

No salvation for the Joyce

Owner pulls out of talks with city, which offered to buy the low-barrier, low-cost hotel as long as tenants could stay

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An atrocity. That's what David Tacke calls the closure of the Joyce Hotel and the eviction of its low-income tenants.

Tacke is president of the hotel's management company, Precision Property Management Corp., or PPM, which had been working with the city and the building's owner to preserve the housing for nearly 100 of Portland's poorest residents.

Those efforts collapsed this week after the owner of the building, Dan Zilka of DZ Real Estate, pulled out of the negotiations. Residents were told they have until March 31 to vacate the building. Tacke's frustration is directed at the building's owner, who, after weeks of talks with the city, now appears intent on selling it to another party.

"To wait until the last minute is unconscionable to me," Tacke said, noting the impact on the tenants. "They probably now are not going to be able to place everyone, and with time, they probably could have."

The Portland Housing Bureau had proposed buying the building from Zilka for approximately \$5 million, transitioning management to a local social service provider, and preventing the loss of the low-income units. That offer was only good provided the tenants remained in the hotel.

"Our interest in the building was humanitarian," said Kurt Creager, director of the Portland Housing Bureau. "We were interested in the building being occupied, while the owner has been increasingly recalcitrant about keeping tenants in place."

On Dec. 31, PPM told residents they had until March 31 to vacate the premises because the hotel was permanently closing. PPM has managed the hotel for decades but was informed in December that its lease with owners DZ Real Estate had been terminated.

The hotel, located at Southwest 11th Avenue and Stark Street, is one of the last of its kind in Portland's increasingly trendy West End. It is the only one in the city's central core that allows the flexibility of week-to-week rental, rather than month to month.

Reached by phone, the owner of the building, Dan Zilka with DZ Real Estate, has repeatedly refused to talk to Street Roots.

DZ's lawyer, Sia Rezvani, told the city in an email dated Monday, March 21, that



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while they recognize the city's effort to keep the occupants in the Joyce, the owner was not willing to budge on evicting the hotel business and its management company, PPM, from the building.

"Based on a variety of factors and after much consideration DZ Real Estate has decided that the obstacles posed by both the city and PPM's proposals outweigh the potential benefits to DZ," Rezvani stated in the email.

Rezvani said in another email that there are other offers from potential buyers that Zilka is considering.

Central City Concern, which provides a range of programs for people experiencing homelessness, has also been a part of the negotiations. Creager said the Portland Housing Bureau had hoped to buy the building and bring Central City Concern in as new managers with a greater emphasis on support services and graduating tenants into permanent housing.

The city could have taken possession of the building as soon as April, Creager said, with PPM still in place while CCC prepared

to take over management later this summer.

With the collapse of negotiations, Central City Concern has been going door to door and set up a station in the lobby to assess the housing and care needs of the approximately 55 people who still call the hotel their home.

"Basically this week was working with the city to try to save the Joyce as a housing option, and that was where all our energy was focused," said Sean Hubert, chief housing employment officer with CCC. "And now we have to scramble with plan B."

Hubert said CCC will be working with other social services to keep residents from becoming homeless when the doors finally close.

To help in that effort, Creager said the city can tap into nearly \$1 million in short-term rental assistance to tenants in need.

What the future holds for the tenants now is a case-by-case matter.

One tenant, who did not want his name used, spoke of hearing of possible

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