

# Portland Business Journal

## REACH waterfront development approved

by Wendy Culverwell , Business Journal staff writer

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The Portland City Council approved a development agreement with **REACH Community Development Corp.**, a nonprofit affordable housing agency, to develop a 209-unit low-income apartment building on Block 49. The site, immediately west of Old Spaghetti Factory, is bordered by Southwest Moody and Bond streets.

Block 49 offers a dramatic departure for the South Waterfront, which until now has been reserved for upper income residents. Its residential projects, starting with the Meriwether Towers in 2005, offered luxury living in a new riverfront neighborhood. The condominium, apartment and senior projects that followed catered to the same demographic.

Its 1,945 residents are overwhelmingly white, overwhelmingly young and generally well off, according to a 2010 estimate based on Nielsen Co. data. Nearly 90 percent of the area's residents are white and more than 43 percent are between the age of 25 and 44. The average household income is \$82,383. Its average per capita income of \$50,205 is roughly 44 percent higher than the Oregon average and 30 percent higher than the national average based on U.S. Census data from 2007.

In contrast, the six-story Block 49 will offer housing for residents earning \$25,000 or less. The agreement with the city reserves 42 units for those earning \$15,000 or less, with a preference given to military veterans.

As the Business Journal reported Wednesday, the city will contribute up to \$23 million toward the \$50.4 million project. The city previously spent \$5 million to acquire the site and nearly \$2 million for pre-development work, bringing its total contribution to about \$30 million.

The unnamed project also will have 50 parking spots and roughly 17,000 square feet of office and retail space. REACH plans to consolidate its existing offices in about 12,000 square feet of the building; the balance will be leased for a Tri-Met office and for a small restaurant, cafe or bakery.

REACH is expected to sell its Southeast Portland building to help raise funds. It expects to break ground in the spring. **Walsh Construction Co.** will build it. The work is expected to create 250 construction jobs. REACH expects to close its deal with the city in March and to start work in April or May.

It will open to residents in November 2012.