

H O U S I N G The Portland Observer

County property giveaway supply thins

BY LEE PERLMAN

The supply of cheap housing and residential land in north and northeast Portland is becoming scarce, and the competition for what's left is becoming keen.

One indicator of this is Multnomah County's Affordable Housing Development Program. This offers properties seized for non-payment of taxes to non-profit corporations with proposals to provide housing for low-income people on the sites. One agency alone, the Northeast Community Development Corporation, has received more than 100 such properties for rehabilitation or redevelopment under the federal Nehemiah home ownership program.

NECDC will receive nine more such properties this year, and two will go to the Portland Bureau of Parks for creation of a community garden in the King neighborhood. Some very small parcels have been withheld from public bid, according

to program director H.C. Tupper, because they are so small that they would be of little use to anyone except an adjacent property owner.

For open bidding by non-profit agencies, however, there are just eight parcels this year, the lowest number since the program was begun in 1988, and down from 24 last year.

Tupper says that a citizen committee will review the bids, and make a recommendation on disposition of the properties to the county commission, by sometime in November.

Gretchen Durtsch of Housing Our Families, a bidder on such properties in this and previous years says it's all part of the story of rising property values in inner northeast.

"People used to just walk away from these properties as having no value, and they're not doing that anymore," she says. "When land is put up for sale, there are other people bidding on it." Aside from the vastly higher prices charged, she says, "Land

offered for sale on the open market here disappears in days, and non-profits can't arrange financing that fast. We're being pushed out of the market."

Howard Nolte of HOST Community Development says his agency hasn't made as much use as others of the county program "because we're aiming at a higher income market." Still, he says, his agency faces the same basic problem. Given higher land costs, he says, the cost of developing homes in some northeast neighborhoods is \$135,000 per unit, "and that's beyond the resources of the people we're trying to serve," he says.

For Cynthia Winter of Habitat for Humanity, it's different but the same. "We don't make any profit, but we do need to recover our costs, and the price of land is one of the costs," she says. To continue to serve the very low income, she says, the agency must either do much more fundraising, find some other way to

acquire property or shift their focus to some other part of town.

Small wonder, then, that the competition for the eight parcels available is keen. For a double lot at 5404 N.E. 27th Ave. there are five bidders: Metro and Sabin CDCs, Housing Our Families, Habitat and NECDC. Moreover, in a presentation to the Concordia Neighborhood Association, Habitat suggested that they might be more deserving than their competition. "Very few people provide housing exclusively to first-time home owners, and no one I know of does it as cheaply as we do," Winter said.

Winter and Diane Meisenhelter of Sabin CDC are uncomfortable with the suggestion that the groups are competing with each other. Winter says the non-profits usually sit down together and decide which group could best use which lot. Meisenhelter says several groups are working together on the economic revitaliza-

tion of Northeast Alberta Street. "If we're competing against anyone, it's the speculators," she says.

Others don't find the idea so hard to swallow. Jaki Walker of NECDC says, "Competition is part of the process, just as it is in the private sector."

Durtsch says, "On one hand, it means that the county is assured of getting a good proposal, and doesn't have to settle for whatever comes along. On the other hand, it means that five of us have to go to the trouble of putting together a development proposal, and for four of us it will be wasted time and energy."

For the future, the non-profits are seeking new directions. Ground floor retail is planned for Housing Our Families' new Betty Campbell building on North Shaver Street at Mississippi Avenue; for NECDC's McCoy Village on Northeast Martin Luther King Jr. Boulevard at Prescott Street; for Sabin CDC's project at Northeast 15th

Avenue and Alberta Street; and for the old Texas Lounge on Northeast Alberta Street recently acquired by Franciscan Enterprise. This last group is also developing some owner-occupied housing for the first time, while McCoy Village is NECDC's first experiment in rental housing. NECDC is also pursuing development outside the Nehemiah target area of the Boise, King, Humboldt and Vernon neighborhoods.

Walker says her agency is also prepared to act as a developer for other CDCs that may not have had as much experience as NECDC and may not have as much in-house skill to deal with the hurdles involved in building houses. "They should ask themselves what are their priorities, to see the housing get built, or to do it all themselves?" Walker says.

Told of this, Winter says, "That wouldn't work for us because we don't use developers. We use volunteers."

PSU to assist Albina neighborhood

Businesses, individuals, and family service organizations in Portland's Albina community will be among those to benefit from a Community Outreach Partnership Center grant of nearly \$400,000 awarded recently to Portland State University by the U.S. Department of Housing and Urban Development for a three-year program.

PSU is one of 15 additional educational institutions to receive funding by the Department to assist in

community revitalization efforts across the country.

Under HUD's COPC program, \$7.2 million is being made available to help the schools provide applied research and technical assistance to neighborhood organizations.

This is the third year the program has been funded, bringing to 55 the total number of participating institutions.

"Colleges and universities, because of their great economic and human resources, must be integral actors in their cities' revitalization activities," said Secretary Henry G. Cisneros, in announcing the grants. "These grants will increase the number of schools involved with their neighborhoods and greatly increase their involvement in these activi-

ties."

The Center will be headquartered in Cascade Plaza in northeast Portland.

Its activities will include business development outreach, community development training, human services outreach, and research and evaluation of Center projects.

"This grant will allow PSU to better serve our community," says Roger Ahlbrandt, dean of the School of Business Administration and the grant's principal overseer.

"With the assistance of an advisory board from the Albina neighborhood, guidance from the community will help us tailor our program to better meet the needs of individuals, businesses and service organizations in the area," he added.

HUD funding will allow PSU to assist the community in building skills relative to community and economic development, commercial revitalization and job creation, and the delivery of family services.

"The Community Outreach Partnership Centers Program represents an important opportunity for Portland State to work in creative ways in creative ways with our community. We define the very core of our urban mission in terms of our extensive university-community interactions," says PSU President Judith Ramaley. "Our proposal for the center is based on our existing and successful partnerships with the Albina neighborhood and on the involvement of our faculty and students in partnerships throughout the metropolitan area."

Control over pests

In just 90 minutes, home gardeners can learn to prevent and manage insects, weeds and diseases using least-toxic controls and homemade remedies.

Metro's Natural Gardening workshops will be continued throughout the metropolitan region during October. No registration is needed for the workshops.

Learn how a light touch and common sense gardening techniques can reduce or eliminate the overuse of toxic pesticides, which pollute the environment and cause potential health hazards.

Pesticides enter regional waterways through neighborhood storm drains and waste water runoff.

And pesticides are among the most expensive and toxic of materials to dispose of safely and should never be tossed in the trash.

It will be held in Gresham City Hall 7 to 8:30 pm Thursday, Oct. 17, 1333 NW Eastman Parkway. Beaverton Community Center 7:15 to 8:45, Tuesday, Oct. 29, 12350 SW Fifth St.

Plants offer fall color

If you want to add some fall color to your home landscape, take a look around at trees and shrubs that are showing brilliant color now. Then, identify plants you like and add them to your landscape for a fall show of color next year.

One fall favorite is Oxydendrum arboreum, said Ray McNeilan, home horticulturist with the Oregon State University Extension Service. This tree gives a bright display of dark, red leaves in the fall. Along with the leaves, the trees puts out branching clusters of greenish seed capsules that extend outward and downward.

Also known as the sour wood or sorrel tree, Oxydendrum arboreum grows slowly to about 25 feet in height and will eventually grow up to about 50 feet.

Mild fall weather good for planting evergreens

Spring is preferred for planting, but the fall is also a good time to plant many types of landscape shrubs, particularly evergreens.

"fall planting works for some landscape plants and shrubs because fall weather is wet and mild enough to allow the plants to get a good start before cold winter weather sets in," said Ray McNeilan, home horticulturist with the Oregon State University Extension Service.

Mild fall weather helps prevent transplant shock.

When shrubs are transplanted from the nursery to the home landscape, they may suffer from root loss (for field grown plants), or the change in care practices (for container grown plants).

"The shock is mostly caused by the demand of the plant tops for water and the limited ability of the root system to supply it," McNeilan said. "The plant's demand for water is less in cool and rainy fall weather, and the plant has a better chance of quick recovery."

Fall planting also gives the new plant time to establish the necessary root growth required to anchor it in the soil, and time to build up nutrient reserves needed for healthy growth next spring.

Locally grown nursery stock is available in most nursery and garden stores.

For best results buy nursery plants grown in Oregon and adapted to local climates and soils.

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Viburnum opulus is another plant with bright foliage that is ideal for fall color, McNeilan said. Being a large shrub, Viburnum opulus needs a yard that offers plenty of growing room. It will reach 20 feet in height if allowed to grow naturally.

Euonymus alatus, commonly

Federal-assisted apartments study

The cost of operating federally subsidized apartment buildings held relatively steady in 1995, according to a new research study from the Institute of Real Estate Management (IREM). However, assisted multifamily properties were still more costly to operate, maintain, and provide with utility service than their conventionally financed counterparts.

The annual study analyzes the previous year's operating data for over 1,850 high-rise, low-rise and garden properties nationwide that receive federal assistance.

For properties receiving some type of HUD subsidy, median total operating expenses for high-rise and low-rise buildings remained fairly stable in 1995, at \$5.88 and \$4.67 per square foot, respectively.

Utilities costs—a major property expense category—decreased across the board for all three buildings types, the study reports.

The biggest drop (5 percent) was at low-rise properties. Median utility costs ranged from a low of \$0.59 per square foot for garden properties to a high of \$1.22 per square

foot for elevator buildings.

High-rise buildings were also the most expensive type of assisted housing to maintain—especially those receiving Section 202 subsidies, where median maintenance costs reached \$1.15 per square foot.

For all HUD programs combined, median maintenance costs ranged from \$0.89 per square foot for high-rises to \$0.70 for garden apartments.

The IREM study also found that 1995 operating ratios—the percentage of total actual income used to cover total expenses—were relatively healthy for most types of subsidized properties, with no more than 57 percent of income being eaten up by costs.


But federally assisted apartments were still more costly to operate than conventionally financed multifamily properties, where less than half of a typical building's annual collections was used to cover operating expenses.

Conventional apartments also enjoyed lower median utilities and maintenance costs compared to subsidized properties.

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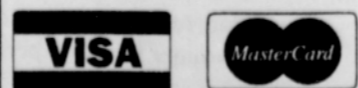
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PDC
PORTLAND DEVELOPMENT COMMISSION

COMMISSION MEETING
Date: October 16, 1996
Place: PDC
1120 SW 5th Ave., Suite 1100
Commission Conf. Room
Portland, Oregon
Time: 9:00 a.m.

Commission meetings are open to the public. A complete agenda is available at PDC or by calling 823-3200. Citizens with disabilities may call 823-3232 or TDD 823-6868 for assistance at least 48 hours in advance.

PDC is the City of Portland's urban renewal, housing and economic development agency.