

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**

RESOLUTION NO. 2015-085

Approving an Amendment Agreement with PCRI Regarding Certain Real Property and Authorizing the Chair to Execute the Amendment Agreement.

The Multnomah County Board of Commissioners Finds:

- a. By Resolution No 05-010 dated January 13, 2005, this Board approved the proposed donation of certain real property located at 5206 NE 14th Place, Portland, Oregon (the "Property") to Portland Community Reinvestment Initiatives, Inc. (PCRI) for purposes of developing low-income housing.
- b. The donation of the Property was to be accomplished under the County's Affordable Housing Development Program (AHDP)
- c. In March 2005 the County and PCRI entered into four separate agreements related to the transfer of the Property from the County to PCRI for the development of low income housing. The agreements were as follows: 1) Sale and Development Agreement (SDA), 2) Regulatory Agreement (RA), 3) Promissory Note and 4) Trust Deed (collectively the "Development Agreements").
- d. Under the Development Agreements, PCRI was obligated to construct a duplex containing two (2) rental units affordable to households with incomes at or below 50% of Area Median Income (AMI) on the Property.
- e. PCRI did not develop the Property as required under the Development Agreements and the Property is still vacant at this time.
- f. PCRI has proposed to amend the Development Agreements in order to add a third unit to the Property. The third unit will be for rental housing to households at or below 60% of AMI. This unit will be in addition to the two units affordable at 50% AMI as originally proposed. All three units will be 3 bedrooms and 2 baths family residences.
- g. PCRI represents it has secured new funding and is prepared to develop the Property as set forth herein beginning this year, 2015.
- h. In the neighborhood where this property is located affordable housing is increasingly scarce. There is also a dearth of family-sized residential units, particularly units of such size that are affordable to those at lower income levels.

- i. The AHDP has prepared a proposed "Agreement to Collectively Amend the Development Agreements" (the "Amendment Agreement") to provide for the revisions necessary to SDA and the RA to allow for the specific site development for the Property has is now being proposed.
- j. A copy of the Amendment Agreement is attached to this Resolution identified as Exhibit A.
- k. The other two Development Agreements, the Promissory Note and Trust Deed do not require revisions.
- l. The AHDP supports this Board approving the Amendment Agreement to allow for the Property to be developed for three units of affordable housing.

The Multnomah County Board of Commissioners Resolves:

- 1. The Amendment Agreement is approved, and the Chair is authorized to execute the Amendment Agreement in substantial conformance with Exhibit A;
- 2. The County shall cause the fully executed Amendment Agreement to be recorded in the Multnomah County Deed Records.

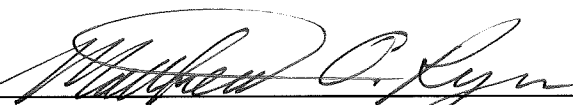
ADOPTED this 16th day of July, 2015.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Deborah Kafoury, Chair

REVIEWED:
JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By 
Matthew O. Ryan, Assistant County Attorney

SUBMITTED BY: Liesl Wendt, Department of County Human Services.

Until a change is requested, all tax statements shall be sent to the following address:

After recording return to:

AGREEMENT TO COLLECTIVELY AMEND CERTAIN 2005 AGREEMENTS BETWEEN MULTNOMAH COUNTY AND PORTLAND COMMUNITY REINVESTMENT INITIATIVES, INC

- I. **Full Title:** AGREEMENT TO COLLECTIVELY AMEND CERTAIN 2005 AGREEMENTS BETWEEN MULTNOMAH COUNTY AND PORTLAND COMMUNITY REINVESTMENT INITIATIVES, INC REGARDING CERTAIN REAL PROPERTY LOCATED AT 5206 NE 14TH Place, PORTLAND, OREGON.
- II. **Short Title:** Amendment Agreement
- III. **Effective Date of this Amendment Agreement:** _____ 2015
- IV. **Parties to this Amendment Agreement:** Multnomah County ("County") and Portland Community Reinvestment Initiatives, Inc. ("PCRI").
- V. **Subject Property:** That certain real property located at 5206 NE 14th Place, Portland, Oregon (the "Property").
- VI. **Legal Description of the Property:** Lot 8, Block 21, Vernon, in the City of Portland, County of Multnomah and State of Oregon.
- VII. **Purpose of this Amendment Agreement:** In March of 2005 the County and PCRI (collectively the "Parties") entered into four separate agreements providing for the transfer of the Property from the County to PCRI for the development of low income housing. The agreements were as follows: 1) Sale and Development Agreement, 2) Regulatory Agreement, 3) Promissory Note and 4) Trust Deed (collectively the "Development Agreements"). The Parties now desire to amend two of the Development Agreements to revise the development project for the Property as further provided herein. By the execution of this Amendment Agreement, the Parties agree to provide for the revision of the development project through one agreement.
- VIII. **Specific Amendments to the Development Agreements: The following Development Agreements encumbering and affecting the Property (and where recorded in the Multnomah County Deed Records, so indicated) are hereby amended as follows:**
 - A. **Sale and Development Agreement (SDA), dated March 1, 2005 and not recorded; at SDA, Section 7, "Covenants of Buyer", add new Subsection 7.9, providing:**

7.9 Notwithstanding any other provision of this Section 7 or elsewhere in this Sale and Development Agreement, which imposed upon PCRI the obligation to complete the planning and development of the Property within the times provided from the date of transfer in 2005, the Parties agree and stipulate all the same obligations contained herein shall continue forward, but the date from which the calculations shall be determined for compliance shall be the date of this Amendment Agreement and not the 2005 closing or transfer date.
 - B. **Regulatory Agreement (RA) dated March 1, 2005 and recorded on March 17, 2005, at Entry No. 2005-045733 in the Multnomah County Deed Records; the RA shall be amended as follows:**
 1. **At Recital E, on Page 2, the present text shall be deleted and shall be replaced with the following:**

The Owner shall develop the Property for a tri-plex consisting of three residential units each with three bedrooms; two of the three units constructed on the Property will be rented at rates affordable to persons earning not more than fifty percent (50%) of Area Media Income (AMI) as established by the United States Department of Housing and Urban Development (HUD); the third unit constructed on the Property shall be rented at rates affordable to persons earning not more than sixty percent (60%) of AMI as established by HUD.

2. **At Section 3, Subsection 3.1, "Rent", delete the existing text of the Subsection and replace with the following:**

Two of the Affordable Units shall be made available for occupancy by written lease on a continuous basis at rent levels that are all times during the term of this Agreement affordable to individuals or households earning not more than fifty percent (50%) of Area Media Income as established by the United States Department of Housing and Urban Development (HUD) for Multnomah County (AMI); the third unit shall be made available for occupancy by written lease on a continuous basis at rent levels that are all times during the term of this Agreement affordable to individuals or households earning not more than sixty percent (60%) of AMI as established by HUD.

3. **At Section 3, Subsection 3.2, "Qualified Tenants", delete the second sentence of the Subsection and replace with the following:**

For this Agreement "Qualified Tenants" means individuals or households with incomes at the time of initial occupancy which in the aggregate do not exceed either fifty percent (50%) of AMI or sixty percent (60%) of AMI as established by HUD; depending on which of the three units is available. Provided, the Owner shall at all times maintain the balance of two units rented at fifty percent (50%) of AMI and one unit at sixty percent (60%) of AMI.

V. Except as provided herein all other terms and conditions of the Development Agreements shall remain in full force and effect; and this Amendment Agreement shall be effective on the date provided above at Section III.

IT IS SO AGREED:

FOR PORTLAND COMMUNITY REINVESTMENT INITIATIVES:

By _____
Maxine Fitzpatrick, Executive Director

STATE OF OREGON)
)ss
County of Multnomah)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by Maxine Fitzpatrick, as Executive Director of Portland Community Reinvestment Initiatives, an Oregon non-profit corporation, on behalf of its Board of Directors.

Notary Public for Oregon;
My Commission expires: _____

FOR MULTNOMAH COUNTY, OREGON:

By _____
Deborah Kafoury, Chair of the Board

STATE OF OREGON)
)ss
County of Multnomah)

This instrument was acknowledged before me this _____ day of _____, 2015, by Deborah Kafoury, Chair of Board of Commissioners of Multnomah County, Oregon, on behalf of said Board; and that the said instrument is the free act and deed of said County.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first in this, my certificate, written.

Marina A Baker
Notary Public for Oregon;
My Commission expires: 6/26/2018

REVIEWED:

JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____
Matthew O. Ryan, Assistant County Attorney