



PROSPER
PORTLAND
Building an Equitable Economy

DATE: November 8, 2017
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 17-47
Update on the Hill Block Project

BRIEF DESCRIPTION OF INFORMATION ITEM

No action is requested; information only.

On November 8, 2017, staff will provide the Prosper Portland Board of Commissioners (Board) with an update on the Hill Block project, a collaboration between Prosper Portland, Legacy Health, and the City of Portland first announced in August 2017. The Hill Block project involves redevelopment of 1.7 acre vacant property located at North Russell Street and North Williams Avenue to benefit and honor Portland's African-American community; support community housing and economic needs; and further Legacy Health's mission of promoting health and wellness for children and families.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

The Hill Block project offers an opportunity to deliver on Prosper Portland 2015-2020 Strategic Plan goals by creating healthy, complete neighborhoods; adding jobs and affordable housing in partnership with the Portland Housing Bureau; and providing wealth creation opportunities particularly for those within or with a connection to the north/northeast community.

BACKGROUND AND CONTEXT

On August 1, 2017, Prosper Portland, the Office of City of Portland Mayor Ted Wheeler, and Legacy Health announced a collaborative project to develop vacant land currently owned by Legacy Health and located at the northwest corner of N. Williams and N. Russell streets; an aerial and map is included in Attachment A. The City of Portland, Legacy Health, and Prosper Portland have agreed to work together to facilitate a community-driven process that will determine a community vision and development proposal for the vacant site.

The Hill Block property is located within an area that Prosper Portland and the City of Portland condemned in the early 1970s under urban renewal for an expansion of the hospital campus; this action displaced 171 families, 74 percent of which were African American. Emanuel Hospital (now Legacy Health) purchased land from Prosper Portland and acquired additional properties from individual owners in order to grow and expand its campus in north/northeast Portland. Legal documents regarding the property required that the hospital complete construction of certain approved uses by January 1990 and charged Prosper Portland with ensuring that these requirements were followed.

Through the North/Northeast Community Development Initiative Action Plan (Action Plan) process, community members brought continuous attention to the importance of these properties to the

community. On January 18, 2017, City Council approved the Action Plan and also received an update Portland Housing Bureau's North/Northeast Neighborhood Housing Strategy, City Council directed Prosper Portland to engage with Legacy Health regarding the Hill Block property. On May 25, 2017, Prosper Portland convened the first meeting of the Community Development Initiative Oversight Committee (Oversight Committee), which was created to ensure accountability for the implementation of the Action Plan, including advising Prosper Portland about key implementation issues and considerations.

On August 9, 2017, Prosper Portland staff proposed three geographic areas for amendment to the Interstate Corridor URA (through a Ninth Amendment to the Interstate Corridor URA Plan), one of which included the Hill Block property. Based on Oversight Committee testimony and related concerns, the Prosper Portland Board postponed action on the proposed Hill Block amendment. Since that time, Prosper Portland staff and the collaborative project partners have met with the Oversight Committee and Interstate Corridor URA Amendment Sub-Committee; the Portland Housing Bureau's North/Northeast Neighborhood Housing Strategy Community Oversight Committee; the Legacy Emanuel Community Partnership Committee; and members of the Portland African-American Leadership Forum to further discuss the Hill Block project and a process for community engagement, with a community-based Project Working Group as a key tenet.

The following provides a high-level summary of the clarifications and feedback resulting from those discussions.

Clarification:

- The Hill Block site (N. Russell and Williams) is owned by Legacy Health and is not currently within the Interstate Corridor URA.
- As part of a collaborative project, Legacy Health will participate in the community-led process; directly fund any medical facilities to be included as part of redevelopment; and contribute the Hill Block site to the project.
- Amending the Interstate Corridor URA does not commit any tax increment financing to the project
- If the Interstate Corridor URA is amended to include the site, any tax increment financing would have to be supported by the respective Oversight Committee and Housing Strategy Oversight Committees and align with existing plans.
- The approximately \$92,000,000 affordable housing set aside tax increment financing resources administered by the Portland Housing Bureau are not the same as the \$32,000,000 tax increment financing resources administered by Prosper Portland to implement the Action Plan.

Feedback:

- Ensure robust community engagement so that the African-American community feels their voices are being heard; there is a fully transparent process; and the next generation plays an integral part in this effort.
- Development is directed by community identified values and priorities with ownership and ongoing investment going back into the African-American community.
- The community benefits with the Hill Block project should be an economic driver/hub for the community and a holistic project (including an arts and cultural space).
- Ensure the Hill Block project aligns with original Interstate Corridor URA goals (i.e., affordable housing, affordable community-based businesses, and wealth creation).

Next Steps. Based on these discussions and feedback, Prosper Portland, the Mayor’s Office, the Portland Housing Bureau, and Legacy Health formed the collective perspective that a Project Working Group to help lead the Hill Block project must be the near-term focus. In mid-October, the Mayor’s Office provided notice to the Oversight Committee postponing consideration of any Hill Block property-related Interstate Corridor URA amendment sometime in 2018, allowing the Oversight Committee recommendation or consideration to follow the convening of the Project Working Group.

The Project Working Group will define and drive a community-centered process; oversee a visioning process and the selection of the development team; ensure a transparent and community-serving project; and be responsible for communicating back to their individual organizations or stakeholder groups they represent as well as to the community at large. It is anticipated that the Project Working Group shall consist of approximately 20 members from the African-American community and four representatives from Legacy Health, Prosper Portland, Portland Housing Bureau, and the Mayor’s Office. The Project Working Group will include generational diversity and a broad set of perspectives and skills, from affordable housing to arts and humanities; from education to real estate development and leasing; from community-centered design to health care; from small business ownership to asset management and wealth creation.

Nominations to the Project Working Group are being solicited from organizations and community groups from within or with a strong connection to the north/northeast community; see Attachment B for a list of these organizations and community groups. In November 2017, Prosper Portland will also be posting a call for community-at-large members interested in participating on the Project Working Group. The final Project Working Group roster will be determined by representatives of the organizations and groups listed in Attachment B as well as by Prosper Portland, the Mayor’s Office, and the Portland Housing Bureau. Staff anticipates having a final Project Working Group list in late November and hosting a joint kick off meeting held in early December. Community members who do not serve on the Project Working Group will have opportunities to participate in the community process and attend Project Working Group meetings.

EQUITY IMPACT

The Hill Block project will be explicitly and intentionally directed by community identified values and priorities, with ownership and ongoing investment going back into the African-American community.

ATTACHMENTS

- A. Aerial and Site Map
- B. North/Northeast Community Organizations and Groups

Aerial



Site Map



North/Northeast Community Organizations and Groups

- Albina Ministerial Alliance
- Albina Visions Group
- Black Investment Consortium for Economic Progress
- Black United Fund of Oregon
- Jefferson High School
- Kairos
- Legacy Emanuel Community Partnership Committee
- North/Northeast Business Association
- North/Northeast Housing Strategy Committee
- North/Northeast Community Development Initiative Oversight Committee
- Metropolitan Contractor Improvement Partnership
- Micro Enterprise Services of Oregon
- National Association of Minority Contractors
- Portland African-American Leadership Forum
- Portland Community Reinvestment Initiatives
- Portland National Association for the Advancement of Colored People
- Portland Opportunities Industrialization Center
- Self Enhancement Inc.
- Urban League