



# REACH

## Community Development, Inc.

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June 3, 2009

Jillian Detweiler  
Land Development Planner  
TriMet  
710 NE Holladay Street  
Portland, OR 97232

Dear Jillian,

I am writing to give you a summary of our work to date on the Patton Park Apartments project. Last month we achieved 100% lease-up of our residential apartments, ahead of schedule. This isn't surprising given our long waiting list. All of the residents are settled in and it is possible now to compare the completed project and the demographic characteristics of our residents against TriMet's original project goals.

### TriMet RFP Standards

#### Quantitative Requirements

TriMet's 2006 RFP called for a development program that met or exceeded a number of quantitative standards. As built, Patton Park exceeds most of the standards.

Standard	TriMet RFP	Actual
Minimum FAR	2.4:1	2.3:1
Minimum # Units	26	54
Units affordable at 50% MFI	13	54
Units for Families with Children	13	16 (12 3BR; 4 2BR)
Maximum Parking Ratio	1:1	0.61:1
Construction completion by	8/31/08	1/23/09

#### Discussion

**FAR/ minimum # of Units-** To achieve TriMet's density and TOD goals, REACH designed a building that maximizes the allowable height (65 feet), and the feasible FAR under the EXd zoning. The five-story building has a height of 60 feet and an FAR of 2.3:1. This density has allowed us to develop more than double the minimum required residential units, provide units for a range of family sizes, and still dedicate ground floor space to commercial use.

**Units Affordable at 50% MFI-** By accessing a number of capital subsidy sources, REACH was able to make all 54 apartments affordable to families at 50% MFI. We also secured 12 project-based Section 8 vouchers to subsidize the rents on our three bedroom units. This allows us to house very low-income, large families who otherwise would have difficulty finding housing in the Corridor.

**Units for Families with Children-** Patton Park has 12 three-bedroom and 4 two-bedroom apartments. Seventeen units (all of the three-bedroom apartments, three of the two-bedroom apartments, and two of the one-bedroom apartments) are now occupied by families with children. Several of these households are quite large; one of our three-bedroom apartments is occupied by a family of seven people and another by a family of six. REACH took special care to design family-friendly apartments: for example, the three bedrooms include in-unit washer/dryers, two bathrooms, and large bedrooms and baths to accommodate families. The

units have been built at the maximum size allowable under Oregon Housing and Community Services (OHCS) standards. In addition, the ground floor community spaces include a large play-room furnished with toys, a food closet with free food and household goods, and other features attractive to families. As a result, *Patton Park is now home to 45 children under 18 years of age.*

**Maximum Parking Ratio-** Patton Park has a secured lot with 33 parking stalls. Total parking ratio is 0.61 spaces/unit. However, of the total parking stalls, only 24 are assigned to residents, and the balance are reserved for commercial tenants and REACH management staff. In spite of the low parking ratios, there seems to be no problem with on-street parking shortages near the building.

**Completion Date-** TriMet articulated a goal to complete construction by August 31, 2008. REACH initially attempted to secure 9% tax credits through OHCS in August 2006, as required under the RFP, but we were not funded. This resulted in a delay of several months in the pre-development stage. We completed the project in January 2009, five months after the goal in the RFP but well within the schedule set forth in our subsequent DDA with TriMet.

### **Qualitative Requirements**

The RFP also set forth a series of qualitative requirements. Patton Park meets or exceeds those requirements.

- *RFP: Building should be oriented to Interstate and Patton Square Park, residential space pleasant and secure.*  
Patton Park: all commercial and residential entrances oriented to Interstate; building set forward adjacent to Interstate with parking tucked behind the building. North commercial space includes roll-up door on the park; north commercial space and north end residential units both provide "eyes on the park". Most apartments are above ground level; all residential entrances have security devices; residential parking has security fencing.
- *RFP: Ground floor commercial space encouraged.*  
Patton Park: Ground floor has four commercial bays with a total of 4,596 sf of space. The commercial spaces are oriented to Interstate Avenue, with the larger bays at the corners of Sumner and Emerson.
- *RFP: Building materials impart permanence and quality. Masonry or similar materials required at ground level.*  
Patton Park: quality building materials include a mix of glass, metal, CMU and unique brick, with retail storefronts and masonry at the ground floor.
- *RFP: Meet PDC "Greening Affordable Housing" threshold criteria.*  
Patton Park: the project was designed and built with sustainability in mind. The Greening Affordable Housing criteria were achieved and the team was able to incorporate additional measures that exceeded the PDC requirements. Examples of green features are: 100% stormwater management through pervious parking lot; low/no VOC paints; compact fluorescent light fixtures; Marmoleum flooring; low-emissivity windows; aluminum sunshades on SW corner of building; large windows for natural light; low-flow water fixtures; and Energy Star appliances.
- *RFP: Developer will seek community input in program development and design.*  
As a community-based developer, REACH has a strong commitment to developing projects that meet the neighborhood's goals. For Patton Park, REACH hosted two special community meetings to gather input on design and building programming; met with the board and/or general membership of the Overlook Neighborhood Assn on four

separate occasions to provide project updates; included a representative of OKNA in the team that chose the project's neon sign; provided numerous written updates to OKNA for inclusion in the neighborhood newsletter; and heeded community preferences in our selection of small, family-oriented, community-based commercial tenants for the ground floor (as opposed to national chain outlets)

- *RFP: Developer will submit an application for required state funding in the August 2006 CFC competition.*

Patton Park: REACH did submit an application in August 2006; when our application was declined we adapted our funding strategy and assembled non-competitive resources.

- *RFP: Marketing of residential units should target Interstate Corridor residents at risk of displacement*

Patton Park: REACH took this requirement very seriously; we took several affirmative steps to make our apartments available to Corridor residents.

- we secured 12 project-based Section 8 vouchers to enable us to serve very low income large families, a group that is at high risk of displacement. The Section 8 allowed us to house families in our three-bedroom units who otherwise could not afford housing in the Corridor.
- before opening our waiting list for the apartments, we performed targeted outreach through a number of social service agencies that serve low-income families in the area, including Self-Enhancement, Inc, the Urban League, neighborhood churches, etc.
- we hand-delivered marketing flyers to community-based businesses, schools, and community gathering spots along the Corridor
- we worked aggressively to place ads and feature stories in media serving the local and minority community, and we marketed specifically through the Overlook Neighborhood Assn and IFCC

### **Residential Lease-Up**

REACH began pre-marketing of the apartments several months before Patton Park opened. Due to Patton Park's desirable location near transit, and the tremendous need for affordable housing in the Corridor, we had to close our waiting list for Patton Park after it reached 400 applicants for 54 apartments. Lease-up was completed ahead of schedule.

### **Residential Tenant Demographics**

#### **Neighborhood of Residence**

The RFP cited the Interstate Corridor Urban Renewal Plan and Housing Strategy as key expressions of the community's housing goals for the Corridor. These documents, and the RFP, placed particular importance on the developer "targeting Interstate Corridor residents at risk of displacement due to rising rents", especially larger families with young children. REACH crafted our marketing strategy specifically to address this important goal.

The table below shows a breakdown showing where Patton Park's current tenants lived before moving to the building. *Over half of the building's residents lived in the neighborhood immediately before moving to Patton Park.* This does not tell the whole story, however; from anecdotal evidence, we know that a significant number of the residents who came from elsewhere in the city, grew up in the area or lived there at an earlier stage, and they view Patton Park as giving them a chance to come back to the neighborhood.

From	Studio	1 Bed	2 Bed	3 Bed	Total
N/NE	0	20	3	6	29
NW	1	4	0	2	7
SE	0	6	1	2	9
SW	0	5	0	1	6
Outside PDX	1	1	0	1	3
<b>TOTAL</b>	<b>2</b>	<b>36</b>	<b>4</b>	<b>12</b>	<b>54</b>

### Race/Ethnicity

Of the 54 families who now live in Patton Park, 53 reported their race/ethnic background to REACH. Of these, thirty household heads, or 53%, reported themselves as members of a racial or ethnic minority and 25 families, or 47%, have a Caucasian head-of-household.

The self-reported racial/ethnic breakdown of all current Patton Park residents is:

Race/Ethnicity	# of Residents
Black/African Amer	42
Caucasian	35
Mixed-Race	8
Asian	7
Hispanic	6
Other	1
Non-Reporting	7
<b>TOTAL</b>	<b>106</b>

### Age

As reported above, 45 of the 106 residents of Patton Park, or 42%, are children under 18. Forty of these children live in three bedroom apartments, 3 live in two bedroom apartments, and 2 live in one-bedroom apartments. Of the 61 adults who live in the building, 17 are over age 55 and eight are over age 62.

### Commercial Lease-Up

TriMet and the Overlook Neighborhood expressed a desire for ground floor space to be leased to users that would activate the pedestrian environment. In addition, TriMet's goals called for the building to be positioned as family-friendly, and several neighborhood residents asked us to focus marketing on small, local, community-based commercial tenants (as opposed to national chain outlets).

REACH's commercial marketing strategy has focused on family-friendly non-retail businesses, since Portland's retail market is currently depressed. We have leased the most visible commercial bays, those at the corners, to two local businesses that we believe will help activate the pedestrian environment, keep eyes on the park, and meet local needs. Together, these two tenants have leased ¼ of the commercial space:

- *Aprende Con Amigos* is a new, Spanish-immersion pre-school that will open in the south end space in July 2009. *Aprende* is licensed to serve up to 30 kids. Due to a lack of pre-school facilities in N/NE Portland, especially those with language immersion programs, and the designation of nearby Beach Elementary School as the Spanish magnet school, we expect *Aprende* to come to full capacity quickly. *Aprende* will use adjacent Patton Park as its outdoor play space, which will complement Trillium Charter School's use of the park and its newly renovated play structures as outdoor space.
- *Portland Community Land Trust (PCLT)* is moving its offices to Patton Park and will open in the north end space in July 2009. PCLT is a non-profit organization that

promotes home-ownership by developing and selling affordable homes to first time buyers

**Final Project Activities and Close-out**

The west commercial bay is currently unleased, but REACH is in final negotiations with an office tenant that will complement the other commercial businesses in the building. We expect to sign the lease within 60 days. In the meantime, build-out of the other two commercial spaces is underway so they can open for business next month.

Meanwhile, we are on schedule to convert from construction to permanent financing in August. Once the final commercial space is occupied and our permanent financing is in place, REACH will consider the project development phase to be complete.

It was a great privilege for REACH to partner with TriMet to develop such a worthwhile project. We very much appreciated your support throughout the development process. Thank you for the opportunity to work with you and produce a high, quality asset for the community.

Sincerely,



Michelle Haynes  
Housing Development Director

- cc. Commissioner Nick Fish
- David Sheern, PDC
- Sara King, PDC
- Megan Gibb, Metro
- Steve Rudman, HAP
- Vince Chiotti, OHCS