



CHINATOWN JAPANTOWN ANKENY PLAZA SKIDMORE WATERFRONT

June 21, 2018

Mayor Ted Wheeler
City of Portland
1221 SW 4th Avenue
Portland, OR 97204

Re: Extension of the 2014 Action Plan

Dear Mayor Wheeler:

Thank you for the opportunity last fall to provide you with priorities of focus as you propose a five-year extension to the Old Town Chinatown Action Plan. Since then, OTCA has reviewed the Action Plan in detail at each of the last three Old Town Community Meetings, and at most Board and Land Use meetings where discussions have centered on five topics - Public Safety, Housing, Business Vitality, Seismic Retrofits and Parking.

Resources: Our working assumption has been \$54 million in remaining allocation split \$24M in River District and \$30M in Downtown Waterfront URAs. The boundaries were originally drawn expecting substantially more resources in River District – most of the vacant property and historic buildings are in the River District. The subsequent purchase of the Post Office, investment in Centennial Mills, “trades” with the County and windfalls from Pioneer Place have shifted available resources. We also believe that funds need to be split between large “catalytic” projects and smaller projects that make important differences. Taking all of this into account, we propose the following *approximate* split.

URA	Housing	Seismic	Business Vitality	Parking	Totals
River District	\$10,000,000	\$12,000,000	\$2,000,000	0	\$24,000,000
Downtown Waterfront	\$20,000,000	\$ 5,000,000	\$5,000,000	?	\$30,000,000
Totals	\$30,000,000	\$17,000,000	\$7,000,000		\$54,000,000

Boundary - We also recommend changes to the Action Plan Boundary to exclude the Broadway Corridor, where significant development is underway that should separately benefit Old Town including on Block R, and also bring the western boundary north of Burnside east to the neighborhood boundary on Broadway. We know this affects the Harlow project (the status of which is unknown). Its delay and distance from the heart of the district warrants this recommendation.

1. **Public Safety and Livability** remains a top priority as Old Town continues to have some of the highest crime in the city. We believe that long term, more residents are going to be the key to public safety. Therefore, our first priority to address public safety and livability for all is to take into account recent changes to both zoning and property ownership to maximize facilitation of inclusionary housing development. More on this in #2 below.

The Action Plan outlined, and we continue to encourage, a comprehensive approach to addressing public safety including those who are unsheltered. We in Old Town have a unique and long history with this issue and believe unique approaches are in order; policing first isn't believed to be necessarily equitable to all our residents and the community policing model you espouse is still aspirational due to the limited budget. There is a strong interest in working with the Old Town "caring community" to make sure that in its implementation, the unsheltered on our streets are not criminalized in the process of ensuring public safety for everyone:

- Our latest community discussion prioritized the importance of public hygiene, including additional receptacles and adequately frequent garbage pickup, adequate bathroom and laundry facilities. We understand public assets will be used at the proposed Harbor of Hope Navigation Center, though access appears to be limited to those who will be residing at the facility. We are concerned how this might impact the over-burdened facilities within our existing community.
- There is a significant investment already being made in private security in Old Town in addition to the private-sector support for Clean and Safe. Our request here is that extraordinary effort be placed on coordinating all these services as much as possible, including consolidated reporting (promised for years) so that we maximize this investment. We need to ensure strong partnerships to include how to best coordinate with our unsheltered residents towards common concerns.
- We want the focus on those who are causing safety problems to be different from those who are simply unsheltered. Partnering with organizations such as Sisters of the Road and others who are interested in exploring a way in which people who are unsheltered can be directly involved and working with security and police. Neighbors working with neighbors is uniquely possible in Old Town and we think there would be great interest with all neighbors to work together to keep Old Town safe.
- Work with Central City Concern, Cascadia and others to obtain active behavioral health outreach services. We understand there is currently little to no funding for such activity here (or anywhere).
- We request that two additional PPB officers be allocated to complement "partnership units" such as the Service Coordination Team, Mental Health Unit, Neighborhood Response Team and the LEAD program.

2. **Housing** – The strongest of any feedback the Community Association has received has been for housing, both due to the need city-wide, and its contribution to public safety and livability. Significant resources should be therefore allocated for this purpose.

It appears that City Council recent actions on Blocks 33 and northern four blocks within the New Chinatown/Japantown district was a compromise to reconcile extraordinary intra-district differences in height and density with what property owners/developers believe they need to build Inclusionary Housing in Old Town. Taking into account NW Natural's decision to relocate has opened up over 1.5 blocks for development on vacant blocks, publicly-owned Fire Station #2, and 4th& Burnside, we recommend housing be a prioritized consideration on each.

- Limit public investment in the Old Fire Station at 510 NW 3rd to \$2 million (River District). The property has been under a non-binding development agreement for at least three years with little progress other than acknowledgement that the fire station needs substantial subsidy. Its high value to the historic preservation community as well as its location in Old Town should be strong reason for private support to save this building. It is also time to strongly consider how to best utilize the vacant property surrounding the building. Strong consideration should be given to building housing around the structure on the vacant land. *Models such as Guerrilla Development's [Jolene's First Cousin](#) at Gladstone and 28th should be encouraged here and at 4th and Burnside.*
- Encourage an expedient, thoughtful conversation about complementing the programming between at **least Blocks 24 (NW Natural sale) and Block 25 using 2006 study** as background thinking for public outreach, which would be most beneficial if Block 24's new owner is amenable. We recommend River District investment of at least \$10 million on Block 25 to maximize financing creativity towards workforce housing, including exploration of for-sale housing – these options are more likely on publicly owned property; Block 25's size and entitlements provide the most potential and flexibility.
- Regardless of outcome, prioritize development at 4th and Burnside. If this prioritization has stalled proceeding on outreach and disposition due to these requested recommendations, delay no further.

We are not clear whether there is continued benefit to the SDC waiver originally adopted by City Council. To our knowledge only Block 38 has used the program. If it still fits well and even provides additional incentive to build workforce housing in Old Town, we support its continuance.

3. **Business Vitality** – The Community Association has also received feedback to continue to invest in ground floor business vitality. Suggestions for improvements in business vitality have included:
 - Ensuring that any retail strategy include recruitment of resident services such as grocery, day care and other conveniences for which residents currently have to travel out of the neighborhood. This could be added to investment in new housing projects: Block 33 is a good option – in Downtown Waterfront, more tax increment is available and should be strongly considered.
 - To attract more retail business, the Community Association has approached Prosper Portland to bring the Affordable Commercial Space Program to Old Town. We look forward further discussions to utilize this program and it's benefits of important outreach to communities of color.

- The Community Association recommends that any future resources towards a pop-up program or other retail leasing efforts be directed towards our district management. The most prevalent and globally well-known retail in the district, streetwear/sneakerware, has six stores (Compound, Index, Deadstock, Upper Playground, Unspoken and Calskate), backstopped by Pensole-PNCA. The programming underway at Hoxton will complement this unique niche, as well as our unique arts and cultural amenities.
- We would also like the flexibility to direct these resources towards our unique cultural amenities that reinforce the neighborhoods ethnic and cultural history as they continue to grow.
- There has been interest in encouraging night clubs to open their restaurants during the day, this is difficult due to lack of potential business. Improvements to public safety and livability and more residents may be required.

We recommend approximately \$2 million per URA be allocated for this purpose. We also know that additional support for traded sector businesses can be provided by the recently expanded Enterprise Zone here and in the Broadway Corridor.

4. **Seismic Retrofits** – Aforementioned changes to resources since URA boundaries were drawn in 2006 results in priorities for the remaining River District Funds to be maximized by targeting small juxtaposed buildings. Most are long been owned by those of Chinese heritage, which also would go a long way to support the cultural heritage of the neighborhood:
 - Along the west side of 3rd Avenue at Everett south (three buildings)
 - Along the east side 4th between Burnside and Couch
 - Along the northside of Couch between 3rd and 4th (incl. Hung Far Low and Sinnott)

Extraordinary outreach and technical assistance efforts must be employed to ascertain whether this *last best chance* can be impressed upon these owners, particularly in light of City Council actions to strengthen seismic retrofit requirements.

Other opportunities exist at along the westside of 5th between Burnside and Davis (two blocks) and Oregon Leather on 2nd, all of which are in Downtown Waterfront. We recommend \$10 million of the remaining River District be allocated for this purpose, netting out the support for Fire Station #2. Plentiful funds in Downtown Waterfront are to be allocated for this purpose as needed – though many Old Town buildings have been retrofitted thanks to tax increment financing, many still need assistance.

5. **Parking** - There continues to be much debate on the future of structured parking. While the need is high today with the expectation that it will only increase once now vacant blocks develop, long term forecasts needed to support long-term financing has been significantly influenced by the prospect of self-driving cars and ride services, decreasing forecasts of future demand. Prosper Portland has stated that any investment in parking will require convertibility, adding to costs. Due to the required significant investment for any structured parking and other demands for money, investing in parking is less likely to impact other priorities if the investment comes from Downtown Waterfront. Prioritized locations for investment in parking include:

- Naito-Davis Garage (Downtown Waterfront) – An engineering study was to have commenced at the beginning of 2018. PBOT has been highly reluctant to build additional structured parking and partnership with Prosper Portland has been challenging. Financing garages through the City will take significant leadership to leverage the system of garages for this purpose.
- Block 24 (Downtown Waterfront) – depending on the new owner
- Block 33 (Downtown Waterfront) – Constructing a third tray will be costly both due to convertibility and shallow water table. Guardian has also promised to “share” resident parking with the public.
- Block 25 (River District) – There has been some community resistance to above-ground structured parking across from two residential buildings. Building underground is significantly more expensive, particularly in seismic liquefaction areas.

With extension of this Action Plan, we will partner with Prosper Portland to ensure the funds get deployed in a last best chance to move Old Town past a tipping point of safety for all who live, work, play and visit its many cultural and educational institutions towards its full potential vibrancy. This does require that:

- You support us to minimize other distractions, including impacts to our neighborhood that deteriorate our capacity such as respecting for long agreements to limit additional social services in our small neighborhood. Old Town has more supportive housing and services than anyone else and is proud of it. It is time for other neighborhoods to embrace their role in supporting our unsheltered and those who need behavioral support.
- You encourage extraordinary efforts in outreach and technical assistance with those long time building owners and businesses that have thus far been unable to participate, including but not limited to Chinese Associations and Chinese restaurants. Though we know prior efforts have been unsuccessful, it is important to invest in better methods, be it translation or consideration of their unique financial situations as national organizations.

These recommendations do not preclude Prosper Portland’s objectives to seek return on investment. We do recommend that Prosper Portland seriously look at financing mechanisms, such as 99-year leases where it remains as land owner to maximize opportunities to control long term public benefit. Public ownership should facilitate private development in a way that accomplishes the most goals with the added benefit of significantly reducing the up-front cost of land. With the land lease model, return can be escalated in later years after the neighborhood is well established and stabilized and the agency is in more need of resources for its long term financial sustainability.

We appreciate the opportunity to provide these recommendations and look forward to working with you.

Sincerely,

Helen Ying, Chair
Cal Skate Skateboards

Jessie Burke, Vice Chair
The Society Hotel, Partner

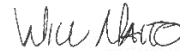
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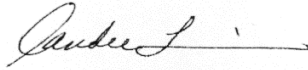
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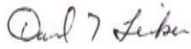
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