

ULI DEVELOPMENT CASE STUDIES



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New Columbia

Portland, Oregon

Project Type: **Mixed Use—Three Uses or More**

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PROJECT TYPE

Formerly a distressed, isolated public housing project, New Columbia now comprises 854 units of mixed-income housing, including 232 new for-sale units, 186 affordable apartments, and 370 public housing and Section 8 rental units, arranged along a traditional street grid. The 82-acre (33-ha) mixed-use project also incorporates a traditional "Main Street," with two LEED-certified buildings, and a Community Campus, with a LEED Gold elementary school and Boys & Girls Club. Low-impact development strategies, such as use of pervious pavement and bioswales, have reduced the environmental footprint of New Columbia, and more than 50 percent of the site is set aside for open space.

LOCATION

Central City

SITE SIZE

82 acres/33 hectares

LAND USES

Multifamily Rental Housing, Apartments, Townhomes, Affordable Housing, Single-Family Detached Residential, Senior Housing, Office-Retail Development

KEY FEATURES

- Master-Planned Community
- Mixed Housing



- Mixed Use
- Sustainable Development
- Green Building
- Urban Regeneration

ADDRESS

4605 North Trenton Street
Portland, Oregon

DEVELOPER

Housing Authority of Portland
Portland, Oregon
503-802-8507
www.hapdx.org

MASTER PLANNER

Mithun
Portland, Oregon
206-623-3344
www.mithun.com

ARCHITECT (Phase II Housing)

Michael Willis Architects
Portland, Oregon
503-973-5151
www.mwaarchitects.com

ARCHITECT (Trenton Mixed-Use Housing)

Robertson Merryman Barnes Architects, Inc.
Portland, Oregon
503-222-3753
www.rmbarch.com

ARCHITECT (Community Campus)

Dull Olson Weekes Architects, Inc.
Portland, Oregon
503-226-6950
www.dowa.com

URBAN PLANNER

Urbsworks, Inc.
Portland, Oregon
503-827-4155
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GENERAL DESCRIPTION

New Columbia is a HOPE VI mixed-income and mixed-use public housing project in Portland, Oregon. Developed by the Housing Authority of Portland (HAP), the \$151 million master-planned neighborhood is located on an 82-acre (33-ha) site—formerly the home of the troubled Columbia Villa public housing project—and features 854 residential units, including public housing, affordable rentals, seniors' housing, and both market-rate and affordable homes for sale. New Columbia also comprises the Community Campus, a \$20.2 million project anchored by a new public elementary school, a Boys & Girls Club, and a new wing and gym for a city-owned recreation center. The project incorporates a number of sustainable measures: 82 percent of building materials were recycled; a sustainable stormwater management system was installed; and three structures—the elementary school and two mixed-use buildings—achieved LEED certification.

HAP, a public corporation, owns and operates the public housing units in Portland that are directly subsidized by the U.S. Department of Housing and Urban Development (HUD). The housing authority, founded in 1941, also develops and acquires its own affordable housing stock: altogether, HAP oversees 6,200 residential units and is the largest provider of affordable housing in the state of Oregon. HAP also offers HUD-funded Section 8 rent assistance and administers approximately 8,000 Section 8 vouchers, an important function of any housing authority and a critical source of revenue.

SITE

The 82-acre (33-ha) property is located approximately five miles (8 km) north of the central business district of Portland, in the center of North Portland, a peninsula defined by the Columbia and Willamette rivers. The project lies 1.9 miles (3.1 km) from Interstate 5, the primary north-south freeway, which provides access to both downtown Portland as well as Vancouver, Washington, its suburban sister city. The site is surrounded on three sides by residential neighborhoods, whereas the northern side of the property has limited access and is cut off from the river by North Columbia Boulevard, railroad tracks, and the Columbia Slough.

In 1942, the site accommodated housing for World War II shipyard workers. After the war, it was converted into 462 public housing units that were in barrack-style structures. Over the years, the aging buildings and inadequate infrastructure fell short of modern construction standards in virtually all areas. The residential units were arranged along a curvilinear street pattern often seen in suburban communities—an incompatible design for the urban grid of North Portland. The original housing project was effectively cordoned off from the surrounding neighborhoods, leaving the 1,300 low-income residents physically, socially, and economically isolated from the community.

By the 1980s, the housing project—then known as Columbia Villa—was a sore point for Portland, overrun with crime and drugs and serving as home base to California gangs that were beginning to take hold in the city, including the Columbia Villa Crips. The notorious project also was the site of Portland's first drive-by shooting.

DEVELOPMENT PROCESS

In 1993, HUD created the HOPE VI program. HOPE VI grants are used to transform aging public housing projects around the nation into new, mixed-use communities that apply the new urbanist principles of density, pedestrian orientation, and transit accessibility. A second important concept promoted by HOPE VI is the creation of defensible space, a concept developed by architect Oscar Newman. The concept holds that crime—an issue faced by many public housing projects—can be mitigated through environmental design by implementing strategies that, among other things, promote homeownership, natural surveillance, image, and security.

In 2001, HAP was awarded a \$35 million grant that was supplemented with funding from myriad other sources for a project total of \$151 million. In order to clear the way for the demolition of the outmoded barracks, HAP had to

create and coordinate a system for the relocation of 1,300 residents while also offering them the opportunity to move back to the project when it was completed. HAP set aside \$4.25 million, or 12 percent, of the HOPE VI grant for relocation services. The housing authority's five family specialists worked one on one with each family, explaining relocation benefits as well as the residents' rights under different laws and regulations; they also guided residents to appropriate counseling and assistance options.

Residents were given the choice either to move to other public housing or to receive a Section 8 voucher, a rent assistance subsidy that HAP pays directly to private landlords. Approximately 74 percent of the residents chose Section 8 rent vouchers, 23 percent elected to move to other public housing, and the remaining 3 percent moved to unassisted housing.

Relocation began in March 2003 and continued through September 2003. Residents were able to return in August 2005, when the first phase of housing was complete. Approximately 29 percent of the former residents chose to return to New Columbia, while the remainder found themselves satisfied with their new accommodations and rooted in their new neighborhoods.

DESIGN AND CONSTRUCTION

New Columbia is a master-planned neighborhood designed by Mithun, a Seattle architecture and planning firm. Previously home to 462 residential units, the New Columbia master plan called for an increase to 854 dwellings—almost doubling the density—that would include a mix of single-family homes, townhouses, and apartment buildings. The plan was focused on fostering community activity with a pedestrian orientation, parks, and playgrounds, as well as a Community Campus.

The project's success hinged on stitching New Columbia back into the fabric of the surrounding community. By replacing the curving roadways that defined Columbia Villa with a traditional grid system of streets, the project designers were able to link the project with the surrounding North Portland neighborhoods. The project is also linked to the rest of the city through location-efficient design—a concept that maximizes access and affordability by connecting neighborhoods with job centers via transit systems. New Columbia lies on a major bus line and is near a light-rail station, making mass transit an affordable and easy option for residents.

Another important design consideration involved seamlessly blending rental and for-sale housing. By developing design standards that apply to all dwellings and evenly distributing the rental units across the entire project, HAP has created a mixed neighborhood where one cannot differentiate between the different types of housing. This allows for a mixed-income community with higher-income households commingled with lower-income, subsidized rental households.

The master plan called for over seven acres (2.8 ha) of open space, including the four-acre (1.6-ha) McCoy Park at the center of New Columbia, which comprises a community garden, a children's play area, a basketball court, an event area and plaza, open lawn areas, and a water feature. In addition, four quarter-acre (0.1-ha) pocket parks distribute play areas across the neighborhood. Public art—ranging from custom-crafted park benches to large-scale sculptures—is incorporated throughout the project. The homes have front porches, and kitchen windows and living rooms face both streets and alleyways. This allows for neighborhood vigilance with "eyes on the street," so residents can watch their children play or look out for the bus.

The mixed-use component of the project includes housing above retail and office space and is located along North Trenton Street, which serves as the project's main street. The 3,600 square feet (334 sq m) of retail is home to a neighborhood convenience store and a coffee shop. Retail rents are subsidized and range from \$0 to \$5.32 per square foot (\$0 to \$57.32 per sq m), with leases extending from three to five years. The convenience store is subsidized by HAP in part because the sale of alcohol and tobacco products is not allowed at the project. The 85,000 square feet (7,987 sq m) of office space is occupied by HAP-sponsored or HAP-affiliated community outreach programs that focus on job training, job hunting, and homeownership.

Another vital element that makes New Columbia a success is the family-oriented Community Campus. At the center of the campus is the LEED Gold–certified Rosa Parks Elementary School. It was proposed at a time when the embattled Portland public school system was taking drastic measures to consolidate and close existing elementary schools due to both funding and logistical issues.

The housing authority donated the land necessary for the new elementary school. Traditionally, schools are funded with bonds; instead, the Rosa Parks Elementary School became the first public school in the nation to be financed using New Market Tax Credits, a financing tool used to spur redevelopment in designated areas. The school has also partnered with the Boys & Girls Club, an important community program for children in urban communities.

The existing community center was separated from New Columbia by a street. Eventually, a gym and new addition were added to the community center and the street was vacated, allowing students to walk between the facilities in a campus setting. As such, the elementary school was built without a gym; by sharing resources and not duplicating assets, HAP was able to leverage scarce public resources.

The general contractor for New Columbia, Portland-based Walsch Construction, was responsible for completion of all aspects of the project, including demolition, infrastructure, the 554 HAP units, and the 66-unit senior living complex owned by Northwest Housing Alternatives. The market-rate lots were sold to Legend Homes, a for-profit homebuilder that completed 232 for-sale residences.

SUSTAINABLE FEATURES

The negative impacts of excess stormwater—runoff polluted with oil and other contaminants draining into nearby rivers and streams—are an important environmental consideration in the Northwest. New Columbia features one of Portland’s largest demonstration areas of porous pavement: seven blocks of residential alleyways use porous pavers where rainwater filters through 30-foot (9.1-m) in-place drywells before returning to the aquifer.

Low-impact development strategies that utilize topography, vegetation, and soil features to slow, retain, and filter stormwater also are employed at New Columbia. This eliminates the need for expensive conveyance systems—New Columbia uses 80 percent less stormwater piping than a traditional neighborhood—and lessens the development’s impact on the existing sewer system. Altogether, the innovative “Green Streets” system at New Columbia resulted in a 98 percent retention of stormwater, keeping contaminants out of the environmentally stressed Columbia Slough.

As Columbia Villa was being torn down, 83 percent of the building materials were diverted from the landfill and were reused and recycled: local house-moving companies purchased and moved 23 duplexes; two four-unit structures were deconstructed and salvaged for resale; and 100 percent of the concrete and asphalt rubble was reused as road base and structural fill. Over half of the 430 trees at the original site were preserved, and ones that could not be saved were donated to local restoration projects or relocated to McCoy Park.

FINANCING

The \$151 million project was financed using a number of funding sources, including \$58.8 million (39 percent) from low-income housing tax credits, \$43.4 million (29 percent) from the federal government, \$19.1 million (13 percent) from a HUD 108 loan, \$14.6 million (10 percent) from debt financing, \$13.4 million (9 percent) from HAP, and \$1.9 million (1 percent) from donations.

Effectively serving as bridge financing, the HUD 108 loan was repaid from a variety of sources including tax increment financing by the Portland Development Commission, city of Portland infrastructure funds, and a community development block grant (CDBG). HAP funds were derived from the proceeds of market-rate lot sales and developer fees.

The largest chunk of money—\$58.8 million—came from the sale of affordable housing tax credits. The affordable housing tax credits program is a rental housing development subsidy program administered by each state's housing finance agency. Each state receives \$1.75 per capita annually to allocate to appropriate income-restricted housing projects serving residents who make no more than 60 percent of area median income. In the case of New Columbia, HAP disbursed the allocation into four offerings, making the credits available to corporate investors via tax credit syndicators between May 2004 and July 2005, and received between \$0.98 to \$1.14 per tax credit dollar. Syndicators included Alliant Capital, Enterprise Community Partners, and MMA Financial. Corporate investors in the tax credits receive a dollar-for-dollar reduction in their tax liability and also get the tax benefit associated with any losses on the property. Generally, tax credits are received over the first ten years of a project.

Some \$18.2 million of the \$20.2 million necessary for the community center was funded by the New Columbia Community Campus Corporation, with \$8.8 million (48 percent) in a Portland Public Schools bank loan, \$3.8 million (21 percent) from the New Market Tax Credit program, \$2.7 million (15 percent) from HAP lot sales and fundraising, \$2.5 million (14 percent) from Boys & Girls Club fundraising, and \$400,000 (2 percent) from miscellaneous sources. The remaining \$2 million for the gymnasium came from the city parks department.

MARKETING AND PERFORMANCE

A primary goal of New Columbia was to offer homeownership opportunities as well as rental housing. Homeownership was especially targeted for first-time homebuyers, members of minority groups, and residents from north and northeast Portland. Through partnerships with the city of Portland's Bureau of Housing and Community Development, the Portland Development Commission, the Portland Community Land Trust, and the Portland Housing Center, HAP provided qualified homebuyers with counseling, education, and assistance with downpayments. At New Columbia, 79 percent of the residents are first-time homebuyers; 47 percent are minorities; 56 percent are families with children; and 48 percent are from the targeted north and northeast Portland areas.

A key project objective at New Columbia was to foster economic development for local residents and businesses. The project achieved a number of its goals: 24 percent of all contracts—\$27.6 million—went to qualified disadvantaged, minority-owned, women-owned, and emerging small business; 20 percent of all construction hours were filled by a local trade apprenticeship program; and 45 percent of all construction hours were worked by minorities and women.

EXPERIENCE GAINED

Affordable housing communities cannot be evaluated in the same manner as private sector, for-profit projects. The resources poured into social benefit programs and the design and execution of the project are best measured against the project goals of providing safe and affordable housing for the urban poor. On this front New Columbia has been a success, meeting and exceeding expectations for diversity, affordability, security, environmental impact, and social equity.

New Columbia has received numerous accolades: the Environmental Protection Agency's National Award for Smart Growth Achievement in 2007; the American Institute of Architects' 2007 Mayor's Award for Design Excellence; and the 2007 Planned/Mixed-Use Award from *Affordable Housing Finance* Magazine. Also, the community's Green Streets program has been recognized by the city of Portland for its contribution toward improving water quality and reducing runoff.

PROJECT DATA

LAND USE INFORMATION

Site area (acres/hectares): 82/33
Percentage complete: 100

Gross density (units per acre/hectare): 10.4/25.9
 Number of off-street parking spaces: 850

LAND USE PLAN

Use	Area (Acres/Hectares)	Percentage of Site
Buildings	19.71/7.98	24
Streets/surface parking	18.51/7.49	23
Landscaping/open space	43.63/17.66	53
Total	81.85/33.13	100

RESIDENTIAL INFORMATION (Summary of 556 Units Owned by HAP)

Unit Type	Number of Units Leased	Area (Square Feet/ Square Meters)	Average Rent
One bedroom	129	473-773/44-72	\$585-\$650
Two bedrooms	149	773-1,417/72-132	\$670-\$760
Three bedrooms	125	1,148-1,328/107-123	\$860-\$950
Four bedrooms	120	1,168-1,564/109-145	\$975-\$1,095
Five or six bedrooms	12	1,700-1,989/158-185	\$1,230-\$1,390
Total	556	N/A	N/A

FUNDING SOURCES

LIHTC tax credit equity: \$58,800,000
 Federal funds (HOPE VI): \$43,400,000
 City of Portland (HUD 108 loan proceeds, city bureaus, CDBG): \$19,100,000
 HAP (Lot sales, deferred developer fee): \$13,400,000
 Debt financing: \$14,600,000
 Donations: \$1,900,000
Total: \$151,200,000

DEVELOPMENT COST INFORMATION

Total Construction Cost: \$76,900,000

Site Improvement Costs: \$22,400,000

Demolition: \$4,500,000

Infrastructure: \$17,900,000

Soft Costs: \$51,900,000

Master planning: \$13,800,000

General, administrative, community relations: \$7,700,000

Relocation services: \$7,000,000

Developer fee: \$11,500,000

Financing costs, reserves: \$11,900,000

Total Development Cost: \$151,200,000

DEVELOPMENT SCHEDULE

Site purchased: 1941

Planning started: 2001

Construction started: December 2003

Sales/leasing started: April 2005

Phase I completed: April 2005

Project completed: December 2006

DRIVING DIRECTIONS

From Portland International Airport: Follow the signs from the airport to Columbia Boulevard. Turn right onto NE Columbia Boulevard. Go west on NE Columbia Boulevard for 6.4 miles (10.24 km). Make a left at North Chautauqua Boulevard. After 0.2 mile (0.13 km), take a right at North Alaska Street. North Alaska Street turns slightly left and becomes North Trenton Street. The neighborhood will be on the right.

Driving time: 25 minutes in nonpeak traffic.

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This Development Case Study is intended to serve as a resource for subscribers in improving the quality of future projects. Data contained herein were made available by the project's development team and constitute a report on, not an endorsement of, the project by ULI—the Urban Land Institute.

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Photo by Pete Eckert

New Columbia comprises 854 new residences, including 232 for-sale units, 186 affordable apartments, and 370 public housing and Section 8 rental units.



Photo by Pamela Kambur, Housing Authority of Portland

The project's main street, North Trenton Street, includes 3,600 square feet (334 sq m) of ground-floor retail space, with apartments and offices—occupied by community outreach organizations—above it.



Photo by Housing Authority of Portland

The design team at New Columbia applied a number of green strategies: over 50 percent of the mature trees on site were saved; 98 percent of stormwater is retained and treated on site; and three LEED-certified buildings were constructed.



Photo by Pete Eckert

More than 50 percent of the site is preserved as open space, including a four-acre (1.62-ha) central park, four pocket parks, common greens, and public gardens.



New Columbia site plan.

