

THE BOND BUYER

Portland, Ore., to spend bond money to build affordable housing at former strip club site

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Portland, Ore., will use proceeds from the city's \$258 million housing bond to build affordable apartments on a Southeast Portland property formerly home to a strip club.

Mayor Ted Wheeler announced Thursday his plans to use proceeds from the bond to build 200 to 300 affordable apartments on Southeast Powell Boulevard at Southeast 30th Avenue.

Although voters approved the bond in November 2016, this is the city's first planned expenditure to build new housing using that money.

"Projects like this make good on the faith Portlanders placed in us when they approved the historic housing bond," Wheeler said in a statement to The Oregonian/OregonLive.

Wheeler's notice was also his first major housing announcement after he ousted former Housing Bureau Director Kurt Creager last week.

The mayor and housing officials were considering using bond funds for the project as early as August, when the city purchased the 50,000-square foot property where the Safari Showclub operated.

The mayor drew criticism last summer for dragging his feet on increasing affordable housing while city officials, housing advocates, community leaders and developers met at his request to set up specific guidelines for spending the bond.

Ballot language requires that the bond be used to build or preserve 1,300 homes affordable to those who make 60 percent or less of the area median income. It also promises that 600 of the apartments will be affordable to those who make 30

percent or less of the area median income and requires that half of the units have two bedrooms or more to accommodate families.

The City Council approved additional spending criteria in October. They require housing officials to look for opportunities to increase affordable housing for people of color, families with children and those experiencing homelessness or at risk of becoming homeless when considering uses for bond money.

Interim Housing Bureau Director Shannon Callahan said in statement that she plans to work with the bureau's Bond Oversight Committee and the community to plan the new development.

Building affordable housing in the Creston-Kenilworth area near Cleveland High School means more people will have access to good education, transportation, green spaces and economic opportunity, she said.

"We're pleased to build our first housing bond project in such a dynamic area," Callahan said in the statement.