

HOUSING

The Portland Observer

Shared Appreciation Mortgages To Qualifying Families

The Portland Development Commission, in partnership with the Portland Housing Center, is now offering qualifying families another financing tool for purchasing a home.

Shared Appreciation Mortgage, the new tool allows families earning up to 80% of median family income to borrow up to \$30,000 toward a first-time home purchase.

The program is offered through the Portland Housing Center on home built or rehabilitated by five developers. They include: Northeast Community Development Corporation (NECDC); Knott Street Townhomes, L & W Development, LLC; Franciscan Enterprise of Oregon; Hacienda Community Development Corpora-

tion; and Durham Construction.

Qualifications to be met in applying for a Shared Appreciation Mortgage include: Families must have assets of less than \$20,000 (excluding items such as automobiles, retirement accounts, etc.); must not have owned a home within the past three years; must obtain the maximum allowable permanent financing from a private financial institution; and the sales price of the home may not exceed the appraised value, including all marketing costs.

The program is financed through Federal HOME funds.

Qualifying families interested in the program should contact the Portland Housing Center at 282-7744 for an application or for more information about the program.

PDC names New Development Director

Abraham K. Farkas will join the Portland Development Commission (PDC) as the agency's new Development Director. He will begin his new position at PDC on April 13.

Farkas will oversee a staff of approximately 15 and will report directly to PDC Executive Director, Felicia Trader. The Development Department oversees urban renewal activities such as the development of the Eastbank Riverfront Park, neighborhood revitalization in target areas such as North/Northeast, and long range planning for areas such as the River District.

Farkas came to PDC from the City of Eugene where he has served as Executive Director of Planning and Development for the past 13 years. In this capacity, Farkas managed that city's growth policies, building permit processes, economic development strategies, and affordable housing strategies.

"Abe Farkas comes to us with that rare combination of skills that makes him successful at the neighborhood



Abraham K. Farkas

level, yet he understands the business community as well," said Mayor Vera Katz. "He's shown he can

mobilize both to tackle the tough challenges communities face," Katz added.

Prior to joining the City of Eugene, Farkas served as Economic Development Manager for the Department of Community Development in Seattle. He also directed community Development and Planning for the City of Fort Wayne, Indiana.

Farkas also has an extensive academic background having served as Assistant Professor in Housing and Public Policy at the University of Tennessee in Knoxville. He holds a doctorate in American Studies from the University of Minnesota, a master's in American Studies from Purdue University and a bachelor's in Political Science also from Purdue.

"We are extremely pleased to welcome Abe Farkas to PDC," said PDC's Felicia Trader. "The agency is at an important juncture as we lay plans for the development of the River District and North Macadam areas. Abe will provide the leadership our staff and board need to be successful," Trader added.

Home Builders Support Legislation to Remove Regulatory Barriers To Affordable Housing

Characterizing it as "an important step forward in the effort to streamline the regulatory process, expand housing opportunities and elevate housing as a top national priority," the nation's home builders today praised legislation being introduced by Rep. Tom Campbell (R-Calif.) in the House and Senator Ron Wyden (D-Oregon) in the Senate. The House bill is co-sponsored by Rep. Jack Metcalf (R-Wash.), Rep. Esteban Torres (D-Calif.), Rep. James Talent (R-Mo.), Rep.

Jesse Jackson, Jr. (D-Ill.), Rep. Mike McIntyre (D-N.C.) and Rep. Jon Fox (R-Pa.).

"The Affordable Housing Barrier Removal Act will bring some order and common sense to the regulatory process," said Donald D. Martin, an Albuquerque, New Mexico home builder and president of the 195,000-member National Association of Home Builders (NAHB).

"Housing is one of the most important and largest industries in the nation, accounting for

about 12 percent of the economy," Martin added. "However, it is also one of the nation's most heavily regulated businesses, and in some areas meeting regulatory requirements can add tens of thousands of dollars to the cost of constructing a modest single-family home. This legislation will help make housing and homeownership more affordable."

Martin pointed out that builders are often subject to a "layering effect" where numerous regu-

lations are stacked on top of one another. Each regulation is adopted independently and, by itself, might seem insignificant. But when 10 or 20 seemingly insignificant regulations are layered on top of one another, the cost implications and delays inherent in meeting those regulatory requirements can be considerable.

One of the key elements of Rep. Campbell's legislation is a requirement that federal agencies conduct a housing impact

analysis whenever they promulgate new regulations related to housing. The bill would also reauthorize incentive grants to encourage localities to remove regulatory barriers, ask the Secretary of HUD to conduct a conference on removing regulatory barriers and ask local communities that receive Community Development Block Grants to make a good faith effort to remove regulatory barriers.

"I want to commend Representative Campbell and Senator

Wyden for drafting and introducing this important legislation," Martin added. "Even modest decreases in the cost of a new home will open the door to homeownership for families who are now priced out of the market. Ultimately, this will raise the nation's homeownership rate and strengthen both families and communities. I urge Congress to enact this legislation and take the first step toward re-establishing housing as a national priority."

Garbage Fees Go Down! A New Convention Center Plan Goes Up!

The Metro Council is delivering a double dose of good news for the people of this region. On Thursday night, the Council approved two measures which make a great deal of "cents" for people's pocketbooks.

The Council voted to send an \$82 million proposal to the voters that would fund the completion of the Oregon Convention Center. The Convention Center is a Metro facility; the Metropolitan Exposition Recreation Commission (MERC) manages

the Convention Center. The completion is expected to generate an additional \$170 million in economic activity for this region each and every year.

The Council also voted to lower the Metro charges garbage haulers at our transfer stations. The rate will go from \$70 a ton to about \$63.50 a ton.

This is important because it could mean lower garbage collection rates or increased services for people throughout the region.

New Facility Provides 90 Beds For Homeless Men

An opening ceremony was held for Clark Center, the new permanent facility for homeless single male adults. Clark Center replaces the temporary homeless shelter which was located in the River District near Union Station.

Clark Center is a 90-bed facility and residents typically stay for an average of 60 days or less. Caseworkers will work with residents to find options for permanent housing. The fa-

cility was developed and is owned by the Housing Authority of Portland and will be managed by Transition Projects, Inc.

The opening of Clark Center completes the city/county Shelter Reconfiguration Plan. The shelter is named for former Mayor Bud Clark and former Housing Authority of Portland Executive Director, Don Clark. Both were special guests at the opening.

NAACP Statement on Merriam-Webster and the N-Word

NAACP President & CEO Kweisi Mfume released the following statement regarding an announcement by Merriam-Webster that it is "very, very likely there will be a change in the definition of all offensive words," including the word nigger:

"In October of last year, the NAACP strongly criticized the Merriam-Webster Collegiate Dictionary's definition of a 'nigger' as a 'black person.' Since then our members from across the country have been in-

involved in an extensive campaign to let Merriam-Webster know how offensive this definition is. This nationwide campaign was directed and carried out through e-mail, letters, phone calls, faxes and petitions.

We are gratified that Merriam-Webster has finally got the message. Furthermore, it is timely that an announcement has been made by Merriam-Webster stating that they are giving 'high consideration' to changing the definition of this and other racially offensive words.

Now the NAACP can let the thousands of our members who've voiced their concerns over the last several months know that they're concerns have been heard and that progress is on the way.

We hope that Merriam-Webster will follow-up on their announcement and implement those changes in time for the next edition of their dictionary.

The NAACP has also been asked by concerned citizens to review the structure of the company along the lines of our Eco-

nom Reciprocity Initiative. This economic development initiative is a campaign to bring about a reciprocal relationship between African American consumers and corporate America.

We will be requesting that Merriam-Webster share with the NAACP their records on procurement, employment, promotion and the makeup of their board of directors to determine if a culture within the company has made it difficult for them to recognize why this definition is unacceptable to millions of Americans."

Cashing in on Cash Flow-The Emergence of a New Industry

The following is the first in a 2-part series about a new industry known as Diversified Cash Flow.

"Are You Receiving Payments From a Structured Settlement or Annuity but You Need Cash Now?" You've seen the commercials offering to buy your future payments for a lump sum of cash. Are these companies legitimate? Is this even legal? what you are seeing is the emergence of a new industry known as Diversified Cash Flow, an industry which offers exciting new finance options. Formerly, a person receiving periodic payments who had an emer-

gency need for cash could not access their money, nor would any banks lend against it. Now, that person may sell all, or part of their future payments at a discount for a lump-sum of cash they can use right away to pay off debts, go to college, even buy a business.

Many types of income streams can be sold and you should consult a qualified broker to discuss your options. For example, a person with a terminal illness may be able to convert their life insurance death benefits into usable cash now, when the need is greatest. (These "living ben-

efits" are known as Viaticals.) Inheritances, which take forever in probate, can be sold quickly. And lottery/gaming winners really don't have to wait 10-20 years to get their money anymore. These are just a few of the areas that are being sold in the cash flow market.

Is it legal? You bet it is. But, a more important question might be is it ethical? In some cases, no. If the beneficiary is a minor, or is unable to manage their money, then future payments should not be sold. The same is true if a person is disabled and relies on this money

for their support. However, more and more people are asking themselves, "At the rate of inflation, what will be the true value of these payments when they arrive years from now? could I make better investments if I had this money today?" Could you?

Virginia Dunn is a certified Diversified Cash Flow Specialist, and a member of the Association for Financial & Debt Instrument Professionals. She is the owner of Integrity Funding Sources in Portland, Oregon and can be reached @ 503-493-2577.

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