Portland Housing Bureau

Director's Message February 2011



I am pleased to announce that PHB will be investing \$9.8 million in rental housing projects in several neighborhoods throughout Portland.

Last fall, we announced that we had funds available for new projects and invited developers to submit proposals for acquisition or new construction. The quality of the proposals submitted was very high, and we received a total of \$24 million in funding requests. Our selection advisory committee had the difficult job of analyzing, comparing and making recommendations.

The winning proposals will build 178 new quality rental homes and rehabilitate another 74 units for low-income Portlanders.

A new development in the Gateway area will bring together <u>Ride Connection</u> and two well-established nonprofit housing developers – <u>REACH CDC</u> and Human Solutions – to increase the supply of apartments for low-wage workers and seniors on fixed incomes. In the Lents Urban Renewal Area, <u>ROSE CDC</u> will acquire and rehabilitate an existing multi-family property, as well as improve the condition of an important apartment community in Foster-Powell in need of investment.

In selecting the projects in East Portland, PHB paid careful attention to recent input from community members and officials in the Parkrose and David Douglas school districts. They shared their growing concern that the intersection of rising school-age poverty rates, a reduced taxable land base and increasing school enrollment in the area adversely impacted their ability to meet the educational needs within their districts. We are confident that the projects that we have selected for funding will positively impact not just their neighborhoods, but also the lives of low-income individuals and families who do not have access to the kind of housing stability and opportunity all of us desire. PHB has agreed to continue this important dialogue and to align its resources with important stakeholders like the area's school districts.

You can read more about the selected projects here.

About Our Budget

On January 31, we submitted a <u>budget request</u> for the fiscal year that begins on July 1, 2011. We'll have significantly fewer resources to allocate next year, as our overall funding is projected to decline from \$114 million to \$92 million, mostly because we'll have less tax increment funds (TIF). This, of course, is the source of money we use primarily to invest in producing or preserving affordable rental housing. Using what TIF we do have, plus our federal grants from HUD, we'll still be able to make some new investments, like the ones mentioned above.

Our budget submission was shaped by our recently completed strategic planning process. The feedback we garnered by talking to a wide range of community members and organizations gave us tremendous information about where PHB should be investing and how we should position the bureau going forward. Out of that process, we've gotten a clearer picture of what needs PHB is uniquely suited to address, and have distilled our investment priorities over the next three years.

And while we feel good about how PHB is positioned going forward with high-quality community engagement, it is also important to note that we must become smaller as an organization. Beginning in July, PHB will have 57 employees, down considerably from our high of 74 two years earlier. I've been working with our staff on this

painful reality, and we recognize that with fewer dollars to invest in the community, we simply need fewer people on the City payroll to get the job done.

Citywide, there are opportunities for all Portlanders to weigh in on budget proposals that impact city services next year. <u>Two public budget forums</u> will be held by Mayor Adams and City Council to give Portland residents a chance to share their views on the City's budget.

Thursday, February 24, 2011 David Douglas High School, 1001 SE 135th St. Community Resource Fair: 6:00 – 6:30 PM Public Forum: 6:30 – 8:30 PM (Parking available in lot) Bus line: 9, 12 & 20

Tuesday, March 1, 2011 Wilson High School, 1151 SW Vermont St. Community Resource Fair: 6:00 – 6:30 PM Public Forum: 6:30 – 8:30 PM (Parking available in lot) Bus line: 44, 54 & 56

PHB's 2009-10 Community Report

Last month, we launched PHB's first-ever <u>production report</u>, a central reporting tool that provides a snapshot of our investments in 2009-10.

Concurrently, we have been working on a community report that concisely tells the story of what we have accomplished in our first year.

We invite you to take a look at our <u>PHB Community Report</u>, and read success stories from our different work areas.

Development Highlights

In January, we celebrated the grand re-opening of The Clifford Apartments, an acquisition and rehabilitation project by <u>Innovative</u> <u>Housing Inc.</u> PHB contributed \$3.35 million to the development from the Central Eastside urban renewal area tax increment funds and Housing Investment Fund dollars. The Clifford has a total of 88 units for extremely low-income residents, some of whom have been homeless or have significant barriers and truly need "safety net" housing. Innovative Housing has partnered with Luke Dorf to provide onsite case management and job training for people experiencing chronic homelessness.

We're also proud to have just closed the financing on Uptown Towers, an eight-story, 72-unit building that's part of our preservation agenda. <u>Guardian Real Estate Services</u> and MHT Housing Inc., with the help of public and private financing, have acquired and are renovating the building. Like many of our preservation projects, Uptown Tower is home to some of our most vulnerable elderly and disabled residents. In fact, the average





income of people who live there is just \$7,395 per year. If this building's affordability had not been preserved, the residents would have few choices to move to, and our community would have lost more ground in providing quality affordable housing for those who need it most.

These projects wouldn't be possible without strong public-private partnerships – important collaborations with developers, financial institutions, nonprofits and other government entities that ensure greater access to affordable housing opportunities for people and families with low incomes.

Share Your Voice with the Portland Plan

One of PHB's sister bureaus, Portland's Bureau of Planning and Sustainability (BPS), is developing our City's 25-year strategic plan, known as <u>The Portland Plan</u>. I am heartened by the community process involved in the Portland Plan, because embedded in all of it is a strong recognition of the roles that housing, affordability, neighborhood stability, and equity all play in creating a great city.

Housing needs are at the crux of many discussions around educational and economic opportunities, and inequities exist based on the neighborhood families live in. PHB has been an engaged and influential partner in the Portland Plan process, and we have helped draft the long-term housing strategies outlined in the plan. I would like to encourage all of PHB's many partners to get involved in the next stages of development of the Portland Plan so that the strong themes we work on each day remain highlighted in the end product.

Portlanders have an opportunity to shape the City's strategies for the future at the upcoming <u>Portland Plan</u> <u>Fairs</u>, which start on March 2. I hope that you will find time to attend one of these community events to learn more about the plan, and how the proposed strategies are likely to impact your neighborhood.

Until next time, and best regards,

Margaret S. Van Vliet Director, Portland Housing Bureau