (including incentives) = 177 units

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. But, these units do not count toward the goals until their financing closes. A project is considered closed when the loan has been closed in escrow and a project is considered committed when the PDC Loan Committee approves the loan.

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 report 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. The exception is when a project receives an incentive in one year and in that same year has PDC dollars committed but not closed. In this case the units will not be counted until the PDC financing closes even though the incentive was approved previously. These units would then be reported as PDC Financed and Incentive Units. In some cases a project receives an incentive and it is unknown whether or not it will also receive PDC dollars. If that project does receive dollars in a future year it will be noted but will not be double counted in the grand totals.

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

Water SDCs 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 Water Homeowner SDC 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 SDC 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 Water Homeowner SDC it is counted toward the New Homeownership goal. However, as PDC collects verification information on these units and the buyer meets both requirements then that unit will be shifted from the New Homeownership category and counted toward the First-Time Homebuyer goal. Therefore, each year a table showing verification status will be included in the report and updated with the numbers shifted between categories as appropriate.

In FY 2001/02 and FY 2002/03 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.

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.

Appendix B: Overlap of Financial Assistance for Homeowner Units and Homebuyers

Table 20 contains information on units that received PDC financing from FY 2001/02 through FY03/04 and were not included in previous Unit Production Reports but were included in this FY 2004/05 Unit Production Report.

Table 20: FY 2001/02 – FY03/04 Projects Receiving PDC Financing for Units and Homebuyers

Project	PDC Financing for Units			PDC Financing for Homebuyer		
	Fund Type	Year		Fund Type	Year	
Streetcar Lofts River District URA	\$800,000 138 units	TIF	FY 2001/02	\$201,434 7 units	TIF	FY 2001/02
Marshall Wells River District URA	\$1,000,000 164 units	TIF	FY 2001/02	\$405,628 16 units	TIF	FY02/03
Old Town Lofts Downtown Waterfront URA	\$2,000,000 60 units	TIF	FY 2001/02	\$171,243 3 units	TIF	FY02/03
Homebuyer Loans Citywide	\$14,905 2 units	Federal	FY02/03	\$96,455 2 units	Federal	FY02/03
Portland Community Land Trust Lents URA				\$212,000 4 units	TIF	FY03/04

Appendix C: Previously PDC Financed Units Outside of Portland

Table 21 contains loans that received PDC financing for the unit and the homebuyer from FY 2001/02 through FY 2003/04 and were not included in previous Unit Production Reports but were included in this FY 2004/05 Unit Production Report

Table 21: FY 2001/02 – FY03/04 Projects Receiving PDC Financing for Units Outside Portland

City	Fiscal Year	Home Repair Loan	Homeowner Lead Grant	Rental Lead Grant	Total
Beaverton	2002	\$43,533 2 units	\$298,463 42 units		\$341,996 44 units
Oregon City	2002		\$1,850 1 unit		\$1,850 1 unit
Beaverton	2003	\$145,427 20 units			\$145,427 20 units
Hillsboro	2003		\$18,392 2 units		\$18,392 2 units
Molalla	2003		\$10,000 1 unit		\$10,000 1 unit
Beaverton	2004	\$116,529 13 units	\$4,625 1 unit		\$121,154 14 units
Boring	2004		\$15,415 1 unit		\$15,415 1 unit
Eagle Creek	2004		\$10,000 1 unit		\$10,000 1 unit
Forest Grove	2004		\$14,555 2 units		\$14,555 2 units
Hillsboro	2004		\$7,087 1 unit	\$46,619 1 unit	\$53,706 2 units
Milwaukie	2004		\$64,394 4 units	\$11,115 1 unit	\$75,509 5 units
Gladstone	2004			\$4,000 1 unit	\$4,000 1 unit
Total		\$305,488 35 units	\$444,781 56 units	\$61,734 3 units	\$808,003 93 units

Appendix D: Water Bureau Homeowner SDC Verification

Adjustments are made annually to the New Homeownership Units and First-time Homebuyer sections of the report. The Table 22 below outlines: 1) units that were verified as First-Time Homebuyer, 2) units that did not meet the program guidelines and must repay the SDC exemption, and 3) whether eligibility has been verified.

Table 22: Water Bureau Homeowner SDCs Verification, FY 2001/02-FY 2004/05

Year	Location	# Approved and Reported*	Homebuyer Met Program Requirements**	Homebuyer Did Not Meet Program Requirements***	Not Verified
FY 2001/02	Citywide	242	9	4	229
	Interstate URA	5			5
	Lents URA	3	1	1	1
	South Park Blocks URA	1			1
	Subtotal	251	10	5	236
FY02/03	Citywide	318	20	21	277
	Interstate URA	2			2
	Lents URA				
	Subtotal	320	20	21	279
FY03/04	Citywide	274	81	57	136
	Gateway URA	48			48
	Interstate URA	11	4	5	2
	Lents URA	15	7	4	4
	Subtotal	348	92	66	190
FY 2004/05	Citywide	231	32	21	178
	Gateway URA	42			42
	Interstate URA	58	4		54
	Lents URA	44	10	8	26
	Oregon Convention Center URA	15	1	3	11
	Subtotal	390	47	32	311
Total		1,309	169	124	1,016

* The number approved is reported in the New Homeownership Units category in the Unit Production Reports. Beginning with the FY 2003/04 report, the approved Water Bureau Homeowner SDCs are updated annually with verification information and those units verified as meeting the program requirements are shifted to the First-time Homebuyer category.

**To maintain a Homeowner SDC the buyer must have an income at or below 100% MFI and be a first time homebuyer. PDC receives verification from the title company involved in the sale of the home.

***Developers are required to refund the SDCs for these units.