

February 14, 2012

Plan for one-for-one replacement of housing at HILLSDALE TERRACE as required under Section 104 (d) of the Housing and Community Act of 1974, as amended

What is the proposed assisted activity?

The City of Portland, Oregon through the Portland Housing Bureau (PHB) proposes to provide \$1.8 million in funds from the Fiscal Year 2011/ 2012 Community Development Block Grant (CDBG) program of the U.S. Department of Housing and Urban Development (HUD) to Home Forward, the former Housing Authority of Portland. This funding will be used to demolish the public housing development known as “Hillsdale Terrace.” Hillsdale Terrace is being demolished in order to build a new 122- unit community on the same site known as “Stephen’s Creek Crossing”.

What are the units that will be demolished?

Home Forward proposes to use the CDBG funds to demolish the sixty distressed public housing units that comprise Hillsdale Terrace located at 6775 SSW 26th Avenue, Portland, Oregon 97219 and to complete some site and infrastructure activities. All sixty units will be demolished. All units to be demolished have three bedrooms. The units have been available since 1969 for households earning up to 80% of median family income (MFI), with most residents earning below 50% of MFI. All former residents have been relocated by Home Forward pursuant to a relocation plan approved by HUD under the HOPE VI program, and amended to conform to CDBG requirements.

Are the replacement units in the same neighborhood and are they comparable units?

The 122 new units to be constructed at Stephen's Creek Crossing include 19 one- bedroom units, 21 two bedroom units, 77 three – bedroom units, and 5 four-bedroom units. Under CDBG regulations, the replacement units must be comparable in location and bedroom size to the units being demolished. Therefore the replacement units at Stephen's Creek Crossing are limited to the 82 three- and four-bedroom units, for a net gain of 22 comparable units. Home Forward also proposes to develop seven homeownership units off-site in partnership with Habitat for Humanity. These units are not considered by PHB as part of the CDBG-funded project at Stephen's Creek.

Will the replacement units be in standard condition as defined by the locality?

The replacement units will be built to achieve or exceed current, applicable local building code as administered by the City of Portland Bureau of Development. Sustainable, green building features such as bioswales to manage 100% of storm water on site; Energy Star lighting and appliances; and finishes to ensure clean indoor air quality, • Community garden spaces, including a large garden in partnership with the neighboring Hillsdale Community Church,

What is the exact location of the replacement units by # of bedrooms?

All replacement units will be constructed on the site of the current Hillsdale Terrace with an address of 6775 SSW 26th Avenue, Portland, Oregon 97219 in the Multnomah neighborhood of southwest Portland. New addresses for individual buildings and units to be constructed at Stephen's Creek will be provided by the City of Portland Bureau of Development at a later stage of project development and are not yet available. All replacement units (3 and 4-bedroom units) will be built on the multi-acre Hillsdale Terrace site, specifically in the area bounded by SW 26th Avenue, SW Capitol Highway, SW Vermont Street and SW California Street. A proposed site plan and a location map follow.



KEY: Community Features

1. PRIVATE DRIVE (PERVIOUS PAVING)
2. PLAYGROUND
3. URBAN FARM
- 4-A. NEIGHBORHOOD NETWORK CENTER
- 4-B. EARLY CHILDHOOD EDUCATION CENTER
5. ENTRY COURT
6. HOUSING - FLATS (W/ GREENROOFS)
7. HOUSING - TOWN HOUSES
8. NEW PEDESTRIAN CONNECTION
9. LINEAR PARK AT CALIFORNIA STREET
10. SHARED COMMUNITY GARDEN
11. SHARED PARK AREA



Michael Williams Architects



Attachment 28:
 Conceptual Site Plan
 new Hillsdale HOPE VI Redevelopment

What is the basis for concluding that each replacement unit will remain L/M for 10 years from the date of initial occupancy?

The maximum share of household income that can be paid by tenants at Stephen’s Creek, and the maximum rents in the new units will be controlled by a variety of mechanisms include two regulatory agreements to be recorded as title instruments by the City of Portland that limit the rents to levels affordable by households at or below 60% of median household income.

At Stephen’s Creek Crossing, the combination of public housing authority ownership, at least four recorded regulatory agreements, favorable financing, and targeted federal rent subsidy programs including project based Section 8 and public housing assistance is expected to keep tenant payments for rent and utilities below the Fair Market Rent for tenant households with incomes ranging from 0 – 60% of MFI for the next sixty years.

What are the proposed sources of funding for the proposed activity?

CDBG funds cannot be used for new construction in this project, but will be used for activities that support the new construction including the demolition of the existing housing and some site and infrastructure improvements. The project will be “phased” in that the demolition and site work will be contracted separately and ahead of the new construction. The overall project cost is approximately \$51 million, not including any expenses related to the homeownership project to be developed off- site.

Financing Sources for Demolition phase (proposed activity): \$1.8 million CDBG proceeds, \$144,825 of Home Forward Public Housing Preservation Initiative proceeds

Financing Sources for Construction phase: \$18.5 million HOPE VI grant proceeds, \$4.7 million permanent financing (conventional and tax-exempt housing bonds), \$15.3 million LIHTC equity; \$8.46 million Home Forward Public Housing Preservation Initiative proceeds, \$106,710 OHCS Weatherization proceeds, and \$2.1 million Home Forward Unrestricted proceeds.

Where is additional information available about the replacement housing?

Additional information about the proposed demolition of Hillsdale Terrace and the replacement housing at Stephen's Creek Crossing can be obtained from the Portland Housing Bureau and from Home Forward. The Home Forward website has a substantial amount of information about the proposed development and the development process including renderings of the new housing. The information copied below is a small part of what can be found on the Home Forward website at the following web address:

www.homeforward.org/development/ . In addition, information can be obtained from Home Forward by contacting Pamela Kambur at 503-802-8508 or PamelaK@hapdx.org or from the Portland Housing Bureau by contacting Barbara Shaw at 503-823-3339 or Barbara.Shaw@portlandoregon.gov .

Additional Stephen's Creek Information from the Home Forward Website copied 2/14/12

The former Hillsdale Terrace public housing development, renamed Stephens Creek Crossing, is hidden in SW Portland's Multnomah neighborhood, down SW 26th Avenue, south of SW Capitol Highway and Mittleman Jewish Community Center, in a six-acre bowl-like setting where few people know it exists.

Home Forward built the current 60 units of three-bedroom apartments in 1968, after a highly contentious public battle over the siting of this public housing community. Unfortunately, the cinderblock building materials that were common in the 1960s proved to be a mistake at this site. After repeated attempts to remedy the problems, dampness and mold continued to plague building maintenance. The steep sides of the bowl contributed to an original design that does not allow realistic ADA accessibility for most residents. Overall, the current property is Home Forward's most expensive to maintain and is an unwelcoming location that does little to instill pride in the community.

This property has been on Home Forward's top-three list for complete redevelopment since the beginning of the federal HOPE VI program. After the successful redevelopment of both New Columbia and Humboldt Gardens, Home Forward now can focus on the needs of Hillsdale Terrace.

Home Forward began the design process with an open house and a community design workshop in June 2009. After advertisements; door-to-door canvassing of residents, adjacent neighbors and businesses; and personal invitations at two neighborhood associations (Multnomah and nearby Hillsdale), a wide spectrum of stakeholders participated in the community events. A second design workshop was held in August, and an open house and bus tour of HOPE VI sites in October 2009.

Building upon this outreach, Home Forward convened a Community Advisory Committee (CAC) in 2010 to provide input to its Board of Commissioners during the second HOPE VI application effort. The CAC process has continued since notice of the grant award.

Community Engagement

While preparing Hillsdale Terraces' second HOPE VI application (2010) Home Forward convened a Community Advisory Committee (CAC). The CAC includes representatives from residents, adjacent neighbors, neighborhood and business associations, educators, faith communities, social service providers, and city/county bureaus. This group advises the Board of Commissioners on key elements, such as resident relocation, design, economic participation during construction, and community services.

Home Forward has found that successful community design occurs with residents, neighbors, and other community members working together with design professionals. Using this engagement model, the most recent design workshops follow CAC meetings and are open to all interested participants. These workshops have occurred during fall 2011 in order to finalize the project's design.

Sustainable Development & a New Mix of Uses

The underlying zoning of the site now requires a minimum density of 115 units and maximum density of 144 units. With 122 units, a new mix of uses is now envisioned:

- Sustainable, green building features such as bioswales to manage 100% of storm water on site; Energy Star lighting and appliances; and finishes to ensure clean indoor air quality, • Community garden spaces, including a large garden in partnership with the neighboring Hillsdale Community Church,
- 122 rental units including 15 units that will be fully ADA accessible,
- A community center for resident and neighborhood activities,
- A children's center, including Head Start classrooms with a focus on early childhood education, located at the new gateway to the property at SW 26th and Capitol Highway,
- Defensible space for safe and secure housing (CPTED goals),

- Open space, landscaping, and play areas,
- Internal circulation and connections off site; including pedestrian, bike and trail improvements: 1) along the unimproved right of way of SW 26th Avenue, between the current terminus in front of Hillsdale Terrace and SW California Street; 2) bike/pedestrian improvements along SW California Street; and 3) relocation of an existing pedestrian connection that cuts through the Kesser Israel parking lot to SW Capitol Highway.

