

PROSPER
PORTLAND

Building an Equitable Economy

N/NE Housing Strategy Community Oversight Committee – September 14, 2017

AGENDA

Hill Block Process & ICURA Amendment
Kimberly Branam, Prosper Portland



N/NE CDI Oversight Committee Progress
Tory Campbell, Prosper Portland



HILL BLOCK



PROPOSAL












- Prosper Portland, City of Portland and Legacy Health have agreed to work together and with the community to redevelop 1.7 acres site currently owned by Legacy Health.
- Development that benefits, supports and honors Portland's African American community and furthers Legacy Health's mission of promoting health and wellness
- Legacy Health will contribute property to the development project and will pay for any portion of the Development to be used by Legacy Health

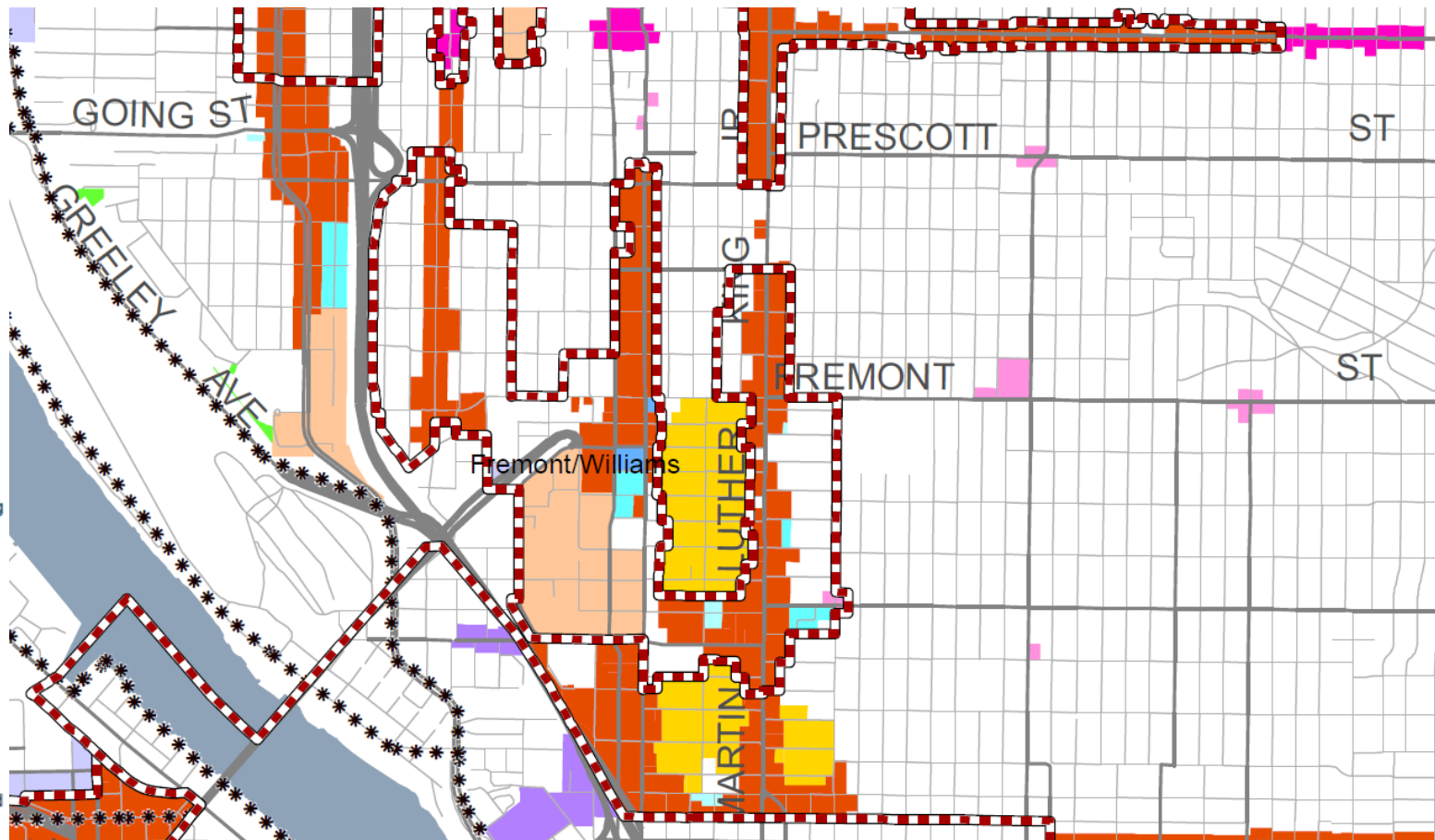
PROPOSAL - CONTINUED

- Implement a transparent and community-centered process with significant community engagement.
- Establish Project Working Group to oversee a strategic community engagement and development process:
 - Membership:
 - Multiple community leaders
 - Prosper Portland’s N/NE Community Development Initiative Oversight Committee
 - Portland Housing Bureau’s N/NE Housing Strategy Oversight Committee
 - Mayor, Prosper Portland, and Legacy Health to jointly nominate PWG with input from community partners

POSSIBLE DEVELOPMENT PROGRAM?

Legend

-  Centers Boundaries
-  Major Public Trails
-  City Boundary
-  Urban Service Boundary
- Adopted Comprehensive Plan**
-  Open Space
-  Farm and Forest
-  Single-Dwelling 20,000
-  Single-Dwelling 10,000
-  Single-Dwelling 7,000
-  Single-Dwelling 5,000
-  Single-Dwelling 2,500
-  Multi-Dwelling 3,000
-  Multi-Dwelling 2,000
-  Multi-Dwelling 1,000
-  High Density Multi-Dwelling
-  Central Residential
-  Institutional Campus
-  Mixed Employment
-  Industrial Sanctuary
-  Central Employment
-  Central Commercial
-  Mixed Use – Urban Center
-  Mixed Use – Civic Corridor
-  Mixed Use – Neighborhood
-  Mixed Use – Dispersed



POSSIBLE DEVELOPMENT PROGRAM?

- Land use zoning allows for 222,000+ developable square feet and wide range of uses in addition to medical uses – including residential, retail and office uses.
- Examples of ideas that have previously been suggested include:
 - Affordable and workforce housing for seniors and families
 - Community gathering spaces
 - Cultural business hub
 - Open space
 - Community health center
 - Retail spaces and other community-desired amenities

BUILD ON INPUT TO DATE

Legacy Emanuel Community Partnership Committee

Committee formed since Emanuel Reconciliation Project in 2012. Made following recommendations:

- A commitment for Legacy Emanuel to engage and strengthen communication with the surrounding NE community, specially the African American community.
- Solicit information from the African American community before development of the vacant land.
- Any development of the land should include creating wealth – should involve African American businesses (minority contractors, local businesses, etc.)
- Focus on building affordable housing on the land
- Honor the history in a way that provides permanent acknowledgement of the events and is accessible to the entire community.

INTERSTATE URA AMENDMENT

- N. Russell and Williams site not currently within URA
- The site must be within the URA to be eligible for funding and project staffing by the City
- Amending the URA does not commit any Interstate URA N/NE community development or affordable housing funds
- If the URA is amended to include site, any TIF resources would have to be supported by the respective Oversight Committees and to align with:
 - N/NE Housing Strategy (e.g. bring displaced population back to the neighborhood)
 - N/NE Community Development Initiative Action Plan (e.g. Cultural Hub, wealth creation)

















PROPOSED NEXT STEPS – thru WINTER 2017

- Prosper Portland Board to hear recommendation from N/NE CDI Oversight Committee and consider amendment of Interstate Corridor URA to include site
- Establish Project Working Group and define community process
- Compile & summarize previous community input
- Host community forum

KEY TOPICS FOR DISCUSSION

- **Process**
 - How can Project Working Group be structured to ensure a transparent and community-centered process with significant community engagement?
 - What voices and expertise are needed?
- **Draft Timeline**
 - How to balance urgent housing, economic goals with need for significant community engagement?

N/NE CDI PROGRESS REPORT

NNECDI ACTION PLAN KEY		1	2	3	4	5						
		Promote Property Ownership and Redevelopment	Support Business Ownership and Growth	Invest in New and Existing Homeowners	Advance Community Livability Projects	Catalyze Cultural Business Hub(s)						
Implementation Tool		Number Served FY 2016-17	5 Year Goal Anticipated Clients Served	Total Spent FY 2016-17	5 Year Goal Anticipated Allocation	Number Served FY 2016-17	5 Year Goal Anticipated Clients Served	Total Spent FY 2016-17	5 Year Goal Anticipated Allocation			
 Prosperity Investment Program	PROPERTY OWNERS	10 / 40		\$322K / \$3M				0 / 10	0 / \$5.25M			
	BUSINESS OWNERS	9 / 40		\$382K / \$3M				0 / 10	0 / \$5.25M			
 Property Development Loans (small scale, for match)		0 / 30		0 / \$750K				0 / \$5.25M	0 / \$5.25M			
 Property Acquisition Loans		0 / 4		0 / \$2M				0 / \$5.25M	0 / \$5.25M			
 Commercial Property Redevelopment Loans		0 / 10		0 / \$5M				0 / \$5.25M	0 / \$5.25M			
 Tenant Improvement Loans (for match)		0 / 40		0 / \$1M				0 / \$5.25M	0 / \$5.25M			
						 Commercial Affordable Space		0 / 10	0 / \$5.25M			
						 Down Payment Assistance Program		N/A / 20	N/A / \$1.6M			
						 Home Repair Program		N/A / 40	N/A / \$1.6M			
						 Accessory Dwelling Units		N/A / 15	N/A / \$1.8M			
						 Community Livability Grant Program		8 / 20	\$300K / \$2.5M			
						 Cultural Business Hub Loan		N/A / 1	N/A / \$4.5M			
TOTAL SPENT JAN - JUN 2017: \$1,027,638		 YEAR 1		 YEAR 2		 YEAR 3		 YEAR 4		 YEAR 5		REMAINING BALANCE: \$30,972,362



The Magnolia, Phase 2

Innovative Housing, Inc.



INNOVATIVE HOUSING, INC.
CREATING SOLUTIONS TO UNMET HOUSING NEEDS

BREMIK
CONSTRUCTION



PORTLAND
HOUSING
BUREAU



Introduction

Innovative Housing Introduction

- Mission and Values
- Properties
- Resident Services

Team Introduction

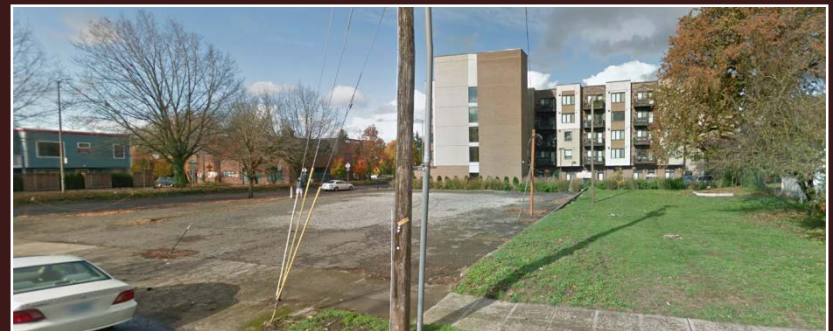
- Sarah Stevenson, IHI
- Julie Garver, IHI
- Julio Rocha, LRS Architects
- Matt Dreska, LRS Architects
- Matthew Dalla Corte, Bremik Construction
- Tony Jones, MCIP
- Nate McCoy, NAMC
- Pat Daniels, Constructing Hope

Magnolia 2 Project

- 50 units, 33 of which are 2 and 3 bedrooms
- Family Amenities including indoor and outdoor play areas
- Resident Services tailored to families



Existing Site from MLK



Existing Site from Fargo



Project Design, LRS Architects



Major design features

- Shared features with Mag 1
- Durable materials such as brick, hard surface flooring and hardwood trim that hold up over time





Project Design, LRS Architects

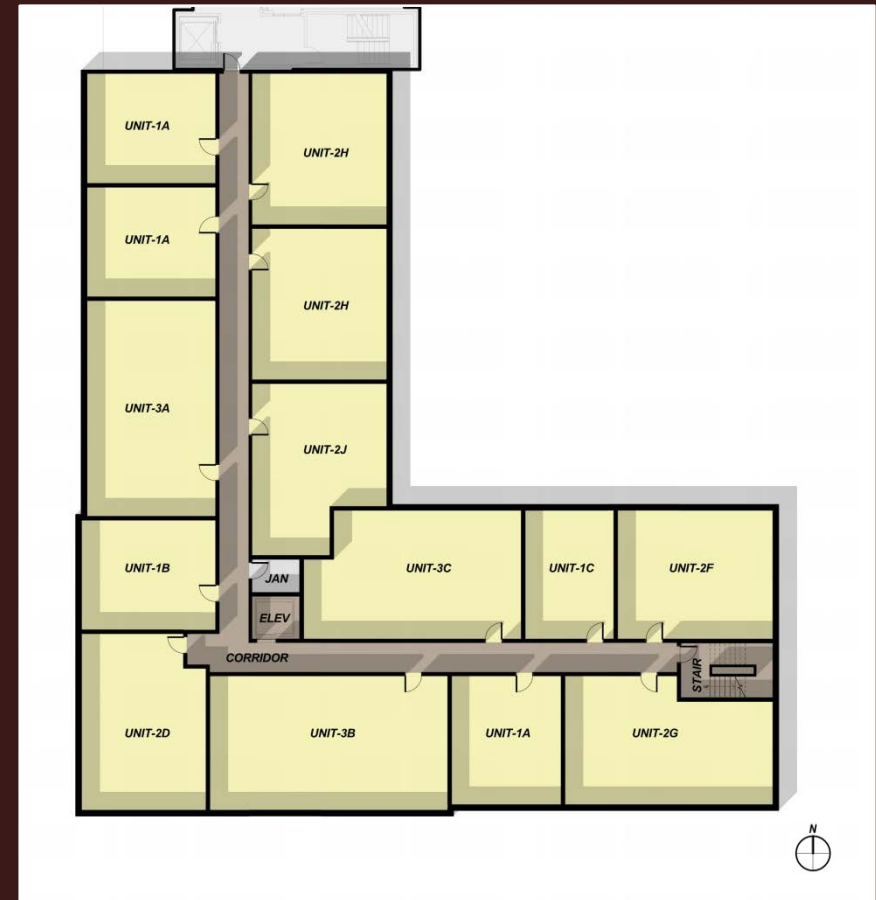


Major design features

- Community space that is flexible and focuses on family and neighborhood goals
- Units that provide good livability in compact footprints



Ground Floor Plan



Floors 2 - 4



Additional Design Items



- Unit count: 17 1 BRs, 23 2 BRs, & 10 3 BRs
- Parking count: 9 spaces
- Four story design, buffer to MLK and shorter profile
- All brick exterior cladding

Design & Consultant Team

- MWESB Utilization for design team includes Landscape Architect, Civil Engineer, MWESB Consultant, Workforce Training Consultant, Constructing Hope partnership





Bremik Construction



Negotiated Contract Process used for pricing and budget reliability

Diversity

- Bremik is committed to having a person of color in a supervisory position on-site
- Bremik is partnering with Tony Jones/MCIP and NAMC for subcontractor MWESB recruitment and Workforce Training
- We have committed to achieving 30% MWESB participation on this project
- Bremik has a company commitment to diversity and providing growth opportunities for women and people of color





MCIP, Tony Jones

Minority Contractor Improvement Program



- MCIP is a business support and training organization for viable minority and disadvantaged businesses (MBE/DBE)
- MCIP coaches firms to increase their profitability and net worth by improving their business management systems
- Our program values are equity, reduction of barriers, education, increased capacity and return on investment for our clients and partners



*Magnolia 1
Assistant Superintendent
Tim Williams*



NAMC, Nate McCoy

National Association of Minority Contractors



- Workforce Training Contract: What Will It Include?
- Recruitment with Pre Apprenticeship & Apprenticeship Programs
- MWESB Subcontractor recruitment support



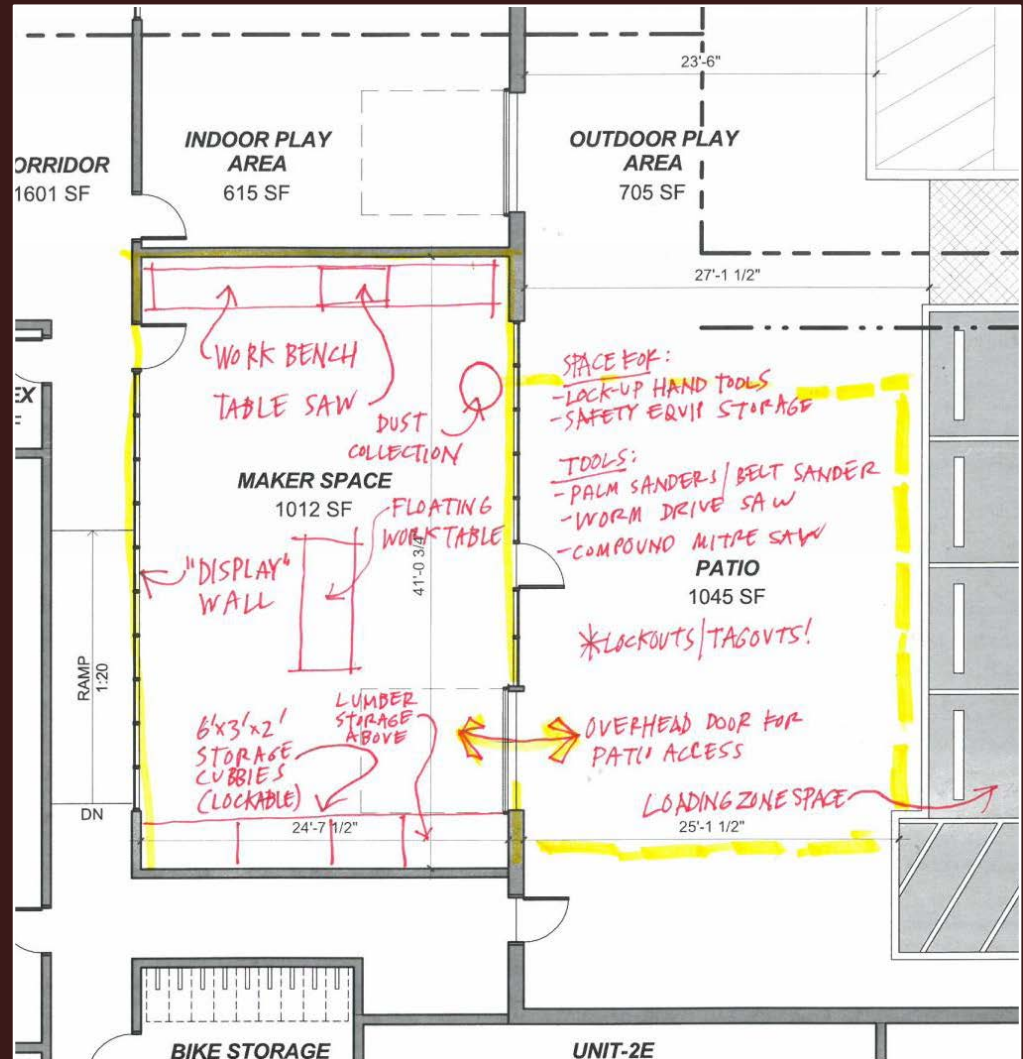
*Constructing Hope
Pre Apprenticeship Program
Graduation 2017*



Constructing Hope, Pat Daniels *Maker Space*



- Maker Space:
What Will It Include?
- Use for encouraging neighbors and residents to enter the trades via outreach workshops
- Youth Pre Apprentice program
- Resident Services programs for apartment residents





IHI's Commitment to Equity

- IHI has a proven track record of delivering projects on time, within budget, and exceeding equity goals
- MWESB Subcontracting Utilization:
 - Magnolia 1 – 35%
 - Erickson Fritz – 42%
 - Raleigh MEP – 72%
- Portfolio-wide Site Staff:
 - We commit to hiring site staff that reflect our resident demographics
- Magnolia 2 staff:
Commitment to hire people of color





Resident Services

IHI's Resident Services are:

- Tailored to each property and responsive to resident needs
- Culturally appropriate
- Comprehensive – we serve whole families
- Focused on housing stability
- Designed to help residents use their housing as a foundation for success at school, at work, and in life





Anti-Displacement

Magnolia 1 Resident Demographics at Lease-Up:

- 48% African American
- 21% white
- 10% Native
- 7% Latino
- 5% Asian
- 10% unknown/unidentified
- Most residents had existing ties to the community

We look forward to working with PHB and using the N/NE Preference Policy to strengthen our efforts to ensure that the new housing opportunities provided by Magnolia 2 also serve an anti-displacement function and house people with ties to NE Portland.



Conclusion

- We are committing to 10% of units at 30% rent and working with JHS on specific PSH population and services
- We will tailor our screening criteria so it does not create unnecessary obstacles to the people we are trying to house
- On-site Resident Services will help families maintain housing stability, access opportunities, and connect to the community



Broadway Vantage Apartments



Questions?





PHB Portland Housing
Bureau

Mayor Ted Wheeler • Director Kurt Creager

ACCESSORY DWELLING UNIT PILOT LOAN PROGRAM

N/NE Oversight Committee Presentation
September 14, 2017



ADU Program Overview

The Portland Housing Bureau (PHB) Accessory Dwelling Unit (ADU) Loan Program is a strategy for helping low-income, long time community homeowners retain their homes, preventing further displacement of vulnerable community members by providing loan funding to create a fully permitted ADU in an existing basement.



Eligible ADU Uses

- Flexible uses for assisted ADUs:
 - Family member or live-in caregiver
 - Market rate rental unit
 - Downsize and rent the primary home
- ADU rents will not be restricted
- ADUs cannot be used as a short-term rental



ADU Loan Terms

- \$80,000 maximum loan amount
- 15-year 0% Interest loan
 - 180 equal monthly payments
 - Payments approximately \$450/month
- Assumable by family member
- Secured by a lien on title



ADU Loan Qualifications

- Current on mortgage payments
- Current on property taxes or in deferral program
- Have enough home equity to secure loan amount
- Debt to income ratio up to 60%
- Reverse mortgages are not allowed because of implications on available equity



Eligible Applicants

- Current homeowner occupying eligible property
- Household income under 120% AMI
- Purchased home prior to August 2000 or
- Purchased a home that has been in the family prior to August 2000



Eligible Properties

- Located in Interstate Corridor URA
- Single-family detached owner occupied unit
- Home has a basement with a minimum of 500 sq. feet
- Primary unit in safe and habitable condition or able to be improved to program standards within available funding limits, including home repair loan of \$15,000 and Lead Hazard Control Grant resources.



Additional Program Requirements

- Complete required landlord education
- Register as a business with the City of Portland
- Comply with all applicable fair housing and landlord/tenant laws



Community Outreach

- PHB will send out a mass mailing to all homeowners in the Interstate Corridor URA
- A second, targeted mailing will be sent to properties identified through tax assessor data as having a long term owner and a basement over 500 square feet
- Outreach to community partners serving low-income homeowners in N/NE
- General and targeted media coverage



PHB Portland Housing
Bureau

Mayor Ted Wheeler • Director Kurt Creager

Questions?



Argyle
Project Update for N/NE
Oversight Committee

■ Affordable housing industry impacts

- LIHTC and debt pricing
- Construction cost inflation
- Inability to get new Section 8 subsidy

■ Project specific impacts

- Site costs
- Market study results



■ Commitments by REACH to bridge gap:

- Design to reduce costs by \$2,000,000
- REACH cash contribution of \$400,000
- REACH deferred developer fee \$1,750,000

■ Remaining Funding gap: \$3,854,782

■ Potential sources to bridge gap:

- LIFT Application to State of Oregon \$3,000,000
- REACH private fundraising \$854,782
- TriMet discussion to help through reduced costs and/or additional funds

■ **TriMet Request for Qualifications**

150 units of affordable housing (studio – 2 bedroom)

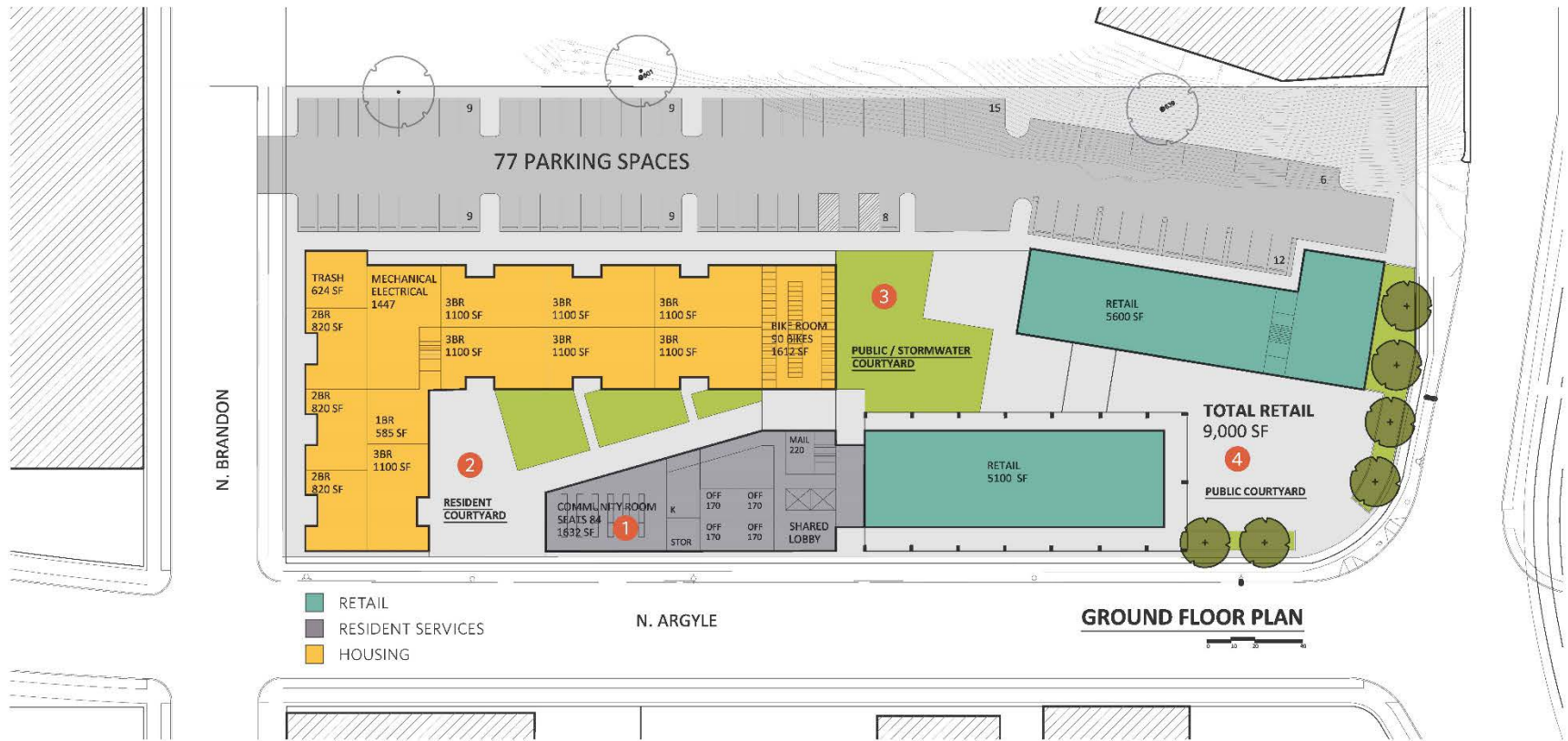
65 units of market rate housing

■ **Revised Program:**

198 units of affordable housing (studio -3 bedrooms)



Conceptual Site Plan



1 Community room on street



2 Resident play area



3 Stormwater courtyard



4 Public courtyard with heavy landscape buffer

Community Outreach

- Kenton Neighborhood Association, December 2016
- Kenton Business Association, December 2016
- Held Public Meeting at Disjecta Arts Center in Kenton, January 2017
- REACH resident feedback at our two of our N/NE buildings (Patton Park and McCuller Crossing)



Precedent Voting



What's next

- **Design to reduce costs**
- **Submit State LIFT application**
- **Continue private fundraising**
- **Come back to N/NE in November to provide update**

