AFFORDABLE HOUSING

PORTLAND

CITY OF PORTLAND
The City of Portland’s Bureau of Housing and Community Development’s mission is to make Portland a more livable city for all by bringing low-income people and community resources together. Through three primary goals, the Bureau is working to fulfill this mission.

Ending Homelessness
To end homelessness in the City of Portland and Multnomah County by 2015, the Bureau is implementing Home Again, A 10-Year Plan to End Homelessness. Key to this process is the Bureau vision: The institutions that serve people experiencing homelessness must change. Rather than shuffling homeless people from service to service and back to the street, the aim of all government agencies, nonprofits and institutions in the homeless system must be to first get homeless people into permanent housing.

This 10-year plan is built on three principles: focus on the most chronically homeless populations; streamline access to existing services in order to prevent and reduce other homelessness; and concentrate resources on programs that offer measurable results.

STRATEGIES
1. Move people into housing first. The most critical issue facing all homeless people - the lack of permanent housing - will be addressed first.

2. Stop discharging people into homelessness. When institutions like jails and hospitals discharge homeless people, they often struggle to link them to appropriate services because there is a lack of permanent supportive housing available.

3. Improve outreach to homeless people. Linking homeless people to services and permanent housing will occur more quickly and effectively through coordinated outreach and engagement.

4. Emphasize permanent solutions. Too few homeless people are currently placed and supported in permanent housing. Too many are using the shelter system as temporary housing.
5. Increase supply of permanent supportive housing. By 2015, the City and County will create 1,600 new housing units designated for the chronically homeless and 600 new units designated for homeless families.

6. Create innovative new partnerships to end homelessness. Strengthen relationships and partnerships among government agencies, nonprofits and institutions to leverage funding that is available for permanent supportive housing.

7. Make the rent assistance system more effective. Effectively coordinate existing rent assistance programs to sustain homeless people in permanent housing once they are placed there.

8. Increase economic opportunity for homeless people. The City and County will work together to streamline the system that offers workforce assistance to homeless people.

9. Implement new data-collection technology throughout the homeless system.

**Low Income Housing**

In five years, the City will address the largest gaps in the current affordable housing continuum. This will result in an increase in the stock of housing which is affordable to households in the 0-50 percent Median Family Income (MFI) income range, including increases in the number of larger family units and units affordable to households at or below 30 percent MFI. The City's portfolio of subsidized affordable rental housing will be financially stable. Access to all affordable housing units will be streamlined. The gap between the rate of minority homeownership and the average rate of homeownership for all races will be reduced.

Measures of success include the number of new units available to residents at the 0-50 percent MFI income range, percentage of existing units stabilized and increased participation rate in homebuyer program by minority residents.

**Economic Opportunity**

Genuine change requires a real sustainable increase in people’s income and assets. In 5 years the City will have direct experience with a portfolio of strategies that have demonstrated success in increasing the income and assets of youth and adults at 0-50 percent MFI.

Measures of success include changes in income and assets for adults and youth, job placement and retention for youth and additional opportunities for low-income to improve their economic well-being citywide. Anticipated strategies break into three categories: workforce development; entrepreneurship; and sectoral initiatives.
Workforce Development:
- Short-term intensive training/placement/retention of low-income residents in career track jobs.
- Asset/Income Improvement:
  - Individual Development Accounts (IDAs)
  - Cooperative Ownership Initiatives
  - Resident Ownership Mechanisms (ROMs)
  - Property-Based Equity Development

Entrepreneurship:
- Microenterprise Loan and Technical Assistance Programs
- CD Venture Capital and Equity Infusion Models
- Sectoral Initiatives
- Development of policies, resources and alliances to ensure local economic programs benefit residents at 0-50% MFI.

Because no two people take the same route to wealth creation, BHCD anticipates funding a wide array of projects and various populations. Successful projects will often build on the skills/assets of specific low-income population groups. Mentoring and community building will often be components of successful projects. Quality outside evaluation will be a component of each project from the outset.

Initiatives in the economic marketplace are inherently risky and must be flexible. Projects need to be CDBG (federal Community Development Block Grant) eligible, but can’t be a public service. BHCD’s role will often include intensive technical assistance, and sometimes incubation. BHCD will make a concerted effort to partner with other potential funders in order to increase the amount of resources available for, and better coordinate, such initiatives. BHCD will serve as a facilitator for parties interested in working to ensure that local economic programs benefit low-income residents.

http://www.portlandonline.com/bhcd/index.cfm?c=cgeci

HOUSING AUTHORITY OF PORTLAND
The Housing Authority of Portland (HAP) is dedicated to providing safe, decent and affordable housing for individuals and families who are challenged by income, disability or special need. A public corporation, HAP serves all of Multnomah County, including the City of Gresham. HAP is governed by a nine-member citizen commission, which ensures continued accountability to the interests of the community.

Each Board member is recommended by the jurisdiction he or she serves: four appointments are recommended by the City of Portland, two by the City of Gresham and two by Multnomah County. The ninth person is a Resident Commissioner
recommended by HAP. The recommended members are appointed by the Mayor of Portland and confirmed by the Portland City Council. Board members are volunteers who serve staggered four-year terms.

Now the largest provider of affordable housing in Oregon, HAP was established in 1941 in response to a dire need for housing. The Great Depression saw a huge decline in housing availability across the country. As a result, Portland was unprepared for the flood of World War II laborers who came to the city in search of work -- and a place to live. Since that time, HAP has evolved into a broad-reaching organization that develops and manages a range of affordable housing options. In 1991, HAP served approximately 8,500 households and 20,000 residents. Today, that number has grown to include nearly 14,000 households and more than 33,000 residents.

Like all urban housing authorities, HAP owns and operates public housing units that are directly subsidized by the U.S. Department of Housing and Urban Development (HUD). HAP also develops and acquires its own affordable housing stock. Taken together, HAP oversees 6,300 housing units, which vary in size, design and location to meet the different needs of the residents. The Housing Authority also offers the HUD-funded Section 8 rent assistance and administers approximately 8,000 vouchers in this program.

HAP offers more than just shelter. Difficulties resulting from low income, disability or special needs are not limited to securing affordable housing. Some residents are eager to move toward economic independence from public assistance; others are interested in training for and obtaining employment; still others need help with day-to-day activities. Residents seek education, independence and support in order to function as productive members of society. HAP’s services are designed to help residents meet their goals.

HAP partners with more than 100 community agencies in the public, nonprofit and private sectors, including HUD and the City of Portland, Multnomah County and the City of Gresham. The services provided by community partners include financial services, education, substance abuse and youth programs, job training and life skills. HAP’s relationships with other agencies are invaluable: They enhance the Housing Authority’s ability to act as a leader and advocate for housing issues in Multnomah County and the region.

HAP maintains Housing Connections, the "one-stop" regional affordable and special needs housing database for the Portland Metro area, including current vacancies, photos, maps, and telephone contacts.
Strategic Plan
As part of its strategic plan, HAP is engaged in a $153 million project to replace the Columbia Villa public housing. New Columbia offers mixed-income housing in a community-friendly development. Built more than 60 years ago, the aging Columbia Villa buildings lacked the modern amenities and infrastructure that make housing safe and inviting for residents. Also, Columbia Villa's street patterns isolated residents from the larger Portsmouth community surrounding the development in North Portland.

New Columbia, which opened in May 2005, consists of 854 housing units that include public housing, affordable rentals, senior housing and market-rate and affordable homes for sale. Residents of New Columbia share a new 3.8-acre park that serves as the "heart" of the community and will have access to new facilities for child care, workforce training and youth development, among others. The project, funded in part by a HOPE VI grant HAP received in 2001, integrates public housing into the surrounding neighborhoods, creating a more fluid community.

HAP's strategic plan outlines four main initiatives:
• Promote successful residency leading to increased self-sufficiency.
• Develop and manage our real estate assets with the most effective blend of public and private sector practices.
• Increase our organizational effectiveness.
• Provide leadership on affordable housing issues that impact Multnomah County.

The Housing Authority's challenge is to help improve the prospects of the community's most vulnerable citizens in a time of economic hardship and constrained community resources. As population, housing demand and costs continue to rise, many among us still lack safe, decent and affordable housing along with services that foster self-sufficiency. HAP is working to develop innovative, effective strategies that will assist an even greater number of citizens in the future.

HAP's Budget
The Housing Authority's two primary funding sources for the fiscal year ending March 31, 2006, are $70 million in HUD grants, which account for 75 percent of budgeted operating revenues and $14 million in rental income, which accounts for 15 percent of operating revenues.
Demographics

Public Housing and Section 8 Rent Assistance Population Profiles (as of 12/1/05)

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<tr>
<th>Number of Households Served</th>
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<td>Public Housing</td>
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<td>Section 8 Rent Assistance</td>
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<th>Applications on Wait Lists</th>
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Public Housing Race/Ethnicity and Income Profile

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<td>Average Income (as of 12/1/2005)</td>
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http://www.hapdx.org/
PRIVATE SECTOR AFFORDABLE HOUSING
The Sitka Apartments, designed by Ankrom Moisan and developed by Ed McNamara’s Turtle Island Development, are a prime example of affordable, workforce housing. The Sitka is located in an otherwise expensive neighborhood, the Pearl District.

Buildings such as the Sitka, with most units reserved for people making less than 60 percent of the median income, provides affordable housing somewhere other than the outer suburbs. Considered workforce housing, the Sitka apartments is not for the very neediest, people with disabilities and/or without steady income, but rather for people who work at jobs that provide a living wage, but not a very sizable one.

The Sitka Apartments was also designed, engineered and constructed with careful attention to its environmental impact. The major focus of the environmental design was to reduce the use of energy and natural resources in the ongoing operation of the building.

The Sitka has extra insulation to reduce heat loss, large commercial-strength windows that eliminate drafts and reduce the need for daytime indoor lighting. Extraordinary attention was paid to eliminating air infiltration through the walls and to providing healthy indoor air. This will ensure residents will have fewer drafts and will lose less of their heat.

High-efficiency equipment was installed so that heating and lighting in the building can be produced with fewer natural resources. The building and apartments have high-efficiency appliances, high-efficiency heating, cooling and hot water heating equipment and high-quality water-conserving plumbing fixtures and irrigation.
AUSTIN

CITY OF AUSTIN
The City of Austin’s Neighborhood Housing and Community Development Office (NHCD) is the City’s policy maker for reasonably priced housing and community development and the Affordable Housing Finance Corporation (AHFC) is the sub-recipient, which facilitates the construction of homes and implements the City’s housing programs. The relationship between NHCD and AHFC was granted by the City and administered under an annual contract between the NHCD and AHFC.

Neighborhood Housing and Community Development Office
The mission of NHCD is to provide housing, community development and small business development services to benefit eligible residents so that they can have access to livable neighborhoods and increase their opportunities for self-sufficiency. To accomplish this mission, NHCD directly administers a variety of programs to serve the community's housing, community development and economic development needs and provides grant funding to various agencies and non-profit organizations.

First-Time Homebuyer Resources
The Down Payment Assistance Program (DPA) provides qualified, first-time homebuyers with a zero interest loan to assist with purchasing a home located within the Austin City limits. The program offers a maximum amount of up to $5,000 in assistance, based on need. Assistance may be increased by an additional $1,000 for those applicants using a Mortgage Credit Certificate. The assistance is used to cover the down payment on a home and eligible closing costs.

The DPA program assists families with incomes at or below 80 percent of Median Family Income (MFI). The loan is due and payable upon the first lien payoff (refinance or home equity loan), sale, lease or transfer of title.

Mortgage Credit Certificates (MCC) offers first-time homebuyers annual federal income tax savings of up to $2000 per year for the life of the mortgage. The size of the annual Federal Income Tax credit is based on the amount of the mortgage:
- 30 percent of the annual interest paid on mortgage loans under $115,000
- 25 percent of the annual interest paid on mortgage loans between $115,000 and $140,000
- 20 percent of the annual interest paid on mortgage loans between $140,000 and $210,375

To be eligible, the home being purchased must be located within the Austin City limits and the price may not exceed $210,375. If the home is newly constructed, it must be S.M.A.R.T. Housing™ certified and the borrower must be a first time buyer or not have
owned a principal residence in the past three years. Finally, a borrower's current gross annual household income must not exceed the following amount: Families of 1 or 2: Non-target Area $71,100, Target Area $85,320; and Families of 3 or more: Non-target Area $81,765, Target Area $99,540.

**Home Repairs**

The Homeowner Rehabilitation Loan Program assists homeowners with substantial repairs such as foundation repair, roofing, plumbing and electrical work. AHFC construction specialists will assist homeowners through the process of selecting a contractor and will inspect the project throughout the construction phase. Special features of this program include interest rates as low as zero percent, no credit checks and a quick and easy qualifying process.

The Emergency Home Repair Program (EHR) assists with repairs for low-income homeowners who are facing a life-threatening condition or a health and safety hazard. An EHR staff member works with the homeowner to develop a scope of work and then manages the contracting and inspection process.

The EHR program serves homeowners with incomes at or below 80 percent of the Median Family Income (MFI). The Austin Housing Finance Corporation contracts with the Austin Area Urban League to administer the Emergency Home Repair program.

The Architectural Barrier Removal Program (ABR) provides free assistance to elderly and severely disabled homeowners and renters to make their residences accessible. By providing these modifications, clients can remain in their homes longer and live with a greater degree of independence.

Typical services include constructing wheelchair ramps, installing hand rails to replace stair-step entrances, modifying bathrooms by installing grab bars for toilets and showers and installing transfer benches and shower wands to make bathing easier. To be eligible, residents must be over the age of 62, have a long-term or progressive disability and earn 80 percent of the Austin Median Family Income.

**Developer Assistance Programs**

The S.M.A.R.T. Housing Initiative was adopted by City Council on April 20, 2000. The goal is to stimulate the production of new housing that is Safe, Mixed-Income, Accessible, Reasonably Priced and Transit-Oriented. Additionally, the policy requires that all new construction meet Green Builder Standards through voluntary participation by developers. The S.M.A.R.T. Housing Program can offer builders or developers expedited review and fee waivers.
The Rental Housing Development Assistance (RHDA) program increases or maintains the community’s supply of affordable rental housing and housing for persons with special needs. The program provides gap financing with flexible terms to non-profit and for profit developers for the acquisition, rehabilitation or new construction of rental housing projects that would otherwise be financially infeasible. Projects must create units affordable to low- and moderate-income households or units that meet the needs of low-income special populations such as homeless, elderly or disabled.

**AFFORDABLE HOUSING FINANCE CORPORATION**

The mission of The Austin Housing Finance Corporation (AHFC) is to generate and implement strategic housing solutions for the benefit of low- and moderate-income residents of the City of Austin. AHFC was created in 1979, as a public, nonprofit corporation and instrumentality of the City of Austin under the provisions of the Texas Housing Finance Corporation Act. The Austin City Council serves as the AHFC’s Board of Directors.

The AHFC’s primary functions are to issue single-family and multi-family bonds for the financing of reasonably priced housing and assist the City in the delivery of reasonably priced housing programs using HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) funds granted to the City by the U.S. Department of Housing and Urban Development (HUD).

The housing programs are administered under an annual contract between the City’s Neighborhood Housing and Community Development Office and AHFC. The Austin Housing Finance Corporation (AHFC) is the only local housing finance corporation authorized to issue single-family bonds within the Austin City limits. The AHFC is also one of three entities who can issue multi-family bonds in the Austin City limits.

Bonds can be in the form of single-family Mortgage Revenue Bonds which are used to assist first-time homebuyers. Bonds can also be multi-family bonds which finance apartment complexes. In both forms, bonds are only repayable from the projects they finance.

http://www.ci.austin.tx.us/ahfc/default.htm

**2006 NOVEMBER BOND PROPOSITION**

Austin voters will consider appropriating $55 million for affordable housing on the November ballot. This proposition includes funding for rental housing development and homeownership programs. The following table shows the proposed programs and uses of these funds.
<table>
<thead>
<tr>
<th>Proposed Programs</th>
<th>Proposed Amount</th>
<th>Targeted Income Level</th>
<th>Households Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Housing Development Program</td>
<td>$33 million</td>
<td>Below 30% MFI</td>
<td>Homeless Disabled Elderly on fixed incomes Low wage earners</td>
</tr>
<tr>
<td>Home Ownership Program</td>
<td>$22 million</td>
<td>50%-60% MFI</td>
<td>First time homebuyers Working families Elderly homeowners</td>
</tr>
<tr>
<td>Total</td>
<td>$55 million</td>
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**TRAVIS COUNTY HOUSING FINANCE CORPORATION**

The Travis County Housing Finance Corporation was created in 1980 to assist in meeting the housing needs of low and moderate-income families in Travis County. The Corporation provides single-family home ownership opportunities to first time homebuyers who meet certain income requirements. In addition, the Corporation issues tax-exempt bonds to finance the construction or acquisition of multi-family apartments that must provide rental units to certain low and moderate-income families.

**First Time Home Buyers**

American Dream Down Payment Initiative Program provides forgivable loans up to $8,300.00 to cover down payment and/or closing costs. The Program was put in place through a $214,500 grant from the Texas Department of Housing and Community Affairs ("TDHCA") and a $50,000 grant from the Travis County Housing Finance Corporation. The Program is designed to assist 30 families who purchase a home in Travis County (outside Austin City limits).

To be eligible, homebuyer annual family income cannot exceed the following limits:
- $39,800 for one person
- $45,500 for two persons
- $51,200 for three persons
- $56,900 for four persons
- $61,450 for five persons
- $66,000 for six persons
- $70,550 for seven persons
- $75,100 for eight persons
- Eligible homebuyers cannot have owned a home in the last three years.
- Homebuyers must provide a minimum personal investment of $500.

All loans and grants will be made on a “first-come, first-serve” basis until the funds are expended. All homebuyers will be required to complete an eight-hour homebuyer education course given by Consumer Credit Counseling. Homebuyers must pay a $25 fee for the course.
The American Dream Down Payment Initiative assistance must be combined with one of the Texas Department of Housing and Community Affairs’ Texas First Time Homebuyer Programs or a Texas State Affordable Housing Finance Corporation bond program. One TDHCA program offers below market interest rate mortgage loans through a network of participating lenders. The second program offers a Mortgage Credit Certificate program that increases a family’s disposable income by reducing its federal income tax obligations. The tax credit is valid for the life of the loan as long as the borrower occupies the property as their primary residence.

**Mortgage Loan and Down Payment Assistance Program**

Through a $15 million single family bond program, Travis County HFC can offer first time home-buyers a 4 percent down payment assistance grant and 5.95 percent, 30-year fixed mortgage rate.

Income limitations for the program include annual family income not to exceed $71,100 for families of one-two persons and $81,765 for families of three or more. The maximum home cost under the program is $237,031. Eligible prospective homebuyers cannot have owned a home in the last three years, except in certain targeted areas. Higher income and purchase price limits are also available in those targeted areas. Other limitations pertain to homes purchased within the City of Austin.
ED MCNAMARA

Edward McNamara of Turtle Island Development, LLC has been in the housing and residential construction industry in Portland, Oregon for over 20 years. He began his career as the sole proprietor of Turtle Island Construction serving as a general contractor for residential remodeling and landscape architecture.

In 1995, McNamara was one of ten distinguished professionals to receive Harvard University’s Loeb Fellowship in Advanced Environmental Studies. With this fellowship, he attended courses in the School of Business Administration, Kennedy School of Government and the Graduate School of Design. Upon the completion of his fellowship program, McNamara became the Director of Community Revitalization with the Portland Housing Authority. In 2002, he accepted his current position with Turtle Land Development, LLC. Just recently the company completed the Sitka Apartments, a $30 million 210-unit affordable housing mixed-use building in Portland’s Pearl District.

McNamara served on the Board of Directors of the Oregon Environmental Council for 4 years, including 3 years as the President or Vice President of the Board. He also joined the Board of 1,000 Friends of Oregon in 2004 and is a member of the Board’s Executive Committee. Currently, McNamara serves at the President of the Loeb Alumni Association at Harvard University.

During McNamara’s employment with Prendergrast and Associates, the firm was honored with the award of “Developer of the Year.” McNamara has also been featured in several publications including the Urban Land Institute (ULI), the Sierra Club and the New York Times.