

# Questions and Explanations: GMEC Potential Development Project with the Portland Housing Bureau (PHB)

## 1. Does the Potential Development Project with PHB fit with the values of GMEC?

### **GMEC Statement of Welcome**

We recognize, celebrate, and give thanks for the many diverse gifts of God among us. We welcome persons of every race, language, age, gender identity, sexual orientation, physical and mental ability, national origin, immigration status, and economic level. We hold that discrimination is incompatible with the Gospel of Jesus Christ. We affirm all relationships founded on the principles of God's love and justice.

### **GMEC Statement of Purpose**

Grace Memorial Episcopal Church, following in the way of Jesus, seeks to effect transformational change in individuals, in our Portland neighborhoods, and in other communities near and far. To do this we will engage our spiritual, human and financial resources in creative partnerships with people and organizations to further God's work in the world.

Potential PHD Project Description: The development of Grace property could provide 100+ affordable housing units for people earning 60% or less than the median income in Multnomah County. Medium income for a family of 4 is \$74,000, so to qualify for affordable housing a family of 4 would have to earn \$44,000 or less. The PHB Bond that was recently passed by the voters of Portland requires that 1/2 of the overall bond money be dedicated to 2 bedroom units and 40% be used for people earning 0 - 30% of the

medium income. We would have input into the mix of people living in Grace units (see #2).

The value of our air rights (this is the space above our property. Our property is zoned to 5 or 6 stories) would be paid to us in the form of PHB building facilities for our purposes (new Parish Hall, kitchen, offices, classrooms, space for Grace Institute and PHAME) - primarily on the first level of the development. If there is remaining value, it would be paid over time in lease payments. We would retain the deed to the entire GMEC property.

## **2. Who would we want for neighbors?**

As described in #1, there are legal definitions as to who qualifies for affordable housing. We do have the ability to influence who lives in our development by encouraging 'soft preferences'. We do that by letting those preferences know in advance when sign up occurs for the units or when there is a vacancy in the future. We would negotiate our mix with the City. We would not be comfortable with 100% of the units being occupied by a vulnerable population as we have safety concerns for both the Parish, Art Camp and PHAME.

We have discussed the following possible mix of renters who would be given a 'soft preference'. The 'soft preference groups we would be comfortable with are: Parishioners, Artists, and Seniors. (One other group we discussed without the full committee was Immigrants.)

There are also 'hard preferences'. The City might want there to be a certain number of families or individuals in the 0 - 30% below median income group. We have also discussed the possibility of 10 units that could be built specifically for Quadriplegics.

### **3. What is the future of the Parish Hall?**

(NOTE: I have left out the option of both developing the property AND keeping the Parish hall because of the extensive renovation that needs to be done to the current Hall and the stubborn fact that if we did both, there would be practically no open space on our campus. It would be entirely covered with buildings.)

A: Build a new Parish Hall as part of the Development:

The type of construction that would be used to build the apartments is called Podium and Stick or just Podium if you want to google it. If you have watched new buildings go up in our area you have seen this type of construction. A concrete Podium is built about 14' above ground level sitting on large pillars. The building above the podium is wood frame construction. This is an economical way to build, but you can only build 5 stories above the podium. If you go higher than 5 stories you have to build with concrete which is much more expensive. The area below the podium would be the area that we would inhabit and that would include some parking.

On the last page you will find a drawing that shows a beginning conception plan of the potential Development. The apartments would be arranged in an 'L' shape on the lot and the area the current Parish Hall occupies would become an expanded courtyard that might house a labyrinth, garden, children's play area and/or outdoor dining area. The Parish Hall would be on the same level as the courtyard and could feature large doors that could be opened to the courtyard in good weather. The Parish hall would be directly across from the Sanctuary.

B: Choose not to Develop and keep the status quo:

There has been extensive delayed maintenance on both the Parish Hall and the Halsey and Grace houses. Walsh Construction Company (WCC) did an informal walk through of our facilities and gave us rough numbers as to what it would cost to renovate them and bring them up to code. It would be an extensive renovation and we would not have use of the facilities for 8 months to a year. In the end, our building would be ADA compliant. We would have new electrical, new piping and a refurbished kitchen. Here are the numbers (these do not include a sprinkler system):

Parish Hall Renovation: **\$2,746,388**

Grace and Halsey Houses: **\$983,207**

Site Preparation: **\$110,784**

Raising the money for a complete renovation would be difficult if not impossible, so here are the things that need to be done in the very near future to our campus:

New Roof for the Parish Hall: **\$30,000** (this bid is 2 1/2 years old and does not include potential code updates that the City might require when they issue a permit).

Grace and Halsey House exterior maintenance to include new siding on the South sides of the houses, new roofing on both houses, exterior repair on both houses, new paint on both houses, and gutter work: \$80,000. Because of possible dry rot and other issues that might be discovered, this is probably going to be closer to **\$100,000**.

Face Lift of the Kitchen: **\$50,000**

We have unacceptable levels of lead in our water. We have not had an official estimate for repiping the Parish Hall, but I've read a little about the cost of repiping a house (\$8,000), and so I'm going to guess in the \$20,000 to **\$30,000** range. We don't know if there is lead in the water of the two houses.

Another expense we will eventually face has to do with the main sewage line of the Grace house which oddly runs across the parking lot. We had it scoped when we were having problems with sewage backing up in the basement sink of the Grace house and while there was a big problem in front of Frank's storage house that we had fixed, there were other lesser problems further on in the line we chose not to fix. Replacing this main line will run in the range of **\$10,000**.

The electrical system in the Parish Hall also needs repair. When there are too many things running (like fans in the summer), computers shut down which causes some problems. **No estimate for this.**

An elevator is needed to provide accessibility to our lower level. There is a bid that is 6 or 7 years old for a hydraulic wheelchair lift in the Parish Hall. It was \$70,000, but due to the age of the bid we can probably increase it to **\$90,000**.

These are a few of the things that need to be addressed soon. Most important are the roof of the Parish Hall and the exteriors of the Grace and Halsey Houses.

#### **4. What is our bottom line on parking?**

We essentially have space to build our facilities under the podium excluding some space the apartments need. There would be limited accessibility parking available on this level. There is an additional possibility to have some office or storage space on the second floor. If we were to go below

ground for parking in order to replace our current parking, the cost would be in the range on \$40,000 per space or \$2,200,000 for 55 spaces. This is 1/2 of the value we are estimating for our air rights.

The question then is: Would you be willing to walk two blocks to church in exchange for excellent spaces for our ministry and our community.

## **5. The final question asks if you are able to commit to this project.**

It will be exciting and hard and probably a little frustrating at times. We will need to work together and dream together, but in the end we will have a great space our ministries.

Both Grace Institute and PHAME would like to expand and become year round programs. With this potential development they, along with GMEC could be positioned to provide opportunities to the people living in the Grace Apartments and the people in the wider community. We could design our space so that Art Camp could have needed security and the Grace Food Programs could operate year round We could have beautiful summer weddings in our expanded courtyard. If we included a performance space it could be rented out as there is a shortage of that kind of space in Portland.

The City is moving fast. If we decide to be partners with PHB, we would probably break ground by the end of the year. Many are competing for the Bond money including other church communities. Because we have Ross Cornelius working with us (who has worked for and has credibility with the PHB) and because we have a 5 star location, we have a real chance to be the first time the PHB has every entered into a partnership like this.

Finally, we need to have an initial concept and space plan submitted to PHB by the first of April. Before we work on that we have to decide as a

community that we agree to move forward with this project. The last question will ask if you feel comfortable doing that. You don't need to make a decision today, but we will need your feedback within a week to 10 days. Please feel free to call any of the people on the committee if you have questions or concerns or just want to talk over some ideas you might have. We will be completely happy to take all the time needed to share our vision and answer your questions.

Thank you,

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Chair, Grace Campus Development Committee