

THE GROVE HOTEL

Renovation

JANUARY 2010 *update*

QUICK FACTS

- 70 Single Room Occupancy (SRO) units located at 421 W. Burnside Street.
- As of August 2008, all 70 units were restored with new sinks, added storage, paint, windows, sprinkler system and flooring.
- Central City Concern is master leasing the building from HAP for their Housing Rapid Response Program; housing people recently released from incarceration with nowhere else to live.



DEVELOPMENT BACKGROUND

Located in downtown Portland on Burnside between Fourth and Fifth Avenues, The Grove Hotel is a landmark building at the gateway to Old Town/Chinatown. Constructed in 1907, The Grove had operated as a low-income residential hotel from its inception. After years of disrepair, neglect, and increasing criminal activity, the City of Portland targeted the site for clean-up. On September 27, 2007, the City asked HAP to purchase and rehab the building, with the Portland Development Commission (PDC) to provide funding.

Responding to this request, HAP took possession on November 28, 2007. At that time, a little over half the units were occupied. Four residents were relocated off-site and 29 residents were moved within the building and remained throughout construction. Construction began during January 2008 and was completed in August 2008. Central City Concern began leasing The Grove for their Housing Rapid Response Program on September 1st. The program houses chronically homeless offenders leaving the jail system and provides them with intense case management and peer mentors, as well as mental health care, addiction treatment, and other support.

HAP retained ownership of The Grove during the resolution of the River District URA plan legal appeal. In March 2010, it is anticipated that HAP will transfer title to PDC. Current PDC redevelopment planning envisions use of this block and the adjacent block to the north (Blocks 32 and 33) for a large mixed-use development including a major Asian grocery, small retail center, a mix of affordable housing, and underground parking. The new Resource Access Center development, located six blocks away, will include 130 studio apartments. Seventy of these 130 units are intended as replacement housing for the very low-income units that will be lost when redevelopment of The Grove occurs.

SOURCES AND USES

Funding Sources			Project Uses		
PDC Urban Renewal Area TIF	\$3.46 M	100%	Acquisition	\$1.79 M	52%
			Construction	\$.95 M	28%
			Development	\$.01 M	.3%
			General/Construction Fees	\$.48 M	14%
			Bond Issuance Fees (Financing)	\$.01 M	.3%
			Reserves/Contingency	\$.22 M	6%
\$3.46 M			\$3.46 M		