

SURPLUS PROPERTY



The Martha Washington Building
1115 SW 11th Ave
Portland, OR 97205



Multnomah County is seeking input as to the future of this property. Interested parties are invited to express an interest in the property and any proposals

for disposition. The Board will hold a public hearing to consider disposition of the property after receiving public input. All those who submit statements of interest will be notified by mail of the date and time of the hearing. In declaring this property surplus, the Board found it is in the best interests of the County to solicit specific public comment about the appropriateness and feasibility of requiring that the redevelopment or reuse of this property include an affordable housing component.

Public Comment is due Monday, January 30, 2006, 4:00 p.m.

Submit your comments and/or questions to:

**Multnomah County Public Affairs Office, 501 SE Hawthorne, Suite 600
Portland, Oregon 97214 (503) 988-6800 | pao.org@co.multnomah.or.us**

For more information on available properties, visit the County's Surplus

Property website at: <http://www.co.multnomah.or.us> click on Surplus Property

Notice of Surplus Property

Martha Washington Building

The Multnomah County Board of Commissioners, by Resolution Number 05-201, dated December 8, 2005, have declared this property surplus. The disposition of this property is open for Public Comment until 4:00 pm, January 30, 2006.

Address:	1115 SW 11 th Ave.
Property ID#:	R246628
Legal:	Portland Lot 1-3 Block 262; N 10' of Lot 4 Block 262

Planning Information

Zone:	Central Residential (RX) Map 3128
Overlay:	Design Overlay Zone (d)
Comprehensive Plan:	Central Residential (RX)
Plan District:	Central City
Conservation District:	n/a

Property Information

Lot Area:	Acres = .37	Sq. Ft. = 16,000
Improvements:	<ul style="list-style-type: none">• 3+ Story office/residential space<ul style="list-style-type: none">◦ Built in 1923◦ Building Area = 65,000 Sq. Ft.	
Services	All urban services are available	

Community Contacts

Neighborhood Association:	Downtown Neighborhood Association
Business Association:	Portland Business Alliance, 503.224.8684
Portland District Planner:	Karl Lisle, 503-823-4286, klisle@ci.portland.or.us



Public Comment

Individuals and groups may provide statements of their interest in this property and any actions that are desired as to its future use. In declaring this property surplus, the Board found it is in the best interests of the County to solicit specific public comment about the appropriateness and feasibility of requiring that the redevelopment or reuse of this property include an affordable housing component. Written comments are welcome and may be submitted to our website at:

<http://www.co.multnomah.or.us/dbcs/facilities/bld/index.cfm> or contact Multnomah County Public Affairs Office, 501 SE Hawthorne Blvd., Suite 600, Portland, Oregon 97214. Telephone: 503-988-6800, Fax: 503-988-6801, TDD: 503-823-6868 or email comments to pao.org@co.multnomah.or.us. For property information, please contact Michael Sublett, Multnomah County Facilities and Property Management, 401 N Dixon St., Portland, Oregon, 97227, or e-mail questions to michael.a.sublett@co.multnomah.or.us.



**MULTNOMAH
COUNTY**

Sign In Sheet		Address	Phone	Email	Add to Notification List
Name	Organization				
OPEN HOUSE 1/12/06					
JOAN THORPE	LOVES FISHES				
JOFF SHOLAN	PNRP		503.819.5100		
BREN TRACY			503-225-3171	BRUNSTON@NETSCAPE.COM	YES
Mark Folberg	The Northwest Academy		223-3367		
John Sued	" "		" "		
Diane Luther	Co. Housing		8-4463		
LA ALVIGSON	HOST		331-1752		
ROSS COLEMAN	GUNNYON NYT		802-3600		
STUART SWANSON	EMMONS ARCHITECTS		280 2211		
EMILIE HEADNICK	" "		" "		
MELISSA DARBY	Portland Landmarks Commission		281 0204		
BRIAN BORENSEN	NAMI + STEN		503 225 8438	brianb@northwest.org	
JIM HLAVA	Cascadia		503 948-3406	jim@cascadiabike.org	YES
BOYCE BOWEN	CASCADIA		203-780-4978	boyceb@cascadiabike.org	YES
James Winchel	Northwest Academy		503.223.3367	winchel@nwacademy.org	
Jim Saelehed	REMAX Family Group		503.532.4013	Isaehed@comcast.net	
JOHN J	Northwest Academy				
Julie Cam	NW Academy		503.222.3367	Julie@nwacademy.org	YES
Victoria Haggis	Central City Concern		503.294-1641	vjhaggis@centralcityconcern.org	
Samuel Gitter	" "		" "		
Avery Loschen	CENTRAL CITY CONCERN		" "	avery@centralcityconcern.org	
Tracy Manning	" "		503.525-8483	tracy@centralcityconcern.org	
Kathryn Kryger	PNP		503.823.2033	kryger@pnppac.org	
Lisa Abulad	" "		503.823.7380	abulad@pnppac.org	
Ty Barker	UNICO		503.425.6707	tyb@uniconpp.org	
Bryce Rubin	UNICO		503.425.6707	greene@uniconpp.org	
			503.243.6094	gs.davis@msn.com	
	APARTMENT SOLUTIONS, INC		503.304.4499	rudymunzel@comcast.net	

Name	Organization	Sign In Sheet			Phone	Email	Add to Notification List
		Address					
OPEN HOUSE 1/12/06							
James P. Auer	DNH						
Ganesh Sorpathy	Value Inns					ganesh@sonpathy.com	
G. Barziuk	R.T.G.						
Steven Wapen	Self						
Jim Lewis	Cushman + Wakefield					jim-lewis@cushw-bw.com	
Peter Meier	PMA						
Dorise Geller	Volunteers of America	3910 SE Stark St			503.595.3477	dgouss@voa.org	
Manjout Hingm	NWA				3-7960186		
Liza Muecke	Flamingo Bureau	1900 SW 4th Ave			3-76666	lmuecke@ci.portland.or.us	
Michael Hays	HAP						
Don Mullins	CAK						
Victor Smeltz	HXP						
Jim Murray	MBM				224-4898		
Rick Jacobson	Jacobson & Co				699-7838	rljacobson@qwest.net	
Anne Watrock	NWA				503-223-3367		
Michael Decker	NWA				503-223-3367		
Heather Johnson	Cady BHCD				823-2396		
Andy Miller	" "				823-2313	amiller@ci.portland.or.us	
Trell Anderson	" "				823-2388	trellanderson@ci.portland.or.us	
Sue Pertel	WINDERMERE	825 NE ML Newman			503-516-9254	SPEKEL@WINDERMERE.COM	
David Housh	NW Academy				503-872-4200	dph@reddoorfilm.com	
OBSERVED:							
Scott Henderson	ADS						
Phil Deas	ADS						
Monica Murry	MBM						
8 PEOPLE	DECLINED OR DID NOT SIGN						

1/24/06 SHOLIAN

Sign in sheet

Name

JEFF SHOLIAN

JULIA CHARK

MARK WRIGHT

Rick Ochman

Chuck Ochman

DEAN GROVER

LARRY ROBERTSON

Robert Ridgway

Angel P. Lato

Kelly Farrell

Abigail Stewart

Ann FORTHOEFEL

Thomas Weatherall

Sheri Emery

Theresa Willett

Tom Kelly

Pax Malone

Jane WALSWORTH

Joan Smith

Pacific R.E.

BOODMAN R.E.

PENINSULA PLUMBING CO.

Ochsper Electric

HINTER-DAVISON, INC.

WALSH CONST.

Central City Concern

Loaves + Fishes.

Loaves + Fishes.

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"

VOA

VOA

VOA

VOA

VOA

VOA

VOA

Loaves + Fishes.

503-736-6325

From **The Oregonian**
January 5, 12, 19

Surplus Property Disposition

Multnomah County is seeking input as to the future of the "Martha Washington Building" property, located at 1115 SW 11th Ave. in Portland.

Interested parties are invited to express an interest in the property and any proposals for disposition. The Board will hold a public hearing to consider the property's disposition after receiving public input. Those submitting statements of interest will be notified by mail of the date and time of the hearing.

In declaring this property surplus, the Board found it is in the best interests of the County to solicit specific public comment about the appropriateness and feasibility of requiring that the redevelopment or reuse of this property include an affordable housing component.

The public comment deadline is January 30, 2006, 4:00 p.m. For more information, visit the County's Surplus Property website at:
<http://www.co.multnomah.or.us> and click on "Surplus Property".

Submit comments and/or questions to:
Multnomah County Public Affairs Office
501 S. E. Hawthorne, #600
Portland, Oregon 97214 (503) 988-6800
pao.org@co.multnomah.or.us



**MULTNOMAH
COUNTY**

From **The Oregonian**

February 23 and March 2 and 9, 2006

Surplus Property Notices

Penumbra Kelly Building

Multnomah County is seeking input as to the future of the "Penumbra Kelly Building," located at 4747 East Burnside Street in Portland. Interested parties are invited to express an interest in the property and any proposals for disposition.

The Board of County Commissioners will hold a public hearing to consider disposition of the property after receiving public input. All those who submit statements of interest will be notified by mail of the date and time of the hearing. In declaring this property surplus, the Board found that the City of Portland, which leases 54.3% of the property for a police precinct, has a right of first refusal should it eventually be offered for sale.

The public comment deadline is Monday, March 20, 2006, 4:00 p.m. For more information, visit the County's Surplus Property website at: <http://www.co.multnomah.or.us> and click on "Surplus Property".

Submit comments and/or questions to:
Multnomah County Public Affairs Office
501 S. E. Hawthorne, #600
Portland, Oregon 97214 (503) 988-6800
pao.org@co.multnomah.or.us

Martha Washington Building

The "Martha Washington Building" property, located at 1115 SW 11th Ave. in Portland, was declared surplus property by the Board of County Commissioners on December 8, 2005.

After a public comment period with specific emphasis on the potential redevelopment or reuse of this property with an affordable housing component, the Board is scheduled to take further action on this property at 9:45 a.m. on March 16, 2006. Updated agendas for this and other meetings may be viewed online at <http://www.co.multnomah.or.us/cc/agenda.shtml>.



CUNNINGHAM Shawn D

From: mbatko batko [mbatko@lycos.com]
Sent: Sunday, January 29, 2006 8:12 AM
To: Public Affairs Office; pao@co.multnomah.or.us
Subject: Surplus Property: Please Preserve Half-Way Facility!

Dear Friends,

As a resident of SW Portland, I urge you to continue the "half-way" facility at 11th and Main. This was a valuable transition facility, enabling prisoners to live and work in downtown Portland. I hope you will resist the temptation to sell the property for short-term profit. Reintegrating people, preventing recidivism and promoting human dignity should have a priority in the short-term and long-term. There are no corresponding facilities in downtown Portland. Selling the property would be an expression of contempt to the "least of these my brethren" and a reflection of short-term fixation and the path of least resistance blind to long-term infrastructure necessities. In a time of payback when people are becoming increasingly cynical about government, selling this facility would represent another chapter in the "privatization mania". For your edification and strengthening, here is a link to an article "Housing as a Human Right" that I translated from the German: <http://portland.indymedia.org/en/2003/06/266635.shtml>

Thank you for your attention and consideration on this important matter. Please notify me of your decision.
Sincerely, Marc Batko 1515 SW 12th Ave. Portland, OR 97201
503-229-0628

Search for businesses by name, location, or phone number...-Lycos Yellow Pages

http://r.lycos.com/r/yp_emailfooter/http://yellowpages.lycos.com/default.asp?SRC=lycos10

CUNNINGHAM Shawn D

From: DISCIASCIO Barbara A
Sent: Monday, January 30, 2006 1:47 PM
To: Public Affairs Office
Subject: Martha Washington Comment

1-30-06 10:50 am – voice mail message

Violet Eaton
503-244-4611

Many years ago she was a resident of the Martha Washington Building, and has nothing but pleasant memories of her experience there. She is sorry it will not be available for that type of use for young women today, and would like to recommend that the building be used as originally intended.

Barb Disciascio
Multnomah County Public Affairs Office
503-988-6800
503-780-5916 (cell)
barbara.disciascio@co.multnomah.or.us
newsroom: <http://www.co.multnomah.or.us/news>

CUNNINGHAM Shawn D

From: Benson, Ruth [rbenson@ci.portland.or.us]
Sent: Monday, January 30, 2006 3:48 PM
To: Public Affairs Office; CHAIR Mult; NAITO Lisa H; ROBERTS Lonnie J; District1; SERENA CRUZ
Cc: SUBLETT Michael A; Culp, Sara; WHITE William; POTTER Tom; Sten, Erik; Wilch, Andrew; LUTHER Diane M; Ames, Betsy; Bax, Margaret; Gardipee, Kathleen; Bruce Whiting (E-mail); CADE Carol J; Colin McCormack (E-mail); Connie Hansen (E-mail); LUTHER Diane M; TUPPER H C; Irma Valdez (E-mail); Janet Byrd (E-mail); Janet Young (E-mail); Javier Mena (E-mail); Jim McConnell (E-mail); Joe Wykowski (E-mail); John Miller (E-mail) (E-mail); Kaye, Beth; Linda Kaeser (E-mail); Rachael Duke (E-mail); Rob Bole (E-mail); Robin Boyce (E-mail); Susan Stoltenberg (E-mail); Tony Jones (E-mail)
Subject: Martha Washington Response

Attached are the comments of the Bureau of Housing and Community Development supporting the use of the Martha Washington Building for affordable housing, specifically as permanent supportive housing for individuals with special needs who are exiting homelessness.

A. Ruth Benson

Bur. of Housing and Community Development
Housing and Community Development Commission
421 SW 6th Ave., Room 1100
Portland, OR 97204
(503) 823-2392
(503) 823-2387 (fax)



PORTLAND, OREGON
~~County Board~~
~~Washington Building~~
**BUREAU OF HOUSING AND
COMMUNITY DEVELOPMENT**

Will White, Director
421 SW 6th Avenue, Suite 1100
Portland OR 97204
(503) 823-2375

Fax (503) 823-2387
www.portlandonline.com/BHCD

January 30, 2006

DRAFT FOR REVIEW

Multnomah County Chair Diane Linn
Multnomah County Commissioner Serena Cruz
Multnomah County Commissioner Lisa Naito
Multnomah County Commissioner Lonnie Roberts
Multnomah County Commissioner Maria Rojo de Steffey
co Multnomah County Public Affairs Office
501 SE Hawthorne, Suite 600
Portland, OR 97214

RE: the Martha Washington Building

Dear Multnomah County Commissioners:

On behalf of the City of Portland Bureau of Housing and Community Development, I appreciate the opportunity to comment on the proposed disposition of the Martha Washington ("MW").

We believe the community would be best served if the County would convey the MW into non-profit ownership for use as housing for adults with special needs who are exiting homelessness, and, further, would commit to provide a service package to the residents.¹ Several local non-profits that are experienced providers of permanent supportive housing have alerted the City to their interest in acquiring and managing the property for this purpose. Rehabilitating the MW appears to be a good match with key City policies favoring preservation of existing affordable units, No Net Loss of affordable units in the Central City, and developing permanent supportive housing as a tool for ending homelessness.

The MW has specific advantages for use as permanent supportive housing. It is a unique resource due to its location, its proximity to services and mass transit, its many small units, and the fact that it could be brought back into service in a relatively short time frame. The neighborhood is accustomed to having low-income residents in this building. A rehabilitation of the MW would be unlikely to face the same siting hurdles as a new property would, because has already been granted conditional use as a facility.

1. County policy supports the use of the Martha Washington as permanent supportive housing.

The County Commission will, of course, base its decision about the disposition of the MW on a number of factors. We ask that the County give careful consideration to

¹ If the County were willing to retain ownership of the property, we believe that it could package a long-term lease with a service package and RFP management of the facility without difficulty.

two broad policy initiatives that it has recently and unanimously adopted following extended public involvement.

The first is the County's commitment to *Home Again: a 10-year plan to end homelessness in the City of Portland and Multnomah County*, adopted in December 2005. The success of the 10-year plan hinges on moving individuals and families experiencing homelessness into permanent housing, with services as needed to allow these new tenants to remain housed. Without an adequate supply of permanent housing, none of the goals of the 10-year plan can be achieved: not the ending of the "institution" of homelessness, not the restoration of dignity to people experiencing homelessness, not the savings on arrests, hospitalizations, incarcerations or other institutional care.

In 2002, the County adopted the Report and Recommendations of the Housing and Community Development Commission's *Special Needs Report*. That *Report* documented that there was a shortage of approximately 8,000 units for adults with special needs² and extremely low incomes, and that adults with special needs were, as a consequence, disproportionately over-represented among people who were homeless. The *Report* compared the cost of housing with the cost of incarceration, hospitalization, and shelter, and found that it would be both fiscally prudent and compassionate to provide permanent supportive housing for people with special needs.

The County has been a good partner in the implementation of both the 10-year Plan and the recommendations of the Special Needs Committee. The MW gives the County another opportunity to support these important policy initiatives.

2. Sale of the property for market value would not be in the public interest.

The County currently incurs holding and operating expenses related to the MW. Those expenses would be relieved by conveyance of the property to a non-profit for nominal consideration, for use as permanent supportive housing. Seeking to improve the County's balance sheet further, by asking the purchaser to pay some or all of the fair market value of the property, while appealing in the short run, would not be in the long-term public interest.

The reasons for this are simple. For a property to serve the disabled and chronically homeless population – a group with severely limited incomes³ – it cannot carry any debt. The tenants will not pay enough rent to cover both the building's operating expenses and debt service. Indeed, the project will need to leverage additional resources to finance needed repairs (including significant deferred maintenance),

² "A person with special needs" was defined as an individual with severe mental illness, a physical disability, substance abuse disability, or developmental disability, or more than one of these conditions.

³ The Special Needs Committee Report noted that a household of one with Social Security as its only source of income would have monthly income of \$552. Using the federal affordability guideline, this household could afford rent of \$165/month, leaving barely enough to pay for food, medicine, and other necessities.

cover those operating expenses that are unique to permanent supportive housing, and to create a reserve for on-going maintenance needs.

The County's sale of the property to a non-profit would allow the non-profit to leverage these additional resources and run the property for the benefit of the focus population. In contrast, if the County seeks to maximize its return from the sale of the property, it might be priced beyond the reach of a non-profit, and could be subject to conversion into condominiums or market rate housing. This section of downtown is currently experiencing strong gentrification pressures, as high-cost condominiums are being built or converted in this neighborhood. Retaining this building as affordable housing will help to maintain a balanced residential population in this area for decades to come.

If the County passes by this opportunity to convert the MW into permanent supportive housing for people experiencing chronic homelessness, the decision will come at a price. The County will continue to bear the clinical and financial risk for those individuals who could have been housed, as they cycle through shelters, jails, and hospitals.

3. If the County decides to sell the Martha Washington at fair market value, consider using the proceeds to advance the 10-Year Plan.

We are, of course, aware that the County is facing serious budget pressures. If, due to these circumstances, the County is determined to sell the property for maximum value, we encourage the County to consider ways to use the sale to support the 10-Year Plan.

For example, the County could dedicate a portion of the proceeds to another permanent supportive housing project, to defray development and service costs. The County could also condition the sale of the property for on the Buyer's commitment to provide a certain number units of housing affordable to extremely low-income households. None of these options, in our assessment, would benefit the public as much as conveyance of the MW to a non-profit for use as permanent supportive housing for our highest priority populations.

However, the City respects that the decision lies with the County Commission, and we have confidence that you will make the best choice you can. Once again, we appreciate the efforts you have made to seek public comment on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Wm. L. White". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

William L. White,
Director

cc: Portland City Commissioner Erik Sten
Portland Mayor Tom Potter
Housing and Community Development Commission
Andy Wilch, PDC



CITY OF

PORTLAND, OREGON

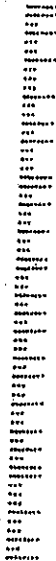
P 515

PLANNING

1900 S.W. Fourth Avenue, Suite 4100
Portland, Oregon 97201-5350

MULTNOMAH COUNTY PUBLIC AFFAIRS
ATTN: IRIS BELL
501 SE HAWTHORNE, SUITE 600
PORTLAND OR 97214

97214+35A-50 C006



Hasler

016H16502230

\$00.39

01/25/2006

Mailed From 97204
US POSTAGE

RECEIVED
JAN 26 2006



CITY OF PORTLAND, OREGON
BUREAU OF

Planning

Tom Potter, Mayor

Gil Kelley, Director

1900 S.W. 4th Ave., Ste. 4100

Portland, OR 97201-5350

Phone 503-823-7700

FAX 503-823-7800

TTY 503-823-6868

Email pdxplan@ci.portland.or.us

www.portlandonline.com/planning

January 25, 2005

RECEIVED
JAN 26 2006

Iris Bell
Multnomah County Public Affairs Office
501 SE Hawthorne, Suite 600
Portland, OR 97214

RE: Disposition of the Martha Washington Building

Dear Ms Bell:

The Bureau of Planning welcomes the opportunity to comment on the disposition of the Martha Washington Building at 1115 SW 11th Avenue. The Bureau of Planning supports the preservation of this building as housing or mixed-use that is predominately housing. This property is zoned for residential use, with allowances for ground-floor commercial. The site's allowed height and floor area ratio exceed the building's existing envelope, creating the possibility of demolition and complete site redevelopment, if the property were to be conveyed without requirements to the contrary. Preservation of this property is desirable for two reasons:

1. **Historic Preservation.** This building was constructed in the early 1920s as the Campbell Court Hotel. It is listed as a Rank III structure (highest ranking) on the City's Historic Resource Inventory and is potentially eligible for listing on the National Register of Historic Places (and related financial incentives such as Federal Tax Credits). It is an excellent example of once prevalent downtown Streetcar Era Apartments. Its preservation is important to the neighborhood character of the West End, where a notable number of Streetcar Era apartments and other buildings have survived, despite decades of demolition and redevelopment. We encourage Multnomah County to require the preservation of the building's exterior and other important historic features when conveying the property.
2. **Affordable Housing.** The property was built as an apartment building and could be used to add to the supply of affordable housing in the West End, which may decline in the future. Currently, vacant and underused properties in this area of Downtown are building-out with market rate condominiums (e.g. The Eliot and Benson Towers). In addition, at least one existing apartment building is undergoing a conversion to condominiums (University Park Apartments) and others may follow. This property is in a location with good transit service and access to employment and services, which would be advantageous to low-income households because they could live here without needing to own and maintain an automobile. Further, the building's generally small unit sizes are less attractive for market-rate housing and are more easily and less-expensively adapted as affordable units.

In closing, the Bureau appreciates the opportunity for public comment on the future of the property and strongly encourages the County to require the preservation and reuse of this historic resource as affordable housing.

Sincerely,

Betsy Ames
Assistant Planning Director

cc: Portland Historic Landmarks Commission
Will White and Trell Anderson, Bureau of Housing and Community Development
Margaret Bax, City Housing Policy Manager
Michael Sublett, Multnomah County Facilities
Veronica Valenzuela, Office of Mayor Tom Potter

**Historic
Resource
Inventory**
CITY OF PORTLAND, OREGON



1-011-01115

1115 S.W. Eleventh Avenue

Portland, Block 262, Lots 1-3, North 10' of Lot 4

QUARTER SECTION MAP #: 3128

Downtown Community Association

ORIGINAL NAME: Campbell Court Hotel

OTHER NAMES: Martha Washington Hotel

ORIGINAL FUNCTION: Hotel

OTHER FUNCTIONS: Apartment House

DATE BUILT: 1921

STYLE: Streetcar Era Apartments

ARCHITECTURAL PLANS BY: Gordon, Herbert

ORIGINAL OWNER: Campbell, Mrs. E. Jean

TAX ASSESSOR'S ACCOUNT #: R-66772-9040

ZONING: RXZ

Rank III

SPECIAL FEATURES AND MATERIALS:

Exterior finish of brick. Polygonal bay windows rising from second through fourth stories. Three-bay recessed entry with caststone balustrade. Balustrade with cast-stone urns at parapet above entry.

AREAS OF SIGNIFICANCE: Architecture

Eric E. Parsons
Commission Chair

January 30, 2006

Douglas C. Blomgren
Commissioner

Bertha Ferrán
Commissioner

Sal Kadri
Commissioner

Mark Rosenbaum
Commissioner

Tom Potter
Mayor

Bruce A. Warner
Executive Director

Ms. Iris Bell
Multnomah County Public Affairs Office
501 SE Hawthorne, Suite 600
Portland, OR 97214

RE: Martha Washington Property Disposition

Dear Ms. Bell:

I appreciate the opportunity to comment about the appropriateness and feasibility of requiring that the redevelopment of the Martha Washington property include an affordable housing component. PDC is concerned about affordable housing in all areas of Portland and specifically in Downtown Portland. So, as you move forward toward disposal of this property, it is very appropriate to determine if the County should consider limitations on the sale that would require affordable housing either on this property or elsewhere in the area.

Over the last five years, the Portland Development Commission (PDC) has made substantial financial investment in the West End supporting affordable housing development and revitalization in the blocks around the Martha Washington building located at 1139 SW 11th Ave. Those investments have included directly financing the mixed-income Museum Place Apartments and Safeway store relocation, renovation of the YWCA, and development of low-income housing at the St. Francis, Kafoury Commons, St. James, Peter Paulsen and Hamilton West apartments. These efforts have also supported market rate housing development with the Mosaic and Cornerstone Condominiums, and currently under construction are the Eliot Tower and Benson Tower Condominiums.

www.pdc.us

222 Northwest
Fifth Avenue
Portland, OR
97209-3859

tel: 503.823.3200
fax: 503.823.3368
TTY: 503.823.3366

In addition to the efforts listed above, PDC is currently financing two new affordable housing projects in the neighborhood including:

- St. Stephens Church redevelopment at SW 13th and Clay, which will include up to 90 new units of affordable housing, and
- Jefferson West Replacement Housing project on the property adjacent to the Martha Washington at 1100 SW 11th Avenue. The Jefferson West Replacement Housing project will include 80-90 new



- affordable housing with units restricted to households at 30% median family income (MFI) and below, and 50% MFI.

The Martha Washington has the opportunity to provide a range of new uses in the neighborhood including affordable homeownership opportunities, community social service or cultural uses, as well as affordable rental housing. PDC would be supportive of efforts by public or private interests toward these uses.

I want to take the opportunity to inform you that the South Park Blocks Urban Renewal Area is approaching its expiration date and maximum indebtedness. This means that our resources are limited and we are in an environment where we are budgeting and prioritizing our final projects for the district. I feel this is important information to communicate to you as you complete your public input process and plan for the future disposition of the Martha Washington. In other words, PDC has limited urban renewal resources that limit PDC's ability to help with the financing for the redevelopment of the Martha Washington.

Thank you again for the opportunity to comment about the appropriateness and feasibility of requiring that the redevelopment of the Martha Washington property include an affordable housing component. Good luck with your deliberations.

Sincerely,

A handwritten signature in cursive script, appearing to read "Andy Wilch".

Andy Wilch
Housing Director



EXECUTIVE OFFICE

Board of Commissioners

Kandis Brewer Nunn
Chair

Jeff Bachrach
Vice Chair

Richard Fernández
Vice Chair

Catherine Such
Treasurer

Harriet Cormack

Shar Giard

Chris Lassen

Lee Moore

Gavin Thayer

Executive Director

Steve Rudman

HOUSING AUTHORITY
OF PORTLAND

135 S.W. Ash Street
Portland, OR 97204

Tel 503.802.8300

Fax 503.802.8312

www.hapdx.org



February 1, 2006

~~Diane Linn, Chair~~
Serena Cruz, Commissioner
Lisa Naito, Commissioner
Lonnie Roberts, Commissioner
Maria Rojo de Steffey, Commissioner

Multnomah County Commission
501 SE Hawthorne, Suite 600
Portland, OR 97214

RECEIVED
FEB 03 2006

Dear Chair Linn and Commissioners:

Thank you for the opportunity to comment on the future uses of the Martha Washington Building property. We understand that the County is weighing multiple options for disposition of this building, and that you are considering a range of policy and financial approaches.

As you know, HAP owns (through a tax credit limited partnership) the St. Francis affordable apartments immediately across the street from the Martha Washington. We understand the neighborhood in which this property lies, including the significant public investments in recent years which have created more housing and commercial/retail uses. HAP staff participated in the public open house you held so we could see the interior of the building.

Based on our knowledge of the real estate dynamics, we believe the preservation of the Martha Washington as affordable housing is critically important. HAP is clearly concerned about the lack of housing resources for people in need, and we hope that the County can find an avenue to preserve the building for affordable housing. Failing that, we would urge the County to develop and invest in a replacement housing strategy so that we do not inadvertently exacerbate the shortage of housing options for our neediest citizens.

Please let us know if we can be of any assistance.

Sincerely,

Steve Rudman
Executive Director

cc: Michael Sublett, Multnomah County Facilities and Property Management

TO Doug Butler

D - Diane
C - D. Luther

CUNNINGHAM Shawn D

From: Smith, Joan [jsmith@lfcpx.org]
Sent: Monday, January 30, 2006 3:19 PM
To: pao.org@co.multnomah.or.us.
Subject: Martha Washington Property

Loaves & Fishes Centers has been in discussion with Guardian Management regarding the potential use of the Martha Washington Facility for co-location of ~~senior affordable housing~~, social services agencies and a Loaves & Fishes meal site.

Loaves & Fishes currently serves more than 120 seniors each day in the dining room at the YWCA on SW 10th. We need to relocate the ~~meal site~~ and with the rapid, development of the downtown community, it is becoming more difficult to locate affordable facilities to serve our most needy and isolated citizens.

It is possible to use the existing kitchen in the Martha Washington and to remodel the additional basement space for dining, fitness, ~~computer labs and classrooms~~ for seniors to enjoy and enhance their lives.

Affordable housing connected to supportive services is a healthy combination.

Joan Smith
Executive Director
Loaves & Fishes Center, Inc.

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CUNNINGHAM Shawn D

From: Linda Kinman [Linda@gov-law.com]
Sent: Monday, January 30, 2006 3:46 PM
To: Public Affairs Office
Cc: Jack Hammond
Subject: Martha Washington Building

Thank you for giving St. James Lutheran Church the opportunity to view the Martha Washington Building at 1115 SW 11th Ave. in Portland as a part of the input for future use of this property. We'd appreciate being placed on the mailing list regarding future notifications and public process regarding this property. Notification may be sent to me at my office address below.

Thank you again for the opportunity to view this significant property.

Jack Hammond

Linda Kinman

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CUNNINGHAM Shawn D

From: EV Armitage [evarmitage@centralcityconcern.org]

Sent: Monday, January 30, 2006 3:02 PM

To: Public Affairs Office

Subject: Public comment on Martha Washington Building

Please find attached Central City Concern's public comment on the Martha Washington Building surplus property. Please send a return email to confirm receipt of this message. Thank you.

E.V. Armitage
Project Director
Central City Concern
232 NW 6th, Portland, OR 97209
Tel 503-294-1681
Fax 503-294-4321
www.centralcityconcern.org

PUBLIC COMMENT

MARTHA WASHINGTON BUILDING

**PERMANENT SUPPORTIVE HOUSING
FOR PEOPLE WITH SPECIAL NEEDS**

January 30, 2006

Submitted by

Central City Concern

232 NW Sixth Avenue
Portland, OR 97209



Contact:

Traci Manning, Housing Director

Tel 503-525-8483

Fax 503-228-1696

tmanning@centralcityconcern.org

Central City Concern is urging the Multnomah County Board of Commissioners to publish a Request for Proposals for the Martha Washington building requiring that the successful proposer preserve the building as affordable housing that will be at least partially dedicated to housing the County's priority special needs populations.

Preserving affordable housing in the downtown core

The Martha Washington Building is a precious affordable housing resource which can help Multnomah County meet its mission to serve the health and welfare of the most vulnerable members of our community. Multnomah County has a rare opportunity to ensure this important housing remains available to low income people with special needs. There is an immediate housing crisis for populations which Multnomah County is currently serving, and the Martha Washington Building can play a vital role in the strategy to address this acute housing need. The highest and best use for the building is as affordable housing, and if the building is converted to another use, this opportunity will be lost forever. This building can play a critical role in the Plan to End Homelessness by providing additional housing capacity in Portland.

The Martha Washington's size and condition make it a prime candidate for relatively low cost and rapid reuse as affordable housing. The building has 133 residential units which are virtually ready for occupancy, and its central location and recent use as housing make it well suited for this purpose. Multnomah County has identified the urgent need for housing for people with low incomes and special needs, and has committed to create additional units of permanent supportive housing. This commitment has been expressed through multiple planning processes over the last few years, most notably through the following, all of which identified a critical shortage of permanent supportive housing and urged creation of additional housing:

- Housing and Community Development Commission Special Needs Committee Report, 2003
- Home Again Ten Year Plan to End Homelessness, 2005
- Consolidated Plan 2005-2010, developed by the Cities of Portland and Gresham and Multnomah County

Fiscal responsibility

Because the County routinely purchases housing in the market for populations for which it is providing services, the most fiscally responsible approach to this building is to preserve it as affordable housing. The Martha Washington presents an opportunity for a low cost approach to housing preservation, with the ability to use the building as immediate housing capacity as opposed to a much more expensive new housing development which would take several years to complete. The one-time revenue forgone by not selling this building to the highest bidder will be more than saved in County operating funds over time.

- People receiving services recover faster, are more stable, and need fewer services if they have permanent supportive housing, as detailed in the HCDC Special Needs Committee report.
- The stock of housing available from the County's traditional housing partners is minimal. Buying housing in the private market – if such housing can be sited – can cost \$100-150 more per unit per month than these units would rent for.
- Particularly at a time when we are trying to use existing housing resources to increase the stock of permanent supportive housing in the community, it is important to note that to replace these units

with new construction would cost upwards of \$15,000,000 at a location that would most likely not be as appropriate to the population.

The building's current maintenance needs are real but still substantially less than replacing these units. With a private market mortgage and support from non-public affordable housing resources, an experienced housing provider can deal with these needs in a cost-effective way while keeping the building safe, clean and operational quickly and for the long-term. The property is zoned for housing and does not appear to require a conditional use permit.

Economic model

Central City Concern proposes that Multnomah County deed the Martha Washington Building to a nonprofit housing entity in exchange for a commitment to house vulnerable people served by County contracts and programs for some period of time into the future. The asset can be mortgaged through non-public sources to provide funds to prepare the building for occupancy. The debt would need to be of a size to make needed repairs and ready the building for occupancy. In addition, the debt must not add excessively to the operational burden. Rents will be minimal, around \$375 to \$400 per month.

This proposal would convert a portion of owner equity to debt to finance repairs and a building reserve. It will minimize the need to invest scarce City or County funds in a full-blown multi-million dollar acquisition and rehabilitation. This model could have the new housing capacity online within a matter of months.

Additional building rehabilitation would be done as time and resources permit. Central City Concern operated the 122-unit Danmoore Building under this same model for many years. We know from experience that the Martha Washington is in better condition than the Danmoore, which provided safe, affordable housing to Multnomah County's most vulnerable people for over 15 years.

Community benefits

The Martha Washington is in an excellent location for affordable, supportive housing. Transportation is accessible and the building is close to services and grocery. It has been a part of this neighborhood for years. Strong management can make supportive housing an asset to its neighbors by maintaining the building, providing housing for people that would otherwise be sleeping in doorways, and providing a 24-hour presence in the neighborhood. And affordable housing doesn't impact traffic or parking loads!

What is most important in this process is that this asset be preserved as affordable housing. Central City Concern would be interested in making a proposal for the building that would allow it to stay in operation as affordable supportive housing. Given our current understanding of the building, we believe that an initial rehabilitation should add community kitchens by floor, repair plumbing, capitalize a replacement reserve, and paint and carpet the building. Over the next few years, the boiler, roof and electrical systems could be addressed. We would not propose repairing the secondary elevator or doing a seismic upgrade at this time. The initial repairs and upgrades could be funded by a private market mortgage.

Central City Concern has current demand for additional supportive housing units as our current housing stock is entirely spoken for. Central City Concern would continue to work with County Community Justice, Alcohol and Drug, Health and Mental Health departments to house their priority populations in this building. The Martha Washington can also provide low cost market housing to people working in the downtown area.

Central City Concern operates several programs serving the same population which would be housed in the Martha Washington. Because of the lack of affordable housing in the community, clients from these programs have a need for this housing and could begin occupying the building in a short time frame. There are long waiting lists for affordable housing at CCC and other housing providers, with the effectiveness of services compromised when clients do not have safe, secure housing. These programs all involve intensive case management, health care, and other services which will benefit the building by helping to stabilize the residents and ensuring their service needs are met. Programs which could house clients in the Martha Washington Building include:

Community Engagement Program (CEP): Multi-disciplinary Assertive Community Treatment teams which serve homeless individuals with alcohol and drug addiction and mental illness. CEP operates on a "Housing First" model and engages clients wherever they are in their living situation and recovery process, providing case management, counseling, health care, mental health and alcohol and drug treatment, and housing support for as long as needed. CEP is funded by several federal Interagency Council on Homelessness grants and Multnomah County.

Housing Rapid Response (HRR): An outgrowth of CEP, this program targets the most frequent users of public resources and works with the Portland Police to engage people who have cycled through other programs multiple times. A case manager works with clients and engages them in the services of the CEP teams. HRR is funded by the City of Portland and the Portland Business Alliance.

Recuperative Care Program: Central City Concern Health Services has recuperative care agreements with Oregon Health Sciences University and Providence. Through these agreements, hospitals discharge homeless patients to CCC housing instead of to the streets, where the clients receive health care and basic needs as they recover.

Partnership Housing: A critical element of supportive housing is matching services and housing. CCC would actively engage other service providers who are in need of housing for clients served by County contracted resources. This model has been pioneered by CCC at the Danmoore and Estate buildings.

In conclusion, Central City Concern urges Multnomah County to preserve the Martha Washington Building as affordable housing for people with special needs. This is the best use of this scarce resource and will continue the building's community benefit many years into the future.