

HOUSING

The Portland Observer

Portland Development Commission Expected To Approve Funds For Rehab Of 105 Low-Income Units At Broadway Building And Purchase Option On St. Francis Hotel

The Portland Development Commission (PDC) is expected to approve, at its June 9 meeting, a \$2.6 million loan for the rehabilitation of 105 single-room occupancy (SRO), low-income housing units at the Broadway Building under the Downtown Housing Preservation Partnership. The building is located at 10 N.W. Broadway and is owned by a limited partnership with the Housing Authority of Portland (HAP) as general partner.

Total project cost for rehabilitation of the Broadway is \$4.3 million which includes a \$1.6 million acquisition and predevelopment loan approved by PDC in 1992. Construction will be financed through a variety of sources including PDC's loan of \$2.6 million, a \$100,000 State of Oregon Housing Development Grant, and a \$279,000 Affordable Housing Program Grant from the Federal Home Loan Bank of Seattle sponsored by Security Pacific Savings Bank. \$1.9 million in equity is anticipated through the syndication of federal Low-Income Housing Tax Credits and Historic Tax Credits. Construction and permanent financing, which will eventually reduce PDC's commitment, is pending with Bank of America and will allow PDC's tax increment funds to be used on other Commission projects. The project also expects an energy grant for \$42,000 through the

city's Energy Office.

Because the building is occupied, rehabilitation hinged on finding temporary relocation housing for 70 existing tenants of the Broadway. This task was made difficult due to the lack of available and affordable rental housing in the Central City. In unique agreement forged between HAP and the owner, the Broadway tenants will be relocated to the St. Francis Hotel, 1110 S.W. 11th, by July 1, 1993 at their current rent levels. The relocation is expected to last the duration of construction, approximately 10 months, and tenants will be assisted by Northwest Pilot Project. The Broadway's only commercial tenant, Lotta Pasta, has renewed its lease for five years, and will close temporarily during the renovation under terms of a compensation agreement.

The relocation was possible when it became known that the 132-unit St. Francis was for sale and had a less than 30% occupancy level. Commissioner Kafoury's office requested that PDC negotiate the purchase of the St. Francis. PDC staff have negotiated a six-month purchase option and, as with all DHPP projects, the actual purchaser of the property will be a non-profit organization.

"The partnership between the City, PDC, HAP, Northwest Pilot

project and the Broadway tenants is just phenomenal," said City Commissioner Gretchen Kafoury. "The deal PDC put together is a very smart one which actually buys equity in the St. Francis and secures a valuable asset. The real winners will be the Broadway tenants who will soon enjoy safe, renovated, affordable housing."

Without the acquisition and rehabilitation agreement between PDC and HAP, the fully-occupied Broadway Building would have been closed and residents SRO housing is in critically short supply. The building will be renovated under the Downtown Housing Preservation Partnership (DHPP), a consortium of organizations formed in 1989 and dedicated to the preservation of affordable SRO housing in the Central City. Members are PDC, Central City Concern, Portland Metropolitan Chamber of Commerce, and HAP. The Partnership has renovated 483 units of new low-income housing since its beginning.

In the past DHPP has purchased and renovated vacant and dilapidated buildings turning them into affordable housing. The Partnership's two most recent examples are the 95-unit Sally McCracken Building and the 63-unit Shoreline Building. Preservation of existing affordable units, like those at the Broadway, are also in keeping with DHPP goals.

City Sponsors Forum: "How Can We Help You Buy A Home?"

"How Can We Help You Buy A Home" is the focus of a Wednesday June 2 public forum on affordable housing. The meeting is spearheaded by the city's Community Preservation and Development Department, to help low and moderate income people become homeowners.

The forum is the first step in the city's plan to help encourage development of new low-cost housing in Vancouver's neighborhoods. The plan calls for a public/private partnership program that will use Community Development Block Grant (CDBG) funds with lender funds. The goal is to make home ownership a reality for people who may think it is out of reach, says Linda Horowitz, Vancouver City Councilmember.

The forum is geared to educate people about the entire home-buying process. Participants will leave the opportunity to discuss their questions and concerns with city staff realtors

and other homeowners, who will share information about loans, credit, down payments and the application. Participants will be asked to fill out questionnaires listing their biggest concerns, and these will be analyzed and ranked for discussion by the group. The meeting is limited to 50 people.

The information we gather will serve as the basis for development of plans and programs of investment in the neighborhoods and will be shared with local lenders, says Horowitz. "A better understanding of the credit needs of Vancouver citizens is critical to developing a partnership between lenders and the community."

The next step calls for the already-formed Community Reinvestment Act Working Committee to meet with lenders to assess the most common problems confronted by lenders in providing loans for low-cost housing. The committee will then develop a Community Investment plan. It

will contain action steps including public education on low income housing and home ownership, and providing assistance with down payments with CDBG funds.

The city's "How Can We Help You Buy a Home" forum has been planned to help lenders develop a housing program in compliance with the federal Community Reinvestment Act (CRA). The Act requires banks and savings and loan associations to help meet community credit needs including those of people who live in low and moderate income neighborhoods.

The forum will be from 6 to 9 p.m. at the Ft. Vancouver Community Library, downstairs in Library Hall, 1007 E. Mill Plain Blvd. Refreshments will be served.

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Kafoury To Announce Major Housing Development

City Commissioner Gretchen Kafoury will hold a press conference on Thursday, June 10th at 12 noon at the St. Francis Hotel, located at 1110 SW 11th. At the conference, Kafoury will announce the details of a City engineered deal to secure the St. Francis as low-income housing. The building will play a key role in alleviating a growing housing crisis downtown, and will be used first as temporary housing for the tenants of the Broadway Hotel who will have to be relocated for the summer.

After the press conference, Kafoury and Susan Emmons, Executive Director of the Northwest Pilot Project, will host a celebration for the tenants of the Broadway Hotel.

The City of Portland has secured and preserved the St. Francis Hotel as permanent affordable housing for low-income, poor and homeless people. Come join us in a celebration.

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Pacific Power Ranks Among The Least In Utility Cost

Another nation-wide comparison of investor-owned electric utility prices ranks Pacific Power among the least cost providers in the United States.

The National Association of Regulatory Utility Commissioners (NARUC) conducted a survey of 184 investor-owned utility service areas in the country. The results showed, for the period between summer 1991 and summer 1992, that Pacific Power in Oregon ranked 11 on NARUC's list of the 25 least expensive utilities.

A study released in October by the Edison Electric Institute revealed similar results.

Pacific Power manager Carl Talton said despite a 3.2 percent increase in the Consumer Price Index over the 1991-92 period, the company

continued to make good on a pledge made five years earlier to keep prices stable.

"Pacific Power is strongly committed to cost control. We've worked very hard to find every possible dollar of savings, while maintaining good customer service," Talton said.

Pacific has taken steps, including acquisition of low-cost energy resources, ensuring the company will remain a low-cost provider of electricity and that future prices will remain competitive over the long term. Those resources include conservation, as well as inexpensive southwest thermal power resources and transmission.

Talton added that there are pressures outside Pacific's control that may force northwest utilities to raise

prices later this year. He is particularly concerned about the impact of the Bonneville Power Administration's proposed rate increase, saying it could affect local customers.

The NARUC report also pointed out that utilities which provide energy efficiency programs for their customers help those customers lower their overall energy bill.

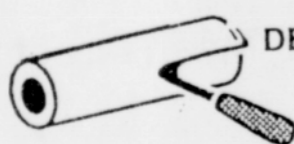
"The real cost of energy can be found in the final bill, not just in the kilowatt-hour price" said Talton. "Pacific provides both low prices and aggressive energy efficiency programs. So, customers who participate in our programs can make an already low-priced product an exceptionally good deal."

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Memorial Coliseum Management Transition Begins

Oregon Arena Corporation announced first steps toward assuming management of Memorial Coliseum on July 1, including plans to hire 41 full time employees.

Last November, Oregon Arena Corporation (OAC) and the City of Portland signed a Development Agreement to permit construction of a new multi-million dollar sports and entertainment complex. As part of that Agreement, OAC was asked by the City to take over management of Memorial Coliseum from the Metropolitan Exposition and Recreation Commission (MERC).

OAC's agreement with the City included a commitment to give serious consideration to all MERC/Coliseum employees who were interested in employment with OAC. They also committed to enter into a First Source Agreement with the Portland Development Commission (PDC) which involves utilizing JobNet as a primary employee recruitment resource. PDC's JobNet program is a consortium project involving many of the tri-county area employment and training resources, both public and private. It was created to assist new and expanding companies with job recruitment and hiring.

Additionally, OAC agreed to follow the City's First Source program hiring targets for 50% of all new hires to be residents of the City of Portland 30% of all new hires to be residents of the inner North/Northeast Enterprise Zone.

Over the last two months, OAC has conducted interviews with all Coliseum employees interested in employment with OAC. The corporation also utilized JobNet through the six area State Employment Division offices and the NE workforce Center, according to Rudy Williams, OAC Director of Human Resources.

Two weeks ago, MERC issued lay off notices to all current Coliseum employees. Today, OAC representative scheduled one-on-one meetings with all current Coliseum employees who had gone through the OAC job application process to advise each individual of OAC's hiring plans.

More than 53% of the available positions (22 out of 41) have been offered to current Coliseum employees, according to Williams. He also noted that of the candidates referred by JobNet, 47% of the selected new hire candidates (7 of 15) are inner

North/Northeast residents and that 49% of the individuals offered positions (20 of 41) are City of Portland residents. "This means that we expect to exceed the City's goal of 30% new hires from the North/Northeast Enterprise Zone and that we are on target when it comes to the percentage of new hires who are Portland residents," stressed Williams.

"Our objective was and will continue to be to hire the best available employees for each position," said Williams. "I wish we could have hired everyone who applied for work, but with thousands of applicants, I'm sure people can understand that we had some very tough decisions to make."

"In the long run, the 41 jobs offers we are extending today reflect only a small portion of the total number of new employment opportunities that will result from the Oregon Arena Project," said Williams. "We look forward to working in partnership with JobNet and feel that together we have made positive steps towards honoring our commitments to the City, to former MERC/Coliseum employees and to our community, especially inner North/Northeast Portland."

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