

How much will this development cost?



An investment in people and prosperity...



Building a unified vision

The RAC development's prominent location and purpose requires strong attention to quality design and long-lasting materials. The development's sustainability elements include high performance mechanical and electrical systems that maximize indoor air quality and decrease long-term operational costs.

Component	Total cost	Construction cost	Units	Total cost/ Unit	Square footage	Const. cost/ Square foot
1 Resource Access Center/TPI	\$8.3 million	\$5.0 million	NA	NA	22,905 sf	\$218/sf
2 Men's Shelter	\$4.0 million	\$2.4 million	NA	NA	13,900 sf	\$173/sf
3 Affordable Housing*	\$34.6 million	\$21.4 million	130	\$264,901	66,637 sf	\$321/sf
Total development	\$46.9 million	\$28.8 million	130	NA	103,442 sf	\$278/sf

* Housing figures include site work and right of way.

Accounting for every share

Funding Sources	
TIF – PDC River District Portland Development Commission	\$29.5 million
Low-Income Housing Tax Credits Wells Fargo, Oregon Housing & Community Services	\$ 11.7 million
Recovery Act Competitive Grant U.S. Dept. of Housing & Urban Development	\$ 3.3 million
Cash (portfolio reorg. & dev. fee) Housing Authority of Portland	\$ 1.9 million
Other (BETC-ETO, interest, etc.)	\$ 0.5 million
Total	\$46.9 million

Project Uses	
Construction	\$29.8 million
Development	\$ 1.4 million
General fees	\$ 8.3 million
Loan/Financing fees	\$ 1.9 million
Interest	\$ 1.3 million
Reserves/Contingency	\$ 4.2 million
Total	\$46.9 million

Fulfilling the vision with on-going operational support

Component	Current annual operating cost	Projected annual operating cost	What does the added investment buy?
Resource Access Center	\$304,000 (TPI's current Community Services Center)	\$800,000 to \$1.3 million (range depends upon decisions about staffing and expanded operations)	<ul style="list-style-type: none"> Staffing to: <ul style="list-style-type: none"> Increase service capacity from 500 to 1000 individuals daily. Staff new shower, locker, and courtyard spaces. Provide deeper engagement with RAC clients and help with finding and securing permanent housing. Expanded hours: up to 7 days/week, 7 a.m. - 8 p.m. Additional space costs (internal queuing courtyard, offices for multiple service providers, classrooms, showers, lockers).



<i>Component</i>	<i>Current annual operating cost</i>	<i>Projected annual operating cost</i>	<i>What does the added investment buy?</i>
2 Men's Shelter	\$1.2 million	\$1.2 million	<ul style="list-style-type: none"> + A modern facility with room for eating and outdoor smoking in a private courtyard. + Additional rent assistance, if available, would help shorten resident tenure and increase the total number of individuals served.
3 Affordable Housing	NA	HAP housing subsidies: \$983,000 PSH supportive services: \$500,000	<ul style="list-style-type: none"> + 130 low-cost, new units in downtown that will serve the homeless population served by the shelter and RAC. HAP has allocated public housing (30 units) and project-based Section 8 (100 vouchers) as operating subsidy to supplement the small amount of rental income that is anticipated. + PSH supportive services funding provides on-site case managers to assist residents in transitioning to permanent housing (move-in assistance, eviction prevention, assistance with accessing community services, and more). The \$500,000 annual cost of services within the 130 units housing component (\$3,846/unit) compares favorably to the cost of providing shelter beds or rental assistance to a similar number of households.
Total development	\$1.5 million	\$3.5 – 4 million	+ All of the above

An adaptable course

The City, HAP, and TPI will use the two-year development period to:

- fine-tune the RAC development's operating plan against estimates of available funding,
- assess potential leverage of existing community services to offset the need for new or repositioned funding, and
- identify partners and investors with stakes in the success of the RAC development.

Options to be explored for meeting or reducing the anticipated gap in operating funds for the RAC include:

- Partnerships with Multnomah County, the Portland Police Bureau, the Portland Business Alliance, and other stakeholders to meet on-site service and staffing needs.
- Partnerships with foundations, social investors, public partners, and nonprofits that will run projects at this attractive new community asset.
- Flexibility with operating hours, levels of service, and outcome expectations to correspond to available funding.
- Redirecting funding from existing community services to the RAC in a way that maximizes the value of public investment and minimizes impact on the community safety net.
- Reducing services in the RAC to support only minimal functions of hygiene, Information & Referral, storage, and laundry and/or reducing services in the affordable housing and housing a less vulnerable low-income population.