

August 22, 2022

Christopher H. Foster
15400 NW McNamee Rd.
Portland, OR 97231

Multnomah County Land Use Planning Hearings Officer

RE : Resonse on Case # T2-2021-14981 for Denial
12424 NW Springville Road.

Dear Hearings Officer,

Having reviewed the submittals of August 12th 2022, I remain convinced that the Applicant has yet to satisfy their burden of proof with regard to MCC 39.4265(B) (3) (f) or its underlying OAR: 660-33-0135 (1) (c) which states the the dwelling be occupied by a person “principally engaged in farm use of the land” and that the requirement of an established “farm use” be proved. Those proofs allow adding a dwelling as an additional farm use. The fact that only a small portion of the land is dedicated to a residence is unimportant in making the determination despite the Applicant's argument otherwise. The cases and argument I cited previously and that of Ms. Chesarek and the Forest Park Neighborhood Association of April 21st largely remain relevant. I find the Applicant's recent narrative generally dismissive of just how tough these approval standards really are. A good many successful farmers in Multnomah County, while meeting the “farm use” definition, would not be able to meet the “principally engaged” requirement. There is nothing insulting or belittling here. Some are just too dependent on the farm labor of others (as may be the case here according to neighbors) and are principally engaged in another occupation unrelated to farming. It is no wonder few counties adopted this optional provision and the DLCDC has reportedly (emails in the record) considered dropping it entirely. It's practically unworkable. Far clearer paths for building a home exist under the non-high value gross income provisions or perhaps development on the forest zoned portion of the property.

Proving these standards takes presenting objective documentation which is not yet present including, but not limited to things like an audited or verifiable tax Schedule F or similar. However valid claims of dawn till dark work “when in Portland” may be, they are insufficient especially if its a known fact that hired labor is responsible for some as yet undetermined portion of the day to day farm work. I gather Mr. Reed's profession as a developer takes him to various parts of the U.S. See this recent press release (August 19, 2022) : <https://massinsider.net/press-releases/35508> (attached). The Applicant has made no mention of his hired labor. Continuing, volunteering for an unopposed position on a county farm bureau board, however honorable that may be, is irrelevant to meeting the substantially engaged or farm use standard. Plans, promises and good intentions don't count, only on the ground hard facts.

They may come forward to provide additional information convincing enough to meet the standards set out in the regulations; I'm fine with that. Again, they have yet provide the kind of objective proof as required. It's been a full year now since the most recent application under these standards. It's become a bit of a moving target, leaving some doubts about what facts and proofs for and against are acceptable or relevant. I see that the house is down to some 11,000 sq. ft. from 30,321 sq. ft. (3/27/18 Portland permit intake) and farm plans continue to evolve. If they fire the hired farm help, go full time on the farm, and sell the development business all this this week, is the principally engaged standard met?

Sincerely,

Christopher H. Foster

Press Release: 2022-08-19

MassHousing Closes on \$40.8 Million in Financing for Pac10 Lofts, a New, 180-Unit, Affordable and Workforce Housing Community in Downtown Lawrence

MassHousing Closes on \$40.8 Million in Financing for Pac10 Lofts, a New, 180-Unit, Affordable and Workforce Housing Community in Downtown Lawrence

Redevelopment of the historic former Pacific Mills wool mill complex will serve households across a broad range of incomes

AUGUST 18, 2022

BOSTON – August 18, 2022 – MassHousing has closed on a total of \$40.8 million in financing to [Reed Community Partners LLC](http://www.reedcommunity.com/) (<http://www.reedcommunity.com/>) for the creation of Pac10 Lofts, a new, 180-unit affordable and workforce housing community in the Gateway City of Lawrence. Reed Community Partners has transformed a six-story section of the former Pacific Mills complex into new, mixed-income housing for households across a range of incomes, including 40 workforce housing units for moderate-income families.

"Pac10 Lofts is helping to fill a critical need for mixed-income housing in downtown Lawrence with the transformation of a vacant mill property into a vibrant, new housing community that is offering its residents housing stability and economic opportunity," said **MassHousing Executive Director Chrystal Kornegay**. "MassHousing commends the city, Reed Community Partners, and the many other project partners for their determination in completing this important new housing community."

Pac10 Lofts has been completed and is expected to be fully leased by year's end. The project experienced significant construction delays due in combination to the COVID-19 pandemic, the September 2018 gas explosions in the Merrimack Valley, and multiple water leaks that damaged more than half of the completed units and resulted in a long insurance claim process.

"This has been an unexpectedly long adventure, but we stayed on the horse," **said Scott Reed, Managing Partner of Reed Community Partners**. "This was our first project in Massachusetts, and nowhere in the country have we found a more mission-focused public agency than MassHousing. From beginning to end, they remained committed to doing whatever it took to ensure this project brought 180 units of high-quality affordable housing to Lawrence. That's what we delivered. Our team looks forward to working together on Phase II, and on many projects to come."

MassHousing provided \$17.8 million in tax-exempt permanent financing, an \$18 million tax-exempt bridge loan, and \$5 million from the Agency's [Workforce Housing Initiative \(https://www.masshousing.com/developers/workforce-housing\)](https://www.masshousing.com/developers/workforce-housing). Other financing sources included \$28.8 million in tax credit equity from an allocation of federal Low-Income Housing Tax Credits by the [Massachusetts Department of Housing and Community Development \(http://www.mass.gov/dhcd\)](http://www.mass.gov/dhcd) (DHCD), \$2.5 million in State Historic Tax credit equity, \$43.3 million in construction financing from [Sterling Bank and Trust \(https://www.sterlingbank.com/\)](https://www.sterlingbank.com/), a \$3.6 million acquisition note, \$3.2 million in developer financing, \$210,000 in CDBG financing from the City of Lawrence, and \$175,000 from the [Massachusetts Clean Energy Center \(https://www.masscec.com/\)](https://www.masscec.com/). The tax credit investor was Affordable Housing Partners, Inc., an affiliate of [Berkshire Hathaway \(https://www.berkshirehathaway.com/\)](https://www.berkshirehathaway.com/).

Of the 180 new apartments, 18 are reserved for low-income households earning up to 30 percent of the Area Median Income (AMI), 112 will be affordable to households earning up to 60 percent of AMI, 40 will be workforce housing units for households earning up to 80 percent of AMI. The project also has 10 unrestricted market-rate units. The area median income for a family of four in Lawrence is \$114,000.

The redevelopment of Pac10 Lofts advances the Baker-Polito Administration's goal of creating up to 1,000 new workforce housing units affordable to middle-income households through MassHousing's Workforce Housing Initiative. Since the inception of the initiative in 2016, MassHousing has committed or closed workforce housing financing totaling \$146.9 million, to 73 projects, located in 27 cities and towns, and advanced the development of 5,765 housing units across a range of incomes, including 1,566 middle-income, workforce housing units.

Pacific Mills, a former textile mill, was originally built in 1910. The Pac10 Lofts project on Methuen Street is the first phase of a two-phase redevelopment of the mill complex. The Pac10 Lofts offer 82 one-bedroom apartments, 10 two-bedroom apartments and 88 three-bedroom apartments. The development also includes a fitness center, event space, and a conference room on each floor.

The general contractor was [LaRosa Building Group \(http://www.larosabg.com/\)](http://www.larosabg.com/). The architect was [Rogue Architecture PLLC \(http://www.roguearch.com/\)](http://www.roguearch.com/), the management agent is [WinnCompanies](http://www.winncompanies.com/)

(<https://www.winncompanies.com/>).

MassHousing has financed 18 rental housing communities in Lawrence totaling 2,245 housing units with an original loan amount of \$210.4 million. The Agency has also provided \$156.9 million in financing to 1,556 Lawrence homebuyers or homeowners.

About Reed Community Partners LLC

Reed Community Partners is a fully-integrated project management and real estate development firm, primarily focused on mid to large-scale affordable multi-family properties. Reed Community Partners is focused on financial structures that “twin” tax credit subsidies. In 2008, Reed Community Partners began undertaking the adaptive reuse of large, urban historic buildings using federal and state historic rehabilitation tax credits (HTC). In 2014, Reed Community Partners closed its first twinned tax credit transaction using new markets tax credits (NMTC) in addition to state and federal HTC to rehabilitate the 20-story Thomas Jefferson Tower in Birmingham, Alabama. In recent years, the firm has become increasingly focused on the production of high-quality affordable housing utilizing low-income housing tax credits (LIHTC) twinned with other tax credits and often including private activity bond financing (PAB). In addition to rehabilitating large historic buildings, the firm also specializes in mid-sized urban infill in key markets, working with localities to transform sites that have long been underutilized across the United States—from the Bay Area to the Gulf Coast to New England. For more information, visit www.reedcommunity.com (<http://www.reedcommunity.com/>).

About MassHousing

MassHousing (The Massachusetts Housing Finance Agency) is an independent, quasi-public agency created in 1966 and charged with providing financing for affordable housing in Massachusetts. The Agency raises capital by selling bonds and lends the proceeds to low- and moderate-income homebuyers and homeowners, and to developers who build or preserve affordable and/or mixed-income rental housing. MassHousing does not use taxpayer dollars to sustain its operations, although it administers some publicly funded programs on behalf of the Commonwealth. Since its inception, MassHousing has provided more than \$27.5 billion for affordable housing. For more information, follow us on [Twitter](http://twitter.com/masshousing) (<http://twitter.com/masshousing>), [Facebook](http://facebook.com/masshousing) (<http://facebook.com/masshousing>) and [LinkedIn](https://www.linkedin.com/company/masshousing) (<https://www.linkedin.com/company/masshousing>).

###