



Keeping elderly, needy renters in some of downtown's best old buildings



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Arlene and Harold Schnitzer, in 1996. Harold died last year. But his wish was for two of the family's downtown Portland properties, the Park Tower and Lexington Apartments, to continue to be home for rent-subsidized tenants.

The Oregonian

The Park Tower in downtown Portland by all rights would seem a pricey address. It is across the street from the four-star Heathman Hotel, of which it was once a part, and faces the hallowed Arlington Club, where money and power flow like fine aged wine.

But the Park Tower, a trim brick building characteristic of its 1926 vintage, is home to 162 tenants whose average annual income is \$10,925 and whose average age is 67.

Slightly more than one-third of the residents are disabled, as well. The tenants pay most

of their rent with federal dollars under a program called Section 8, helping to protect their limited income but protecting Portlanders against the considerable social cost of housing them otherwise.

Now the Park Tower is in play -- but for good reasons. The owners, the family of the late Harold Schnitzer, recently donated it to the Oregon Jewish Community Foundation.

With renovation, the place could become pricey condominiums or magazine-cover rentals to fulfill the axiom that location, location, location sets price, price, price. The nearby Roosevelt Hotel was converted some years back, forcing tenants to take

Section 8 vouchers elsewhere in the city or to leave altogether.

But the foundation figures the Park Tower is worth \$16.6 million and will sell it, setting aside the money as the Harold and Arlene Schnitzer Family Fund. While the deal isn't yet closed, the buyer is slated to be **Cedar Sinai Park** (<http://cedarsinaipark.org/>), the nonprofit organization that provides residential and community-based care to the elderly, often with special health needs. Enter the city of Portland.

Today the **City Council** (<http://www.portlandonline.com/auditor/index.cfm?c=26997&>) will consider an ordinance authorizing loans totaling more than \$6 million to help in the rehabilitation of the Park Tower and a second building, the Lexington Apartments, on Southwest 12th Avenue, also to be sold to Cedar Sinai but directly from the Schnitzer family. The purchase and overhaul of both buildings, however, will cost some \$40.5 million to complete, about \$20 million of it in tax-exempt bonds from the state.

The compassion-based idea is to keep everyone in place but with expanded services and better digs. The spending-based incentive, however, is that the preservation of both buildings will protect about \$40 million in federal Section 8 contracts over the next 20 years. That keeps real money here, in Portland, where it can count most and also keep people away from publicly costly engagements with already maxed-out public housing and social services.

You could argue that downtown Portland, particularly in areas proximate to the spiffy new Director Park, needs yet tonier folks demanding tonier spaces and buying tonier things and dining in the tony restaurants nearby. But a breathing, healthy city embraces its diversity, and the proud elderly and special-needs residents of the Park Tower and Lexington Apartments are part of our mix.

The Portland Housing Bureau has found a frugal way to conflate its public mission of providing affordable housing with the generosity of the Schnitzer family, the outreach of the city's nonprofit sector and several streams of state and federal funding. This is as good a deal for Portland taxpayers as it will be for the lower-income tenants who will benefit.

The council should recognize the smart bargain and say yes.