



## LENTS TOWN CENTER DEVELOPMENT

### Introduction

The Lents neighborhood is one of Portland's largest at 3.75 square miles (9.7 km<sup>2</sup>) and one of its oldest. Since the late 20th century, it has become more diverse as the home of many Asian, Russian/Eastern European, and Latino immigrants. The neighborhood is six miles (10 km) southeast of downtown Portland and lies within the 97266 ZIP code.

Lents was originally platted as the Town of Lent by Oliver P. Lent in 1892. Lent's town was built to be a self-sufficient suburb of Portland. In 1912, when Lents had a population nearing 10,000, the city of Portland annexed it. Because of its distance from central Portland and lower income residents, composed of Jewish, Chinese, German and Irish families, the neighborhood suffered delays in getting street and sewer improvements. Perhaps the most notable example of this came with the construction of Interstate 205. The I-205 freeway was originally destined for 39th Avenue, but the powerful and wealthier residents of Portland's Laurelhurst neighborhood successfully lobbied to have the path changed to 52nd Avenue. By the time it came to final planning, the city had grown and decided to move the freeway's path even further out to 95th Avenue, effectively cutting the Lents neighborhood in half and creating a barrier between eastern and western Lents. Before freeway construction, some residents were optimistic that it would bring new residents and customers to the area. Sadly, their hopes were dashed.

Aside from decimating approximately 500 dwellings and businesses, the construction of I-205 had other negative effects which the Urban Renewal Area (URA) Plan and subsequent Five-Year Action plan addressed. Freeway construction also ushered in the Foster/Woodstock couplet, with each street now one-way. On-street parking spaces were eliminated to add turn lanes that allowed traffic to flow more smoothly through the Lents commercial district. While this was a boon to cars heading to and from the freeway ramps, it did little to support a pedestrian-friendly environment. Shoppers who lived in the neighborhood could no longer easily drive, park or safely walk to the businesses of the Lents commercial area. The pedestrian environment declined and business fell off. Instead, many former Lents commercial district customers used the freeway to get to nearby shopping malls and other commercial nodes.

In recent times, Lents has become more diverse, local businesses and nonprofits like the Asian Health & Service Center reflect and serve the needs of the community. Notable Lents residents have included American folk legend Woody Guthrie, whose time there is now memorialized by an affordable family housing building bearing his name (discussed below).

The neighborhood has undergone a vast transformation since 2010, largely due to the efforts of the city's economic and urban development agency, Prosper Portland (formerly the Portland Development Commission) and the Portland Housing Bureau with assistance from the Bureau of Transportation (PBOT) and Planning and Sustainability (BPS). Although many Portland

neighborhoods have undergone rapid change and gentrification in recent years, the Lents Town Center development is notably different in its commitment to centering the needs of households and businesses that have often been left out of the city's growth, particularly people of color. Prosper Portland's current Five-year Action Plan for the district focuses on (re) creating a complete neighborhood with affordable housing, locally owned businesses, improved walkability and access to public transit.

### **Lents Tax Increment Financing (TIF) District Overview and Key Goals**

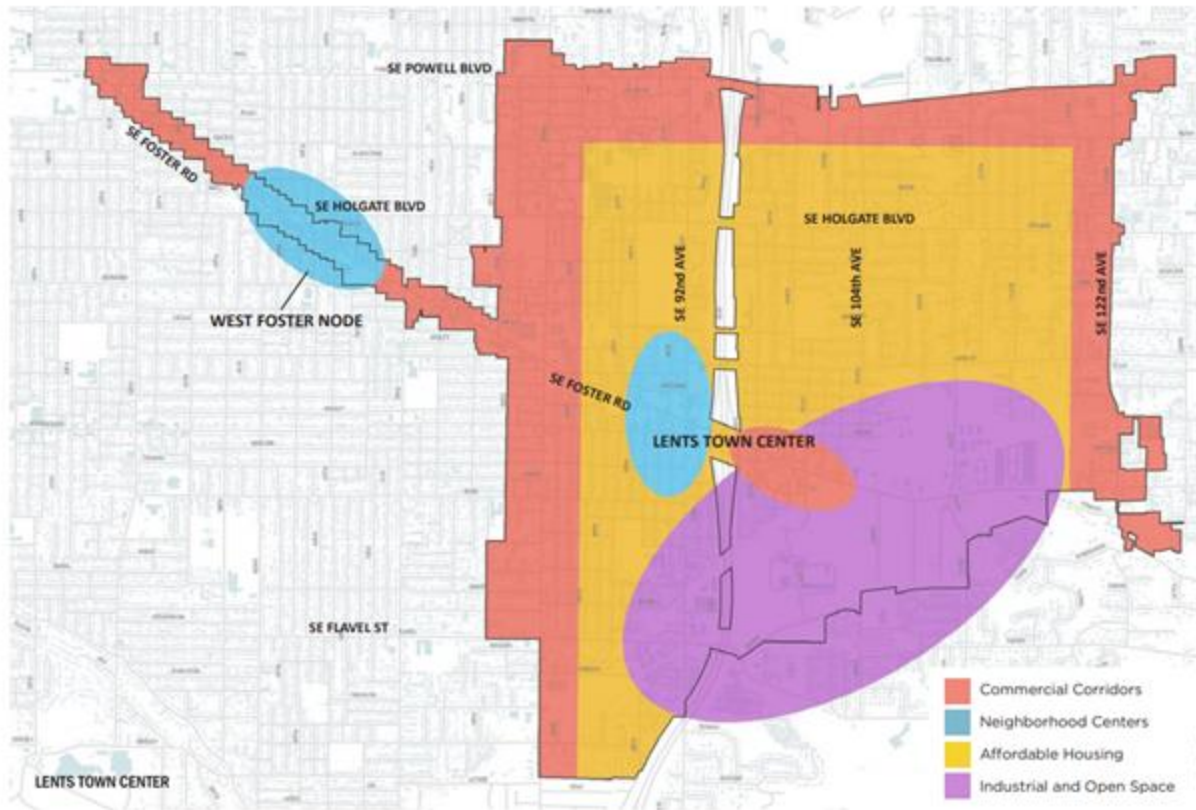
The Lents Town Center Urban Renewal Area (aka TIF District) is the second-largest in Portland at 2,800 acres. It includes six distinct neighborhoods, three unique business districts, a highly accessible town center, and residents who are more ethnically diverse than Portland as a whole. In September 1998, the City Council established the Lents Town Center Urban Renewal Area (LTCURA), the first of three neighborhood URAs created in the span of four years to accomplish the city's community-centered development goals, which include generation of new family wage jobs, assistance to new and existing businesses, improvements to local infrastructure such as streets and parks, improvements to existing housing, and new housing construction. Implementation of the plan began in fiscal year 1999-2000.

A 2008 amendment to the plan expanded boundaries by 140.05 acres, increased maximum indebtedness by \$170 million to \$245,000,000 and extended the expiration date to June 30, 2020. In 2010, Prosper Portland established the Neighborhood Economic Development Strategy, which served as a guide for Lents Town Center TIF District objectives. The strategy objectives were: build local capacity to achieve economic development outcomes, drive neighborhood businesses growth, and align and coordinate resources to support neighborhood economic development.

To ensure the objectives were addressed (or remained the focus of the work in Lents,) Prosper Portland created the Lents Five-Year Action Plan, developed with significant community input and engagement and adopted in 2014, laid out a strategy that focuses future investments where they will have the most impact, ensures existing residents and businesses benefit, and takes some calculated risks to achieve the vision for retail amenities, residential density, job growth, and private investment in the Lents TIF District.

The Action Plan seeks especially to stimulate development that positively changes the reputation and increases the vitality of the traditional main street, identified as a neighborhood center. The Plan concentrated investment along SE 92nd Avenue and SE Foster Road while initiating "game-changing" redevelopment of Prosper Portland-owned properties and other sites, investing in infrastructure and promoting business development. The map below shows the entirety of the Lents TIF District. The area highlighted in blue and labeled "Lents Town Center" is the traditional heart of the community and the focus of this application.

## FOCUS GEOGRAPHIES



### Redevelopment, Economic Development and Revitalization

Since the formation of the TIF District in 1998, Prosper Portland has invested in infrastructure, facilities, transportation, affordable housing, and business development. The first phase of Lents Town Center redevelopment (Phase 1) consisted of \$109 million in total investment, including \$37 million in loans from Prosper Portland and \$17 million in loans from the Portland Housing Bureau. Phase 1 added 263 new housing units, including 157 affordable units and 47 workforce units, as well as commercial space for 10 businesses. In late 2018, Prosper Portland began the community engagement process for Lents Town Center Phase 2 development, involving a 4.4-acre site owned by Prosper Portland on SE 92nd between SE Harold and SE Ramona (“92/H”).

Prosper Portland and the Portland Housing Bureau have invested in the heart of the Lents Town Center to deliver on the Lents Action Plan goals for rebuilding the historic Lents Town Center commercial district. The result includes four major development projects – the Asian Health & Service Center, Lents Commons, Oliver Station, and Woody Guthrie Place – offering a mix of commercial, office and housing that includes, in addition to the housing units noted above, 38,000 square feet of ground floor commercial space, and 30,000 square feet of office, clinic and event space.

### o **Asian Health and Service Center**

The [Asian Health and Service Center](#) (AHSC) celebrated the grand opening of its new headquarters at SE Foster at SE 91st Avenue in August 2018, providing culturally specific, holistic healthcare, childcare, social interaction and resources to the community. Prosper Portland's \$4,912,000 investment in the center's land sale resulted in this 30,000 square foot commercial building housing the AHSC office, community and clinic services, and event space as well as a rooftop garden and on-site parking.

### o **Lents Commons**

[Lents Commons](#) opened in March 2018. This Prosper Portland-developed and owned mixed-use project offers 54 units of housing and approximately 9,000 square feet of retail space on the ground floor. Sixteen of the 54 apartments are reserved as affordable; the development includes a ground floor public courtyard and on-site parking. The building offers 7,500 square feet of ground floor commercial space along Foster Road, half of which has been reserved for the Affordable Commercial Tenanting Program.

Prosper Portland created the [Affordable Commercial Tenanting Program](#) (ACT) to address a recent (pre-pandemic) dramatic increase in retail rents and decrease in vacancy rates in the city of Portland, which resulted in the displacement of small businesses from Portland's urban neighborhoods. The program seeks to reduce barriers to entry for underrepresented businesses, preserve the vitality of small businesses, provide business development opportunities that in turn offer needed goods and services to the community and advance the agency's goal to build an equitable economy. The Affordable Commercial Tenanting Program is available at two sites in the Town Center, Lents Commons and Oliver Station.

### o **Oliver Station**

Oliver Station includes two buildings on two sites on either side of SE 92nd Avenue between SE Foster Road and SE Woodstock Boulevard ([Building 1](#) , [Building 2](#)). Combined, the two buildings added 126 affordable apartment units and 19 market-rate apartment units to Lents Town Center and approximately 29,000 square feet of ground floor commercial space with parking included. Thanks to Prosper Portland's partnership with Palindrome Communities, 4,000 square feet of this space has been reserved for the ACT Program. Initial commercial rents in Oliver Station are at least 10% below market rents for new class A commercial space. Tenants may also qualify for a contribution toward tenant improvement build-out in the form of a grant from Prosper Portland. Since this project was funded in part through the federal Low Income Housing Tax Credit (LIHTC) program and the Portland Housing Bureau, all affordable units are reserved for households earning 60% or less of the area median income.

### o **Woody Guthrie Place**

[Woody Guthrie Place](#) (the "Woody") is a mixed-income apartment building on SE 91st Avenue at SE Reedway Street. The building added 68 units to the town center—17 affordable and 51 workforce —with on-site parking. Rose Community Development (Rose) has been a long-time,

non-profit partner in the Lents Town Center and has developed several other housing projects there. Rose offers neighborhood-based solutions to deeply entrenched social problems, building on the community's existing strengths and assets. The "Woody" also includes approximately 2,000 square feet of ground floor space, where Rose delivers some of its programming and which the agency makes available to the broader Lents community.

o **Prosperity Investment Program**

The Prosperity Investment Program (PIP) grant program provides tax increment finance (TIF) resources in line with local community action plans

and Prosper Portland's 2015-2020 Strategic Plan to make small-scale real property improvements and deliver business and development-focused technical assistance. Program investments are awarded using social equity goals and managed to maximize public benefit. They support



business competitiveness and/or property redevelopment in projects that meet at least one of the following: secure access to high-quality employment for Portlanders, foster wealth creation for people of color and within low-income neighborhoods, or build healthy communities in line with local community action plans. Recently, the Prosper Portland board heard moving testimony from Anh Nguyen, a Vietnamese immigrant who came to the U.S. in 1992 after her father was released from a concentration camp. She is now the owner of Cha Lua Deli (on SE 82nd Ave. between Foster Rd. and Woodstock Blvd.) and a PIP grant recipient. The grant has helped provide opportunities for her siblings who will be returning to Lents to help run the business. Business and land ownership have provided assets for Anh family to not only thrive, but also participate in Lents' equitable redevelopment. Cha Lua is right on the edge of the Lents Town Center, representing how successful revitalization can have beneficial ripple effects. Prosper Portland expects Cha Lua will serve as a model for other businesses in the heart of the Lents Town Center.

**An Equitable Future**

As we look toward the next phase of engagement, investment and partnership in the Lents TIF District, we remain committed to applying a racial equity lens and to ensuring that our work benefits longtime residents and business owners. In the process of understanding Lents in 2021, and applying lessons learned from the past five years, we know with certainty that partnership and engagement with the community will remain central to our future endeavors as we work to support and promote the diversity, vibrancy and prosperity of Lents.