

April 20, 2018

Mayor's Office  
Mayor Wheeler  
Cupid Alexander

Portland Housing Bureau  
Shannon Callahan  
Javier Mena  
Karl Dinkelspiel

RE: N/NE Neighborhood Housing Strategy

We are writing to express our individual and collective commitment to the N/NE Neighborhood Housing Strategy. Collectively we are working to construct 370 affordable apartments that will give priority to current and former residents of Portland's N/NE community.

As you know, our development budgets have suffered from recent economic forces: decreased tax credit equity due to corporate tax reform/reduction, ongoing construction cost inflation and rising interest rates. Collectively our projects have funding gaps totaling roughly \$12.5M. We understand this may be a large figure, but we've been working together to determine how we can rise to this challenge and meet the commitments we've all made to this community. The citizens of Portland and the N/NE community are desperate to see new affordable apartment homes built now. We believe it is critical that the City and Mayor's Office work collaboratively with us to bring 100% of these homes to fruition.

To strengthen our collective effort we respectfully request:

1. A commitment from PHB and Mayor's office to work with us to find funding solutions for ALL current pipeline projects in N/NE.
2. A joint meeting with our organizations by end of April 2018, to craft a gap financing strategy using both City and non-City resources.
3. Collaboration between PHB and our organizations to track current funding opportunities. Collectively we have \$16M in OHCS gap financing applications pending announcement.
4. That those projects successful with OHCS gap financing applications should be supported to move quickly towards closing to avoid additional construction inflation and tax credit pricing implications.
5. That those projects unsuccessful with gap financing applications should be supported by additional City resources to move quickly to closing for the same reasons stated above.
6. A general fund request, if other City resources like TIF, CET, etc. are not available to aid in moving N/NE projects forward.
7. Time on the May 2018 N/NE Oversight Committee agenda to talk collectively to the committee regarding our commitment to delivering these units to the community.
8. PHB's collaboration to work with us to set up a Preference Policy workgroup to support the successful lease up and long term operation of the apartments, meeting the goals of the preference policy.

We look forward to discussing next steps with you to achieve our shared vision.

Sincerely,

Dan Valliere – REACH Community Development, CEO

Jessica Woodruff – REACH Community Development, Director of Housing Development

Maxine Fitzpatrick – PCRI, Executive Director

Travis Phillips – PCRI, Director of Housing Development

Sarah Stevenson – Innovative Housing, Executive Director

Julie Garver – Innovative Housing, Housing Development Director

Kimberly McKay – BRIDGE Housing, Executive Vice President

Destin Ferdun – BRIDGE Housing, Senior Project Manager

Trina Whitman – BRIDGE Housing, Associate Project Manager

Cc: Dr. Steven Holt, N/NE Oversight Committee Chair