

May 14, 2018
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

May 14, 2018

Meeting began at 6:05 pm.

Attendees: Frieda Christopher, Iore Wintergreen, Leslie Lum, Nick Sauvie, Robin Cash, Linda Bauer, Roger Meyer, David Potts, Char Pennie, Andy Miller, John Mulvey, Melinda Musser, Alex Soto, Michelle DePass, Doug Armstrong, Yesica Arévalo, Steph Routh, and Jamey Duhamel, Office of Commissioner Eudaly.

Welcome and Introductions: Nick welcomed everyone and said Frieda was back to take over as co-chair. He had everyone introduced themselves. Nick introduced himself and announced there was going to be a play called "Repulsing the Monkey": A Play on Gentrification on May 21-23 and May 28-30. He handed around the flyer. Robin Cash announced she has petition for Clean Energy Fund bill where they are gathering signature if anyone wanted to sign it.

Next Month's Tasks:

Nick said Frieda has agreed to take notes and pick up food and help with facilitation

Set-Up: Leslie and Frieda

Clean up: Robin Cash and Leslie Lum

City of Portland Renter Screening Policy - Jamey Duhamel, Office of Commissioner Chloe Eudaly

Jamey said the Commissioner's office was first working on security deposits reform. They heard that with more restrictions for landlords they might take less risk in selecting tenants. So, the Commissioner's Office pulled back and looked more at screening criteria. She said that the proposal needs to be made clearer and simpler, so now they are having conversations with groups to discuss the proposal. They want input to avoid unintended consequences. Jamey presented a PowerPoint on Screening Criteria Purposed Policy.

She feels what they have is still a little too complicated and they are looking at having the criteria be holistic, so the landlords should consider an integrated view of the applicant. Their premise on the criteria was to use best practices from Federal Housing Department.

Jamey said that they are committed to hearing from stakeholders and that they are not wedded to any of the details she's presenting. She said that they were looking for a result that was simple and scalable and that she's "not sure they got there." She also indicated that much of the work has involved redefining what a "high-risk tenant" is.

Some of the fundamentals of the policy are:

- Application – reduces discriminatory practices; changes the format requirement; and first-come, first served has equity and legal challenges.
- Identification: increases access for new Portlanders and
- Income: Increases access for low-income applicants and requires assessment of "household" income

Robin asked if, in the situation of an Open House with multiple applicants, "how would the application be date stamped." Jamey said they would have to do it differently. Roger asked about the assuredness of ranking and evaluation. Jamey said the landlord will have to keep the documentation and there would be enforcement.

Michelle asked if they have talked to the most vulnerable users and how enforcement impacts the renters. Jamey said they haven't written the enforcement piece and they are working with organizations that work with the vulnerable populations. Lore asked what is being done to make sure the times the landlord hold Open Houses are equitable and open for those that can't take time off work. Jamey said they are looking at lottery systems, but they are working on things that will make it less discriminatory. They are trying to find mechanisms to help those that have difficulty obtaining housing.

Robin asked if it would be that a landlord still does credit and criminal background checks. Jamey said "yes", it is part of the policy and the online OneApp does that in one place so applicants do not have to pay multiple fees.

Identification: Jamey said social security numbers would not be needed and what the landlord is looking to do is verify that you are who you say you are and the birth date matches.

Income ratios: They have put 2 times the rent versus the old 3 times the rent ration of income to rent expense. They broaden income source and full as opposed to individual household income counts.

Individualized assessments: Question - Are you planning to deny access for credit, rental, & eviction history and criminal history. Response - If they do, then they are to use the individual assessment. She explained the assessment.

Robin and John both expressed that the cumulative effect of multiple application/background fees was a significant hardship for renters.

Michelle said she is concerned that Black men, especially with criminal background, could not pass the assessment. She is concerned that people of color and others come to the process with disadvantages, so all applicant criteria shouldn't begin as if everyone approaches it as an equal. There was some discussion on the issue. Jamey said they will explore this and they will be running some models to see the effects. Nick asked if Jamey addressed what she needed to with the Subcommittee, and she said "yes".

Andy suggested that the policy should include incentives for participation in the "Rent Well" program for renters with barriers to housing. He also said that Human Solutions offered to hold an East Portland forum on the policy, so more input could be obtained. He said that the policy should be scrutinized through the lens of affordable housing landlords and service providers who work with low-income renters. Lore asked if the forum would include low-income renters, because it is important to get their input.

Lore said when Civic Engagement was looking at the police program for landlords there was an issue with the criminal history and the types of identification being used. She said the Civic Engagement Subcommittee recommended alternative options to deal with credit and criminal history. Someone shared that SE Works is doing a "Certificate of Good Standing" to help people with criminal past.

Roger asked about what of homeowners that are displaced. Jamey felt the policy would address that population also.

Portland Housing Bureau (PHB) Report - Michelle DePass, Portland Housing Bureau

Proposed budget - The Housing Bureau's budget is \$183m for Fiscal Year 2018/2019 representing an increase of \$14.5 million over last year. She explained that the increased funds are mostly allocated to the "Joint Office for Homeless Services" and to the new "Office of Landlord-Tenant Affairs".

Update on Rental Rehabilitation Program: PHB has tried the last 2 years to get landlords to participate. There have been zero takers and the money was redirected in the 2018/19 budget. It was stated they might not have contacted enough landlords, plus there was no teeth in the enforcement of landlords who received violations. She said approximately \$900K was going to the new "Office

of Renter Services” and the balance \$300k to Home Repair which is citywide but focused on East Portland.

There was a continued discussion on the Rehab Housing and how it came about in contradiction to the EPAP recommendation that it serve not-for-profits. Concern was raised that the funds should be used to support non-profit affordable housing rehabilitations. Jamey said that she felt that the program didn't work because there was no “stick” and said that the Bureau of Development Services is working on establishing that stick in its landlord licensing program.

Affordable Housing Bond: Michelle said they were adding 2 staff for the program. She had maps to share with dots for properties that are closed (purchased) or the purchase is being negotiated. She gave us some information on “Project A”, which is on E Burnside and is under construction, but she was not allowed to give exact address, yet. It is new construction that the Bureau is considering buying. It would be 51 units at various affordability levels, including 8 units of supportive housing. Andy said that he was aware of the project and that Human Solutions considered purchasing it but thought that the price was too high.

Frieda asked about the number of family units and asked that the Housing Bureau talk with school districts about their homeless families and consider setting aside some apartments for those families to help stabilize the housing for those families. She felt it was important for PHB to communicate with school districts when the projects were being selected, so the districts can plan for enrollment.

Mobile Home Parks Update - Leslie Lum, Bureau of Planning and Sustainability (BPS)

Leslie presented a PowerPoint on Manufactured Dwelling Parks (MDP) and she provided a handout. BPS has been working on the issue of preserving the MDPs. 3-years ago there were 62 MHP in the City and now we are down to 56. She estimated that there are approximately 3,000 families in MDPs and that most are in East Portland. She also said that MDPs are housing of last-resort for many low-income people and people who have been convicted of a crime, but served their sentence.

Leslie said that the Bureau would like to stabilize the parks by creating a new “manufactured dwelling park zone,” also known as an “RMP zone.” These will basically be spot zones. She said that the new code would be on the agenda at

the Planning and Sustainability Commission on June 12 and would probably go to the City Council in July.

John announced that Living Cully is having meetings in support of the change. He said that we'd have more discussion at our next meeting and that he will bring proposed testimony in support of the new code to the next meeting.

Hansen Project Update

John is still trying to get a meeting with Multnomah County Commissioner Vega-Pederson. Metropolitan Alliance for Common Good (MACG) with Industrial Areas Foundation, may be interested in taking on the redevelopment of the Hansen property. They are meeting at Lents Village Tuesday, May 15th at 6:30pm. Nick said he could pass it on to those from his organization that will be attending. Frieda said she heard Hansen building might be closing in August. There was a discussion on the issue. Lore asked if we should prepare a letter to support that 100% of the property be used for affordable housing. Frieda was concerned about this. Lore asked if she would block consensus. Frieda said she wanted more information before she could support us sending a letter. John said the property has not been declared surplus and he is trying to get more information. Jamey said that Commissioner Vega-Pederson is having a town hall on June 14 and that we might want to attend. Andy suggested having someone from facilities from the County to come and discuss the sale of the Hansen site, the process they use, and where they are in the process.

Housing Subcommittee Annual Report

John provided a 5-page report of the committee's work during the past year, but he understands we only need to present 5 minutes on May 30th. He wanted to know if there were 3 things we should address given the limited time. "What were the three most important things we worked on?"

John suggested reporting on our state-level advocacy, since we supported the City's legislative agenda. Frieda said we should mention Rehab and the fact that we are disappointed at the funds being redirected outside of East Portland. Michelle said she would like to provide some edits on the Rehab section on John's report. Several people suggested including a comment on our work on implementing the Housing Bond. Lore said we might include strategic priorities and displacement tools. Frieda said if they gave strategic priorities we might want to mention not approving the 50% of housing TIF spent on homeownership

projects, i.e. Habitat for Humanity, especially since it was to address the shortage in family units. John will work on incorporating the committee's input.

Prosper Portland

Nick reminded the Subcommittee that Director Kimberly Branam and other Prosper Portland staff attended our last meeting. Nick said that the presentation they gave failed to answer the questions we had for them about their plan for helping low-income people and people of color in East Portland. Our Subcommittee followed-up with another email to them. Nick has done follow-up but he has not gotten the information yet. There was a discussion on this.

Andy said Human Solutions has an active project by Gateway Discovery Park, but the project might be at risk. He said that every housing project in Portland right now is at risk. He said that the new federal tax law has impacted their ability to leverage federal affordable housing tax credits, and construction costs have risen, leaving nonprofit developers with an unmet gap in their project funding. He said that Prosper Portland has been unwilling to take responsibility to address the problem. Jamey offered to raise the concern with Prosper Portland. She will talk to Andy for more details.

Announcements

Lore said Central City Concern asked how they can work with the community. They have been very receptive to work more closely with East Portland since they are doing their first two projects in East Portland.

John wanted to thank Nick for stepping in for Frieda. Also, he wanted to mention that there is a quick turnaround for notes because of the full EPAP meeting on May 23rd.

Robin asked if anyone knew how to contact the Housing Stability Team because she has a family that has a 72-hour notice. Andy said he can provide the information.

Meeting adjourned at 8:10pm.

Next EPAP Housing Meeting: Monday, June 11th, 6pm.

Childcare, interpretation or other accommodations needed, contact lore: 503.823.4035 or 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

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 – 18 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*
- 1.
- 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 receives 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.