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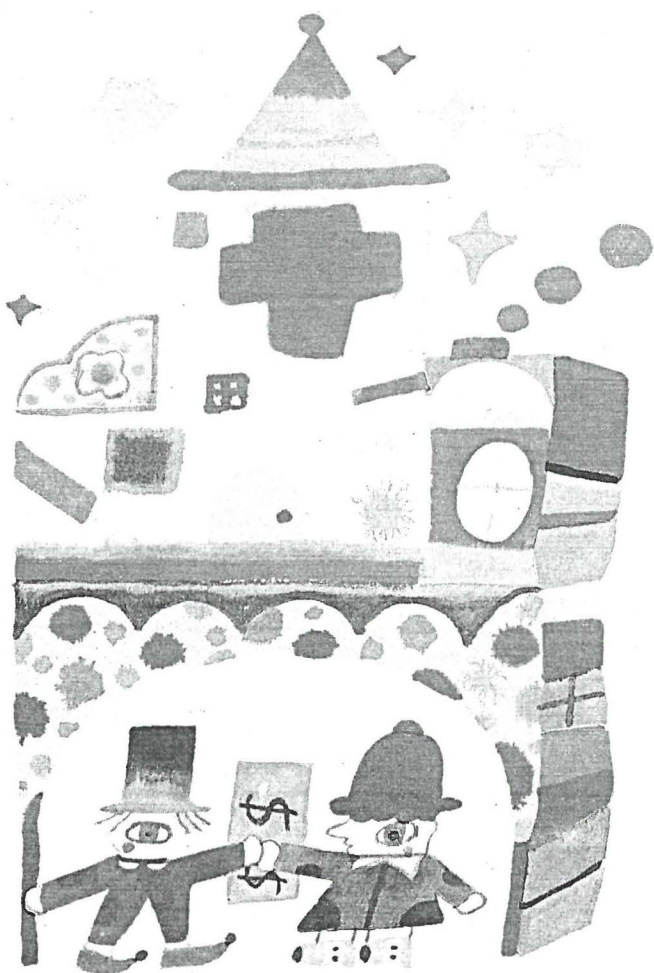
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Submitted by  
Jim Whittenburg  
8/16/17

## NEWS

HAEJIN PARK



# Repeating History

CRITICS BLAST A CITY PLAN TO DIVERT MONEY EARMARKED FOR THE BLACK COMMUNITY TO HELP A HEALTH CARE GIANT.

BY NIGEL JAQUISS [njaquiss@week.com](mailto:njaquiss@week.com)

Leesha Posey remembers cutting across a vacant lot in North Portland on her way to Harriet Tubman Middle School. "It's been empty since I was a little girl," says Posey, 41.

That was three decades ago. But the lot still sits empty—a rarity in a city where vacant land is coveted, especially in the red-hot North Williams Avenue corridor.

Its emptiness is a reminder of what the city and its urban renewal agency, Prosper Portland, took from the black community.

In the 1960s, the city-owned agency, then known as the Portland Development Commission, condemned vast tracts of inner North and Northeast Portland. The takings—including the still-vacant block at the northwest corner of North Williams Avenue and Russell Street—allowed urban renewal, including construction of parts of Interstate 5, the Oregon Convention Center and Legacy Emanuel Hospital. But in the process, the agency gutted neighborhoods and dispersed the black community.

In a belated effort at compensation, city officials pledged in 2013 to direct tens of millions of dollars to benefit individuals and businesses in North and Northeast Portland.

But that's not what Prosper Portland is proposing. Instead, it wants to use some of that money to help one of the institutions that benefited from the razing of black neighborhoods: Legacy Health.

Legacy owns the empty lot on Williams. And Prosper Portland wants to expand the boundaries of where it can subsidize building projects—in order to bring Legacy's land inside.

To Posey and other critics, Prosper Portland's unexpected Aug. 1 announcement that it wants to partner with Legacy is a bitter continuation of the agency's history of favoring powerful institutions over the residents, mostly black, who long lived in the area.

"You've changed your name," local resident Raheem Muhammad told the Prosper Portland board last week, "but you haven't changed your behavior."

The lot Posey used as a shortcut was once known as the Hill block, a thriving mixed-use complex that until 1969 held a drug store, a dry cleaners and apartments.

The city demolished the structures in 1969, and in 1980, the city sold the property for \$397,000 to Emanuel Hospital. The hospital planned to redevelop the lot, but that never happened. (Legacy spokesman Brian Terrett says federal funding for a planned hospital expansion evaporated and Legacy has not found a suitable use for the land since then.)

The city had already spent \$150 million in urban renewal money on a new light-rail line and other improvements in the Interstate Corridor Urban Renewal Area—almost 4,000 acres covering an area between North Interstate Avenue and Northeast Martin

Luther King Jr. Boulevard and much of North Portland.

Such money comes from tax increment financing, a practice that allows the city to direct property taxes for use within specific geographic boundaries.

On the heels of community outcry at a proposed Trader Joe's grocery store 20 blocks away in 2013, city officials decided to rectify the damage from its urban renewal policies.

In January 2015, the City Council voted to commit the money remaining in the urban renewal area—about \$32 million—to what's called the North/Northeast Portland Community Development Initiative Action Plan.

That plan aimed "to foster economic prosperity among communities and individuals that have not fully participated in, or benefited from, economic opportunities in the Interstate Corridor Urban Renewal Area."

To help guide expenditures, Prosper Portland convened a community oversight committee this year that included local residents such as Posey and Michael Davis.

Both say they had questions about something referred to in Prosper Portland documents as a "cultural business hub," which would absorb \$4.5 million—or about 12 percent—of the remaining money.

Committee members wanted all the money to go instead to uses such as promoting black home ownership and supporting black-owned businesses.

But Aug. 1, Prosper Portland dropped a bombshell—it proposed expanding the boundaries of the urban renewal area to include the Legacy-owned vacant lot.

That proposal meant a chunk of the \$32 million—it's unclear how much, but critics fear it's the \$4.5 million in cultural business hub money—could now be spent to develop the Legacy land.

Oversight committee members say they never heard a word about Legacy in three previous public meetings.

"Bottom line, the funds are not going to do what they are supposed to do," says Davis. "[Prosper Portland] says one thing and does another. They're just repeating history."

Unlike small, black-owned businesses the city said it wanted to help, Legacy is a giant, with annual revenues of more than \$1.7 billion and a financial position greatly strengthened by the Affordable Care Act ("Thanks, Obama!" WW, April 13, 2016).

"Why do we need to include this property," Posey asks, "when there's a measly amount of money left? Now we're going to give some of it to an organization that has the resources to develop it on their own?"

Kimberly Branam, executive director of Prosper Portland, says Legacy would fund whatever improvements, such as medical office buildings, it develops. Any public money, she says, would go toward investments the

black community chooses, such as affordable housing.

"Legacy's not asking Prosper Portland to pay for anything that would benefit them," Branam tells WW.

But critics note the land has remained vacant for nearly 50 years and that Legacy would only develop it now by leveraging scarce urban renewal dollars Prosper Portland claims are dedicated to historically underserved individuals and businesses.

On Aug. 9, just eight days after the announcement of the Legacy deal, the Prosper Portland commission was set to vote on adding the proposal.

The deal looked like a slam dunk.

Commissioners responded enthusiastically, particularly when Legacy CEO Dr. George Brown, Legacy board member and former PDC chairman Charles Wilhoite, and Maurice Henderson, chief of staff to Mayor Ted Wheeler, extolled the deal's virtues. (All three men are black.)

"This project has Legacy's complete support," Brown testified.

Then something rare happened. Posey, Davis and other members of the oversight committee slammed the idea.

"Our job is to ensure the \$32 million is allocated to people of color," said Shannon Olive, a committee member. "I don't think it's fair to give a large institution another chance after 37 years."

The confident smiles of the Legacy contingent disappeared. Commission members beat a hasty retreat. They pulled the Legacy vote from the agenda.

For a while at least, the little guys had won.

"If [Prosper Portland] is actually trying to build a new level of trust," Posey said later, "they need to stop having these closed-door meetings and making decisions without community input."

Branam acknowledges it was a mistake to unveil the Legacy deal without first involving the oversight committee.

"We did do some outreach, but in hindsight, we should have done more," she says. "Our board listened to what the community had to say." WW

