

**October 9, 2017**  
**East Portland Action Plan (EPAP) Housing Subcommittee Meeting**  
**East Portland Neighborhood Office**  
**Meeting Notes**

**The Goal of the Housing Subcommittee is:** To find common ground in supporting a range of housing types in East Portland as a means to strengthening livable communities, encouraging healthy, complete, and stable neighborhoods, and promoting family wage jobs. A range of housing types is meant to include rental housing and home ownership as well as housing for people at various income levels.

**The Purpose of the Housing Subcommittee:** The purpose of the EPAP Housing Subcommittee is to agree upon productive strategies for housing and to prioritize action items involving housing for East Portland. These strategies and action items might include (but not be limited to): encouraging housing for people in a range of income levels---including affordable housing for low-income people, promoting high quality housing development and construction standards, and encouraging property rehabilitation as well as new construction. The EPAP Housing Subcommittee will work with a lens of preventing displacement, protecting tenants' rights, promoting enhanced housing inspection enforcement, supporting local schools, encouraging job creation and economic development, and strengthening neighborhoods. The EPAP Housing Subcommittee will strive to promote, for all East Portland residents, quality housing by design which in turn promotes stronger educational systems; an increase in living wages jobs, greater economic opportunity, stronger educational systems, enhanced transportation, and healthy neighborhoods throughout East Portland.

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## **Housing Subcommittee Meeting**

October 9, 2017

Meeting began at 6:05 pm.

**Attendees:** Frieda Christopher, John Mulvey, Iore Wintergreen, Roger Meyer, Melinda Musser, Michelle DePass, Leslie Lum, David Potts, Char Pennie, Bob Rosholt, Gary Primack, Andy Miller, and Betty Dominguez

**Guests:** Andrea Matthiessen, PHB and Shoshanah Oppenheim, OR Department of Housing and Community Service

**Welcome and Introductions:** John welcomed everyone and each attendee introduced themselves.

### **Oregon's Statewide Housing Plan - Shoshanah Oppenheim, Oregon Department of Housing and Community Services**

John introduced Shoshanah Oppenheim from OR Department of Housing & Community Services. She shared a PowerPoint explaining Statewide Housing Plan that the department is working on. She encouraged attendees to fill out comment sheet with things that were not included in the issues related to housing.

What do they know?

- People have limited choices, wages have not kept up with rents and housing costs.
- It is becoming harder and there are many that are in threat of homelessness.
- The situation is untenable.
- Low income households at 50% or below cannot afford energy costs.
- Rents continue to rise causing housing instability throughout the state.
- Without stable housing people have trouble completing education, and are unable to live in healthy environments.

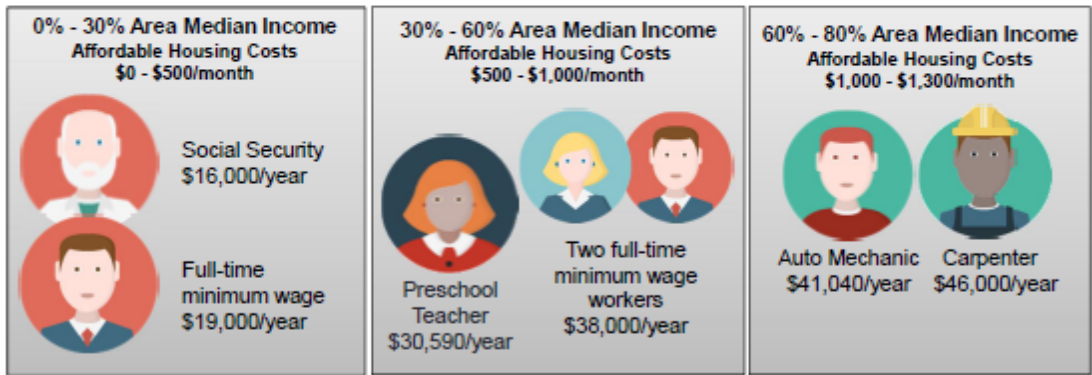
Oregon is creating a statewide housing plan. She said the plan will:

- Focus investments and services to achieve the maximum affordable housing impacts.
- Identify practical tools and innovative best practices that can help create housing stability.
- Spell-out specific roles and responsibilities.

Shoshanah explained some of the charts in the PowerPoint. She said homeownership is becoming harder to achieve and maintain and said there are many factors related to homeownership.

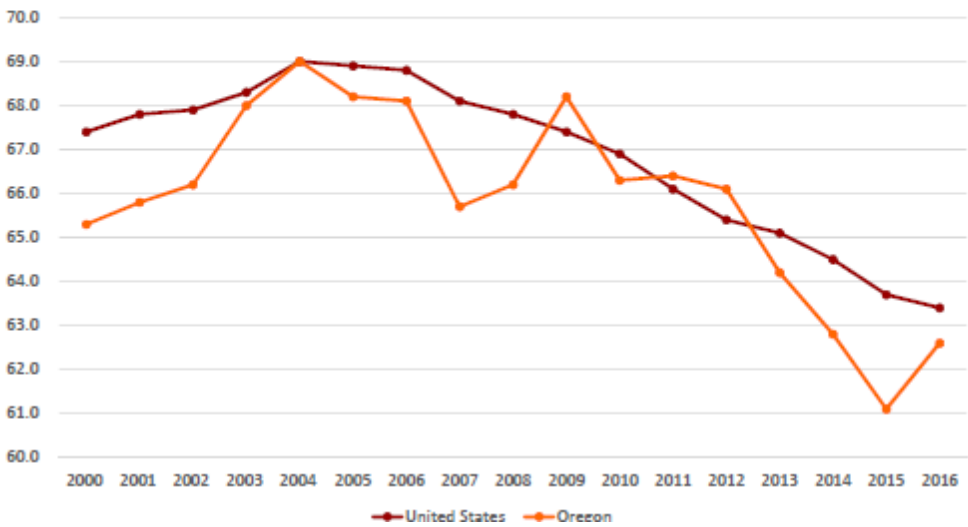
## Defining Affordability

Affordable housing: 30% or less of gross income spent on housing.  
 \$1,619 median rent for a home in Oregon

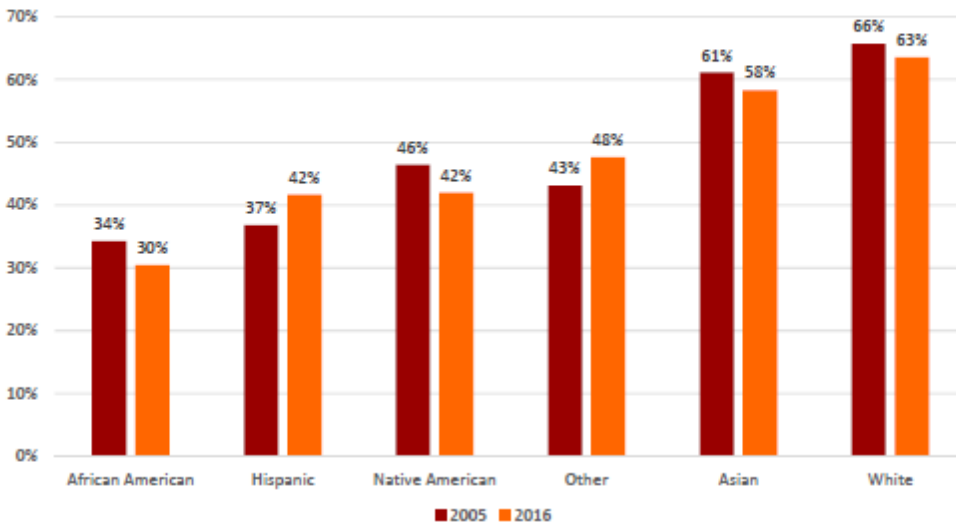


Source: Oregon Bureau of Labor and Statistics and Zillow Rent Estimates

## Homeownership Rates, 2000-2016

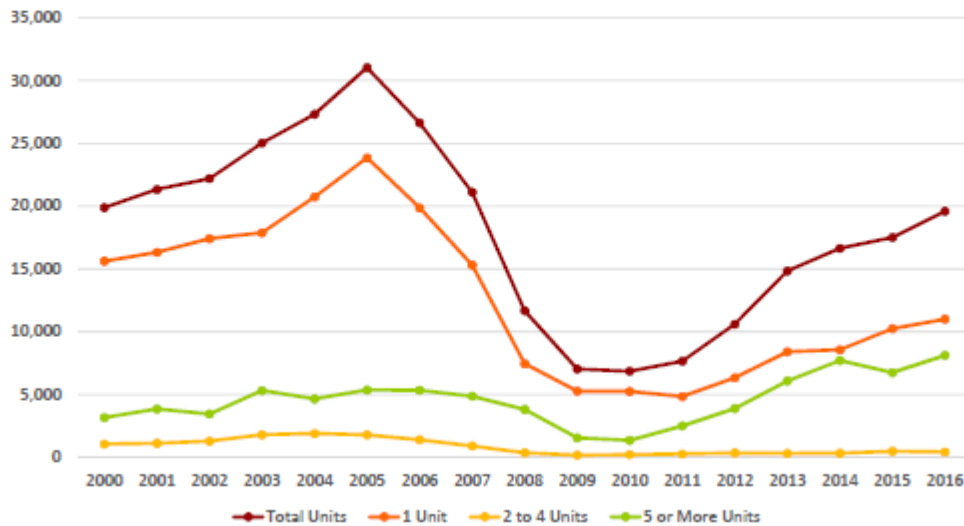


## Homeownership Rates by Race and Ethnicity



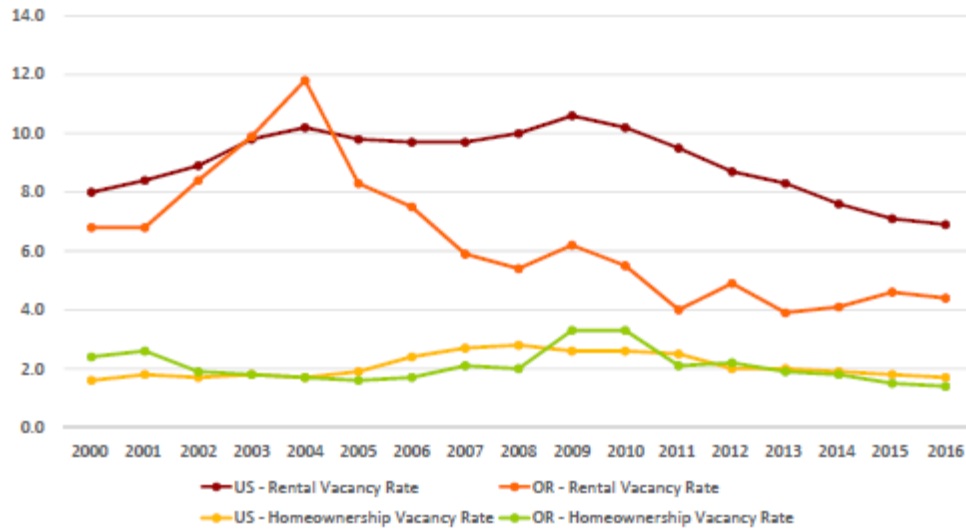
Source: U.S. Census Bureau, American Community Survey

## New Residential Permits 2000-2016



Source: U.S. Census Bureau, Building Permit Survey

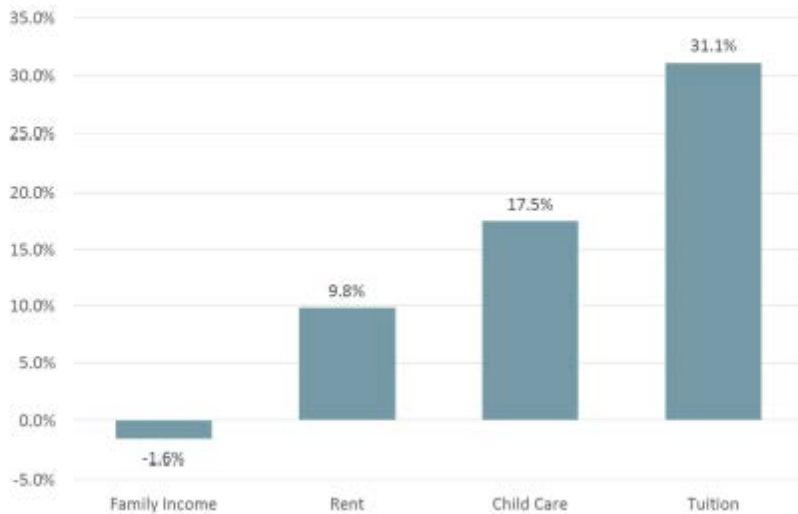
# Vacancy Rates, 2000-2016



Source: U.S. Census Bureau, Housing Vacancy Survey

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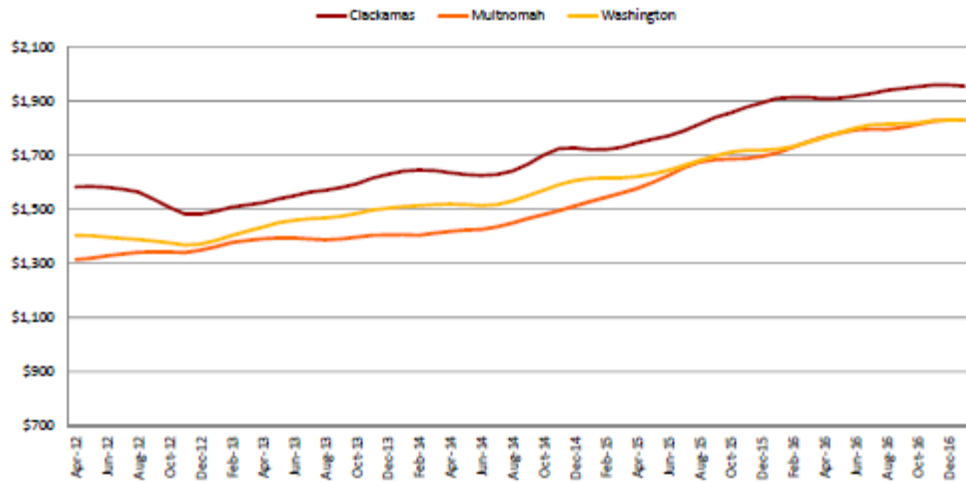
# Incomes Stagnant While Expenses Rise Inflation – Adjusted Change 2008- 2015



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## Monthly Median Rents, Oregon and Nationally (November 2010- January 2017)

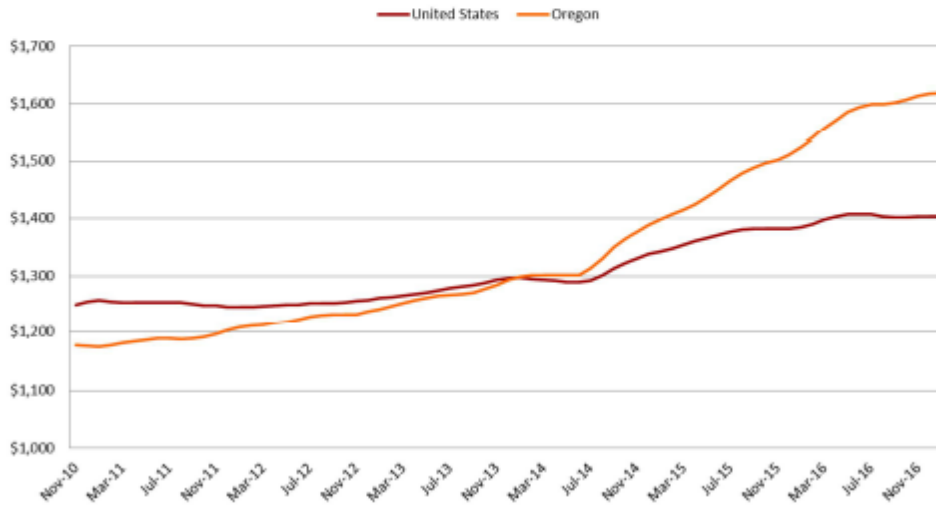
### Median Rents, Portland Metro Area



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## Monthly Median Rents (Nov. 2010 to Jan. 2017)

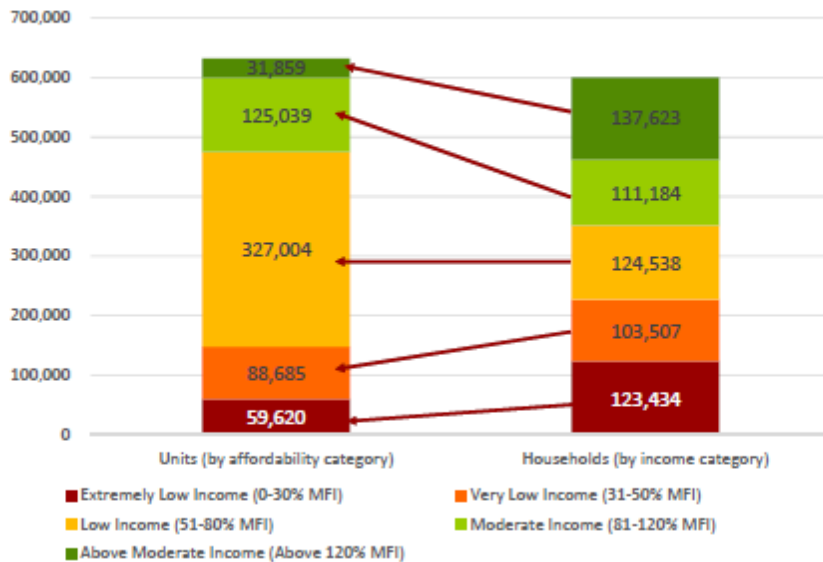
### Median Rents, Oregon and the U.S.



Source: Zillow Rent Index

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## Mismatch of Units and Renters by Affordability, 2015

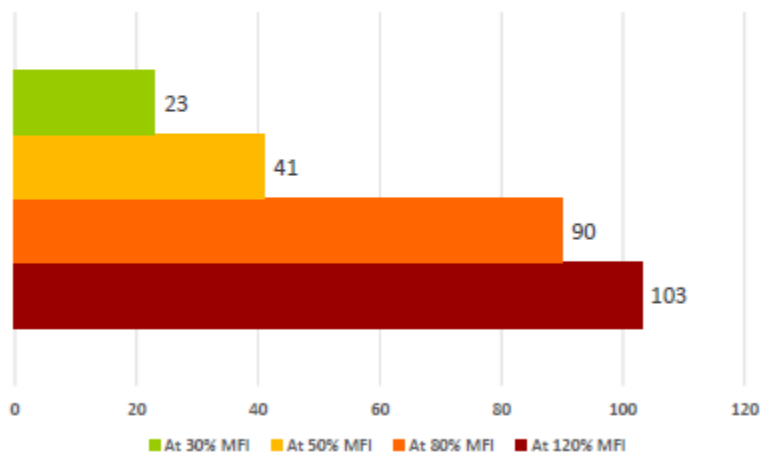


Source: OHCS Analysis of 2015 ACS Microdata (based on methodology created by NLIHC)

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## Availability of Affordable Rental Homes

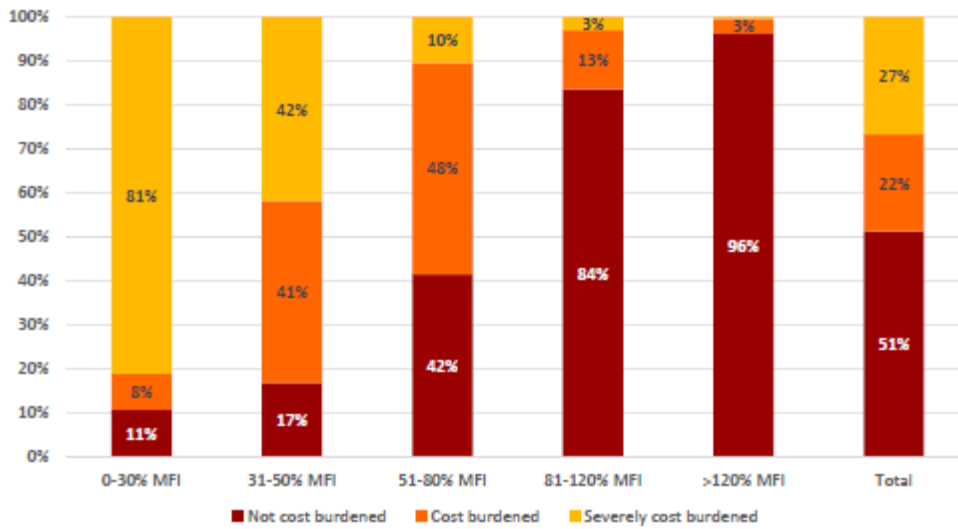
Affordable and Available Rental Homes per 100 Renter Households, 2015



Source: OHCS Analysis of 2015 ACS Microdata (based on methodology created by NLIHC)

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# Rent Burden, 2015



Source: OHCS Analysis of 2015 ACS Microdata (based on methodology created by NUHC)

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# Manufactured homes

290,194

residents or roughly

8%

live in

139,127

manufactured homes  
in Oregon

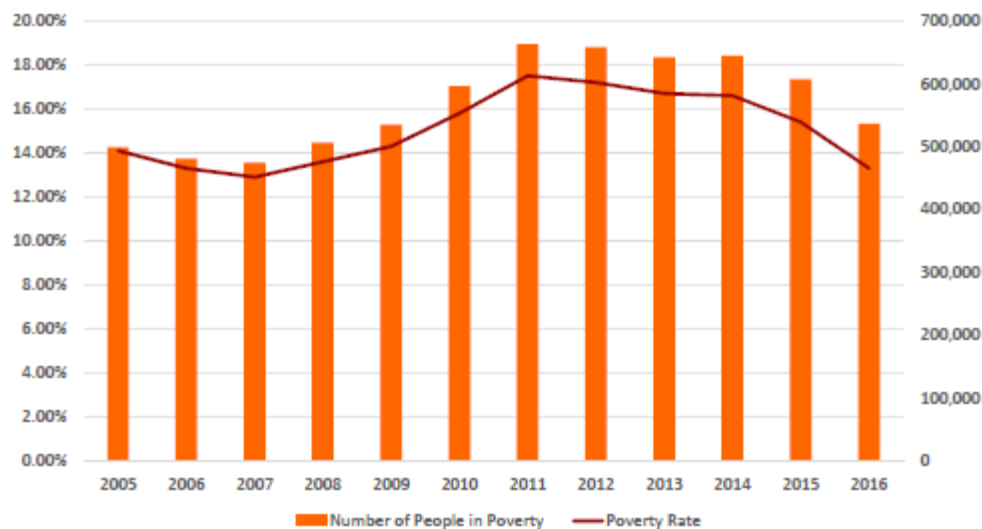
**This is comparable to  
the share of  
manufactured homes  
nationwide**

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# Poverty in Oregon, 2005-2016

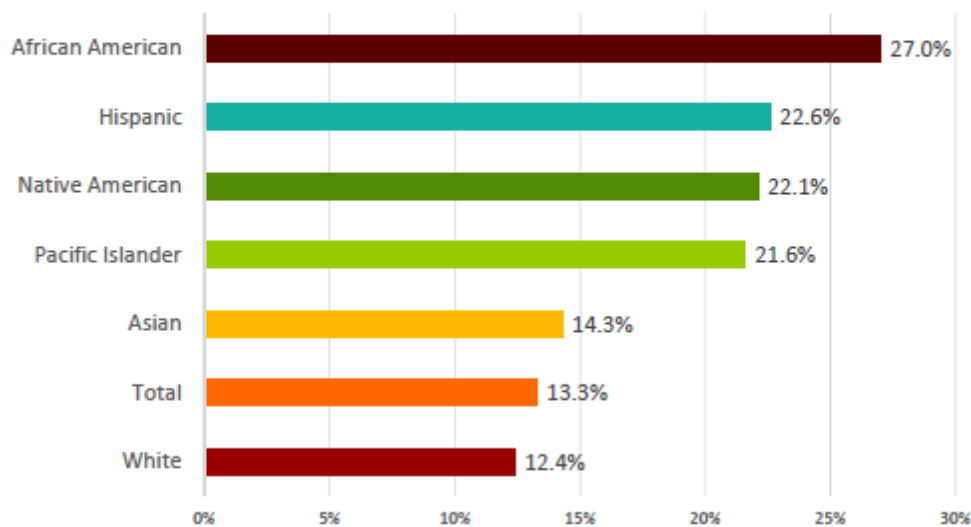


Source: U.S. Census Bureau, American Community Survey

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# Poverty Rates, by Race and Ethnicity, 2016

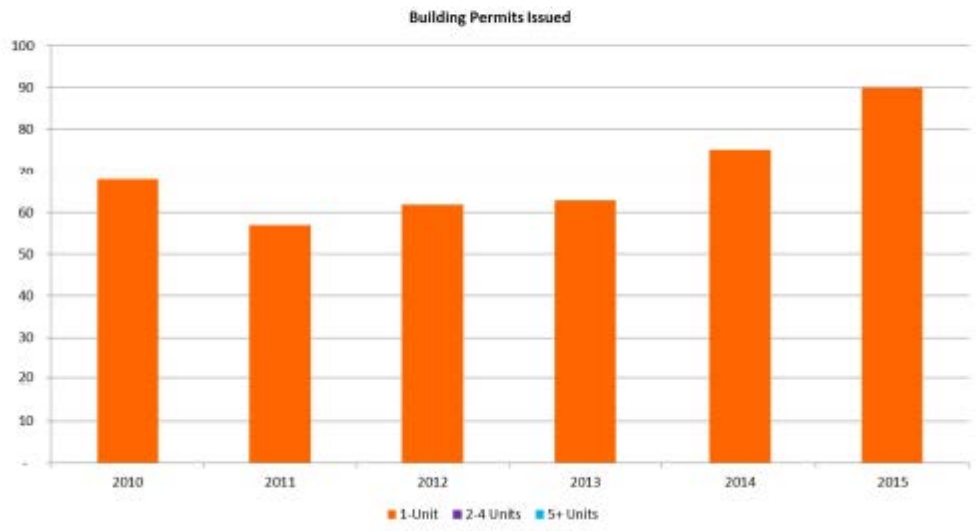


Source: U.S. Census Bureau, American Community Survey

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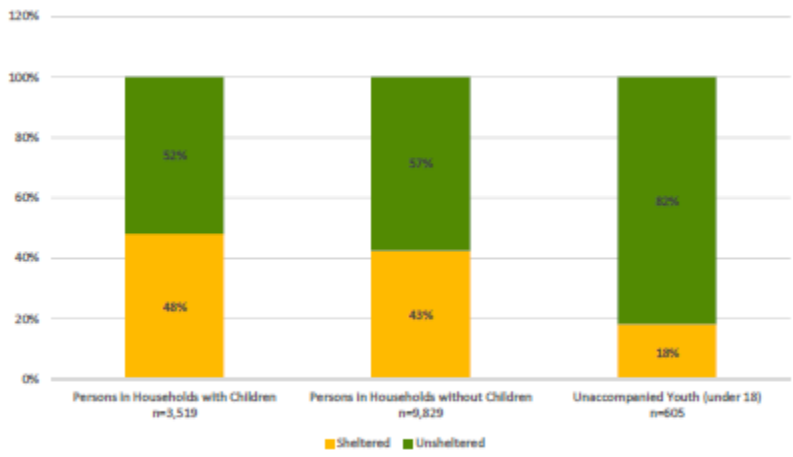


# Building Permits in Multnomah County



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## 2017 Homelessness by Household Type based on Point-in-Time Count



Source: Point-in-Time data from Continuums of Care

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# The Plan Development Process



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John asked what the State proposes to do? Shoshanah said they were going to put in strategies and how they could invest their funds smarter and get more return (colloquialism that is not understood by many). John asked if the State programs are modeled in such a way to target the most acute areas of the state, such as East Portland. She said that is what the gap analysis would bring. John said we would need to know how we could give the State Department meaningful input. Andy said the biggest issue is the availability of funding. There was a discussion of the effects of what was happening in East Portland. Shoshonah

asked everyone to fill-out the comment sheet to help make sure they have capture everything.

**Rehabilitation Housing Program Update:** Andrea Matthiesen, Portland Housing Bureau (PHB)

John introduced Andrea. Andrea said the program is in the process of assessing 64 units and all the properties are east of 128<sup>th</sup>. The thing they will be grappling with is how many of the units they can fund. With 64 units, they could only give about \$8,000 each, but to provide adequate incentive to property owners, they want to provide \$25k per unit. She said they do not think people will respond with demographic information to City staff, so PHB recommends a non-profit administer to get renters income and demographic information. She said the outreach and building relationships with property owners has been very time consuming. This has slowed down the process.

They are working with the Multnomah County Weatherization Program to leverage more funds. Lore asked about properties Andrea had told us were ready to go prior to City Council approving the Rehabilitation Housing Program. Andrea said the two properties came from the county program and they stepped away from participating as specifics were defined. Bob said there are a lot of requirements and the cost of money has too many constraints (to get the money requires long term affordability commitments). Betty asked how PHB would determine who should get funded. Andrea said it is very organic. Right now, they are prioritizing households to prevent displacement. Lore asked if this is a worthwhile strategy for EPAP to continue to pursue advocate, given the difficulties? Andy asked that before PHB makes a determination on the program viability that representatives from Habitat for Humanity contact some of the Community Development Corporations (CDCs) that work with and have relationship with some of the landlords. They might be able to help find appropriate projects for the program. There was a short discussion of CDC's accessing the funds. Andy said the original primary goal of the program was to expand the universe of affordable housing. Bob said finance drives what the landlords can do. He would like to see a state bank for affordable housing.

**Update on City Housing Bond Framework:**

Frieda shared a summary of the Framework, followed by discussion. There was concern that the framework would us the 2035 Comprehensive Plan Vulnerability/Opportunity mapping document drafted by the Bureau of Planning and Sustainability and Portland Housing Bureau. There is serious concern related to this Opportunity mapping document elements. Both Betty and Andy

agreed this might result in fewer units being built in East Portland where there is a greater need. Frieda felt the Opportunity Mapping was just one piece of the data provided. She said the Stakeholder Advisory Group stressed that vulnerability should be the primary factor not opportunity areas. Frieda said the Framework would go to City Council on October 11 at 2pm.

### **Division Transit Project Update**

John reported on the Division high capacity transit (HCT) project. The meeting with Commission Saltzman did not result in any change to what Tri-Met and Metro planned to do. It was reported that Kem Marks and others will testify at City Council as to EPAP's concerns on the project that Tri-Met is moving forward.

### **Inclusionary Housing Update**

John shared information regarding Inclusionary Zoning (IZ). He began by saying that we knew that IZ would not serve East Portland for years and provided a list of 3 projects that have been approved by City Council. Betty has a list of 13 projects with affordable housing that she received from the Portland Housing Advisory Committee (PHAC). There was a discussion on private developers and their participation. Andy said it just provides some affordability for some; it helps, but it is just one small piece.

### **Tri-Met Proposed Bond:**

Lore brought up the Proposed Tri-Met Bond and where it is now. Lore said there was a meeting at EPNO with City staff on the possible Tri-Met transportation bond. We recommended \$500million for affordable housing. They came to us with a recommendation for \$100 million to split between SW corridor and East Portland. During the meeting with City staff for a counter proposal was made for \$200 million with 80% spent in East Portland, but no one responded. Lore said that the EPAP Housing Subcommittee could make a timely statement as to what they can support. She asked if the Housing Subcommittee wants to hold on \$500 million as originally requested, accept the proposed \$100 million, or ask for \$300 million.

**ACTION:** It was a consensus to ask for the \$500 million.

**Announcement:** There were no announcements. Adjourned at 8:05 pm.

Next EPAP Housing Meeting:

**Second Monday, November 13, 2017, 6pm.**

Childcare and Translation needed? Contact lore: 503.823.4035 or [lore.wintergreen@portlandoregon.gov](mailto:lore.wintergreen@portlandoregon.gov)

**Subcommittee Name: HOUSING**

**EPAP Action item(s) being addressed:** Housing and Development.1 – .6; Commercial and Mixed Use.1 - .2; Economic Development and Workforce Training.4.5; Public Safety.7.1; Housing Assistance and Safety Net Services.1 - .6; Equity.2.1 + 3.2

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**Housing Subcommittee Recommendations:**

1. The Housing sub-committee supports mixed-use and commercial zoning in commercial corridors in East Portland. This would promote greater economic development, prosperity, and encourage mixed-income housing development. (CM 1.1)
2. The Housing sub-committee supports single-family housing adjacent to commercial corridors to promote general homeownership, especially minority homeownership, as well as mixed-income and more innovative housing. (CM 1.1)
3. The Housing Sub-committee sees the need for increase in amenities, jobs, infrastructure, and public transportation in East Portland to support housing of people in all income levels and to attract more middle and upper income housing.
4. The Housing Sub-committee would recommend prioritizing voluntary Inclusionary Zoning in middle income neighborhoods as one tool to promote mixed-income neighborhoods throughout Portland and to advocate for the City of Portland, Multnomah County and METRO to develop a pilot project for voluntary Inclusionary Zoning within the City/County.
5. The Housing Sub-committee would recommend advocating ending discrimination based on having a Section 8 Certificate, so low income families would have a greater choice on where they could live. The committee supports changing the law at the state level to remove this discrimination.
6. The Housing Sub-committee, after exhaustive research, recognizes that East Portland does not have significantly more tax-exempt housing properties than any other area of Portland,

either in numbers or as a fair-share. East Portland does have significantly more “affordable by accident” housing than other parts of the City, but this has nothing to do with properties being tax-exempt or not.

**East Portland Action Plan 2016 – 17 Strategic Priorities  
with dedicated Housing Subcommittee Advocacy**

**N. METRO, City Housing Bureau with City Auditor, City Bureau of Planning and Sustainability, and Home Forward:** Establish policy and practice that balances regional affordable and American Disabilities Act (ADA) accessible housing supply and promotes fair share across Portland. (EQ.2.1) *Housing Subcommittee*

**O. City Housing Bureau and State of Oregon Legislature:** Increase opportunities for sustainable moderate income and minority home ownership. (SN.2.1+2) *Housing Subcommittee*

**P. City Housing Bureau:** Fund a housing rehabilitation program for East Portland to improve the safety, appearance, and affordability of existing housing stock. Involve the East Portland Action Plan Housing Subcommittee in the development of the program. (HD.2.3) *Housing Subcommittee*

**Housing Subcommittee Displacement Prevention  
Recommendations for East Portland**

***Community Benefits Agreements (CBA)***

This is a contract with a governmental agency, real estate developer, or other jurisdiction to provide specific benefits to the local community or neighborhood in exchange certain provisions from that community or neighborhood. On public projects, CBAs can be negotiated with the initiating government agency and can be included in a Request For Proposals (RFP) with contractors. With private developers’ benefits can be negotiated in a contract established with community groups who then accept (or don’t oppose) project adjustments. CBAs have funded workforce training, local hiring, childcare access, affordable housing units, re-location stipends, reinforced access to family-wage jobs, and other public benefits.

***Rent Stabilization***

Just as Oregon has property tax increase protection, Rent Stabilization protects tenants in residential multi-family properties from excessive rent increases by mandating reasonable gradual rent increases, while at the same time ensuring the landlords receive a fair return on their investment.

***Just Cause Eviction (JCE), Code Enforcement, and Renter Education***

Just cause eviction controls are laws that protect renters by ensuring that landlords can only evict with proper cause, such as a tenant’s failure to pay rent or destruction of property. While JCE provides such protections for renters, landlords retain full right to evict a tenant for breach of rental contract. Code Enforcement compels landlords to improve unsafe building conditions. Code Enforcement can ensure that multi-family dwellings are owned and managed responsibly. When housing code violations are found and not corrected, the government can

impose significant penalties upon landlords. Rights and responsibilities education for renters must be included as an active component of JCE and Code Enforcement, to ensure the systems are reasonably monitored and enacted.

***Anti-Displacement Impact Analysis***

Impact Analysis is a tool that requires multi-family and commercial developments to provide a pre-build assessment of the effect such development will have on displacement in the area (usually a one-mile radius).

***Housing Acquisition Rehabilitation to Insure Affordability*** This applies public housing dollars to purchase existing multi-family developments in poor condition and to rehabilitate the facility for use as affordable housing to be managed by a public entity or non-profit that serves low-income populations.

***No Net Loss/Affordable Housing Preservation Ordinance***

No Net Loss is when a City has to maintain a fixed amount of affordable housing through preservation, new construction, or other replacement of lost units. The Affordable Housing Preservation Ordinance is the establishment of a policy to ensure that the amount of housing affordable to low and moderate-income persons does not decrease over time.

***Broadening Homeownership and Cooperative Ownership***

This establishes programs to increase opportunities for low-income households to have the opportunity to purchase a home. It means that some of the barriers to homeowners are removed so that homeownership becomes easier for groups of people who are often unable to purchase homes for themselves. Cooperative Ownership of multi-family developments occurs when a group of people form a collective business corporation to share ownership of a building. Co-op members work together to reach mutual goals based on democratic control and decision-making. Co-op members may or may not be residents of the shared ownership building.



***Inclusionary Zoning***

This requires developers to make a percentage of housing units in a new residential development available to low and moderate-income households. In return developers receive non-monetary compensation in the form of density bonuses, zoning variances, expedited permits, or similar provisions that reduce construction costs or promote the developers' goals. This can be done in developments with many single-family units or in multi-family developments.

***Owner-Occupied Homeownership Retention for People with Low -Income***

As house values rise taxes rise and people living on limited and fixed incomes are not able to afford the taxes. While benefiting at the point of sale, people cannot afford to stay in their often long-term residences and cannot find another home in the area that does not present the same conditions.