

Resource Access Center Development

Community Advisory Committee

Meeting Notes

June 16, 2008

CAC members attending:

John Baymiller (resident)	Misty Kiyuna (Veterans Administration)
Bud Clark, co-chair (TPI Board)	Andy Miller (Portland BHCD)
Harriet Cormack, co-chair (HAP Board)	Joan Pendergast (Chair, Pearl Dist. Neigh. A.)
Liz Crane (Tri-Met)	Thomas Lee (Transition Projects volunteer)
Patricia Gardner (Pearl District Neigh. A.)	William Warren (Portland ONI)
Marc Jolin (JOIN)	

Additional community members attending:

Nancy Casciato, resident	Carol McCreary, resident
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Project partners attending:

Mike Andrews (HAP)	Doreen Binder, TPI
Dianne Quast (HAP)	Fern Elledge, TPI
Julie Livingston (HAP)	Barbara Shaw, PDC
Pamela Kambur (HAP)	Sarah Harpole, PDC
Robert Dell (HAP)	Sally Erickson, BHCD
Dave Otte (Holst Architecture)	Judith Mowry, ONI
Peter Englander (URA Manager)	

Harriet Cormack called meeting to order at 6:15PM, and attendees introduced themselves.

Update from design workshops (Julie Livingston)

Attendee ratings of the several schemes resulted with the "mid-rise" attaining the most positive feedback. Patricia Gardner states that she represents a minority viewpoint in favor of rotating the mid-rise 180 degrees, out of concern for setting a precedent for how the rest of the Broadway corridor will redevelop. Dave Otte summarizes points in favor of the current alignment (e.g., RAC is accessed at ground level rather than 2nd story above commercial lease space, more sunlight into RAC courtyard, better views of Union Station tower from both Broadway and 6th Avenue).

Barabara Shaw asks why we would proceed with the most expensive design, since this design dictates costly concrete construction. Julie Livingston notes that both the "L" and the "bars" schemes are more expensive than the "mid-rise", and that other construction methods are being considered to lower costs. John Baymiller points out that the high ratings given the "mid-rise" at the second public design workshop were premised on the design as presented, and significant alterations may invalidate that data.

Harriet Cormack asks for an analysis of the rotated design. The consensus remains that HAP's board can proceed to approve the "mid-rise" design because it is conceptual, with an analysis of the rotated scheme to follow.

Overview of budget assumptions (Mike Andrews)

The development encompasses two transactions, one using Low-Income Housing Tax Credits (LIHTC) and one using New Market Tax Credits (NMTC). Each program introduces a set of ongoing requirements and third-party oversight, but the combination will bring as much equity as possible to the project. The LIHTC equity is now assumed to be 80 cents on the dollar, due to the unsettled equity market. HAP is currently working to build interest among potential investors—targeting those who value the mission behind the building. LIHTCs will be used to partially finance the housing and the RAC. NMTCs will be used to partially finance the non-RAC ground floor uses.

An updated project schedule has been drafted (available as a handout at the meeting), and will be refined as financial assumptions are confirmed. The current development budget \$53 million. Most funding comes through PDC, some from the sale of HAP scattered sites (to support the 40 public housing units). Of the \$53 million, approximately \$31.5 million are hard construction costs. These numbers are still conceptual and are subject to change as the development progresses.

Presentation of Housing Program (Andy Miller & Dianne Quast)

The executive summary from the market study (available as a handout at the meeting) introduces the external factors that will affect the housing program. A draft of the housing program assumptions (available as a handout at the meeting) summarizes the operating subsidy structure and the populations targeted for each subsidy. The emphasis will be to serve those who are homeless or at risk of being homeless. Rents will be affordable to households at 40% MFI and below. There will be no limit to the length of time a person can live in the building, so that tenants can experience a sense of permanence.

Services will focus on the problems that caused the tenant's homelessness, not necessarily all of the problems a tenant may have. The city and county will provide funds to HAP, which will then contract with service providers. The goal is to allow the social service agency that first engages a person to bring that person into the RAC development's housing and service environment. The continuum of services available at the building will make it unique in Portland.

The staff to client ratio will be 1:25 to 1:30. HAP will relax tenant screening to increase unit availability to the neediest clients ("housing first" model). Some federal screening standards must remain (no convicted sex offenders or meth manufacturers). The relaxed screening will be accompanied by constant lease enforcement, so leasing and services staff will work closely together. Marc Jolin emphasizes that partnering lease and service functions may alleviate concerns neighbors may have regarding the relaxed screening. Dianne Quast notes that the partnership between leasing staff and referring agencies will also help.

Barbara Shaw asks for a summary of the relationship between the funding sources and any requirement to house very low income tenants. LIHTCs do bring some restrictions depending on the pro forma submitted in the application to the State. Decisions have not yet been finalized as to whether or not the

project will submit an application with rent restrictions set below 60% MFI (and consistent with the rents at 40% MFI which we anticipate receiving.) Establishing a somewhat higher rent restriction might provide flexibility to respond to unforeseen program changes.

Units supported with public housing and project-based Section 8 subsidies can have specific rent restrictions established by project policy which are separate (and lower) from the remaining affordable units. Nevertheless, the city is very invested in the success of the development, and the tax credit investors will scrutinize financial feasibility, so a large operating contingency should not be needed.

The estimated City/County annual budget for supportive services at the RAC is \$500,000. Successful management of this housing is heavily dependent on supportive services being available. Dianne Quast introduced the plan whereby, in the event that operating reserves are needed, they could be used to ramp down services along with other operating expenses. (Operations of the RAC are funded separately through arrangements TPI has with the city.)

As summarized in the handout, with an assumed unit count of 160, RAC housing will include: 80 units for those who are homeless or at risk of homelessness, 48 units for chronically homeless and 32 units for "self-referrals" (those at or below 40% MFI.) Operating subsidies to assist with rents would include: 80 units of Project-Based Section 8, 40 units of Public Housing, and 40 units with rents affordable to those at 40% MFI.

Open discussion

Alcohol - Envisioned rules would allow drinking in apartments, but zero tolerance for drinking or drugs in any common areas.

Financing - New Market Tax Credits might have worked for the Resource Access Center portion of the building, but LIHTC provide better financial support.

Good neighbor agreement (Judith Mowry)

The process would start approximately 60-90 days before expected opening (summer after next) so that site-based staff will be identified and available to build relationships and neighbors can determine the roles and responsibilities of each party. Judith looks forward to applying the lessons learned at other projects. The goals for the agreement include getting information to the people/being transparent, hosting a meeting for everyone concerned, informing neighbors how they can respond to inappropriate behavior, and creating a welcoming environment for the clients. Judith recommends sending contact information to neighbors before construction begins so that they can raise and concerns they have during construction and begin building a relationship early.

Comments from community members

Andy Miller asked if there was any negative feedback regarding the housing focus. None was forwarded, but it was suggested that the focus be brought up in additional forums such as the Committee for Ten Year Plan to End Homelessness, neighborhood association presentations, and others. Members were encouraged to schedule presentations (design and otherwise) with their

neighborhood associations. Members advocated maintaining a website for design information, along with direct e-mail notices to CAC members.

Harriet Cormack thanks the Community Advisory Committee members for completing its charge without a need for additional meetings to be scheduled. The consensus is to recommend the mid-rise design with concrete (and potentially other construction types) plus and the drafted housing program. Bud Clark thanks committee and praises the expertise of the presenters. The Co-chairs are thanked by the Committee. The meeting is adjourned at 8:17PM.