



East Portland Action Plan

Housing Subcommittee

Monthly Report

February 11, 2019

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 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.



Housing Subcommittee Meeting

February 11, 2019

Meeting began at 6:09 pm.

Attendees: Leslie Lum, Yesika Arévalo, Linda Bauer, Doug Armstrong, Merrill Liddicoat, Michelle DePass, Frieda Christopher, John Mulvey.

Frieda called the meeting to order and attendees introduced themselves.

1. Portland Housing Bureau Report

Michelle distributed information on the new Central City Concern project at 113th and Division St. The development will have 60 units of supportive housing for people with mental illness and drug and alcohol addiction transitioning out of homelessness.

2. Follow-up Discussion on Housing Bureau East Portland Funds Programming

Michelle talked about the proposal from the Housing Bureau to fund approximately \$600,000 on an East Portland-specific program. The funds would be spent for planning for affordable housing, anti-displacement, or stabilization of communities of color. She said that the funds would also support a “study position” that would do an in-depth look at housing issues in East Portland. Several people mentioned that EPAP has already done much of the work on identifying drivers of housing instability in East Portland.

Leslie asked whether this had been included in the Housing Bureau’s budget request. Frieda said that the budget process is different this year and that she hasn’t seen the bureau’s proposal.

3. East Portland Preference Policy Update

Frieda has met with additional providers, including Andy Miller of Human Solutions, Mercedes Elizalde from Central City Concern, and Dan Valliere from Reach, and so far everyone has been very positive about the proposal.

Frieda asked about lessons learned from the N/NE experience. Yesika said that the program has been challenging but that the goal is to target those populations that suffered the most from displacement. Leslie noted that there are people in East Portland who have experienced second or third displacements. Frieda noted that the program is not a right-to-return, but an anti-displacement program.

Erika asked whether this would be a program run by the Portland Housing Bureau. Frieda said that she's been pursuing a city regulation.

Frieda said that although the impetus for the program is partially to stabilize families with school-age children, she doesn't want it to be only families that would benefit. John said that he hopes that seniors can use the program to age within the communities where they've lived.

Doug talked about having been voluntarily displaced from both N Mississippi and NE Alberta before coming to Parkrose. He said that neighborhoods can become unrecognizable. Michelle said that's why it's important to prevent displacement before it happens. She said that cities and neighborhood change but can they change without displacing people?

Yesika said that one of the best ways to stabilize low-income communities is with home ownership. Would that be included in the preference policy. Frieda said that she was not including home ownership because she heard it overcomplicated the N/NE program, but she's open to the idea. Erika said that families who were displaced in previous generations may not be homeownership-ready, due to loss of their capacity for intergenerational wealth-building. Michelle pointed out that their incomes are also probably lower. Erika suggested Frieda meet with our home ownership partners to discuss being included.

4. Liveable Gateway Project

Frieda introduced a draft letter in support of the Local Improvement District to support infrastructure improvements in the NE 97th area. Gordon Jones came to

our last meeting to talk to us about his proposal, called “Liveable Gateway.” The project will be built in several phases and Gordon has committed to 40% affordability.

John said that he supports the letter and the project. He said that although he’s certain that Gordon is sincere about affordability, it’s not a substitute for enforceable affordability requirements that would survive any future changes in ownership. Doug suggested a Memorandum of Understanding on affordability.

The committee reached consensus in support of the letter. (See attached)

5. 2019 Legislative Agenda

John reported on current housing issues in the Legislature.

The tenant protection bill (SB608) had a hearing in the Senate and will likely pass there and be sent to the House. The leadership has indicated that they won’t support amendments to the bill and want it to move through quickly so that they can move on to other issues. The bill would eliminate “no cause” evictions after the first year of a tenancy and would cap annual rent increases at 7% plus inflation. The bill does not lift the preemption on local governments regulating rents, which has been an EPAP Housing priority for several years.

John also talked about HB2001, which is Speaker Kotek’s bill that would upzone all single-family lots in the state and allow development of “missing middle” housing. This will be controversial and Rep. Keny-Guyer has indicated that there will be quite a few hearings before this is ready for a vote.

John also reported that he had expressed concern about East Portland’s equitable share of state housing dollars to Rep. Keny-Guyer. He discussed the State funds for acquisition of currently affordable but unregulated multi-unit rental properties, which would be a huge help to East Portland.

He also reported that he would work with Erika and Yesika to present ideas on how we can support home ownership programs this session.

6. Hansen Update

John followed up on the Subcommittee's request for an update on the Hansen property, which is the former Multnomah Sheriff's Headquarters at 122nd and Glisan. Plans for the property are currently on hold. The County is renovating its Department of Community Justice facility at 1415 SE 122nd, so they will use trailers at the Hansen property as temporary offices for the next 12 to 18 months.

7. Other Business

Committee members asked for an update on the Portland Housing Bureau's spending plans for the City bond funds and the new Metro housing bond funds.

8. Announcements

Doug updated the group on the Parkrose-Argay Development Study working group, which is planning a public design workshop (charette) sometime around the first week of April. The location is not yet determined but most likely at the Parkrose middle school. Meeting materials from the group's Feb 6 meeting are here: <https://www.portlandoregon.gov/bps/article/711992>.

Meeting was adjourned at 7:35pm.

Next EPAP Housing Meeting:

March 11, 2019, 6 PM, at the East Portland Action Plan office, 1017 NE 117th Ave.

Childcare or Translation needed?
Contact Lishao: 503.823.4550 or lishao.chen@portlandoregon.gov



East Portland Action Plan

February 19, 2019

Mayor Ted Wheeler
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Chloe Eudaly
Commissioner Jo Ann Hardesty

RE: Support for the NE 97th Avenue Local Improvement District

Dear Mayor and Commissioners:

The East Portland Action Plan (EPAP) Housing subcommittee is dedicated to advocating for additional housing options in East Portland. The goal of our committee 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 area of Central Gateway, which is part of the Gateway Regional Center Urban Renewal, has seen little development and improvements during the life of the urban renewal area. There is less than four years left to implement the Gateway Regional Center Urban Renewal Plan and few developers willing to take the financial risk to kick start the development in this area. The area of Central Gateway between NE 97th and NE 101st is zoned mainly for multi-family residential development.

A group of developers have assembled a significant majority of the parcels and are developing a master plan for the area that would include up to 1,500 units. In the first phase they have applied for an LID for NE 97th, which is designated in the Gateway Master Street Plan. They are requesting allocation of the \$2million designated in the 2016 Gateway Action Plan for support of a Local Improvement District for Central Gateway. TriMet has approved use of \$2.3million toward this project to improving the light rail alignment and crossings at NE 97th and Burnside. Portland Bureau has agreed to provide \$2million in SDC funds if Prosper Portland agrees to a contribution of the \$2million in TIF funding.

Gordon Jones, one of the lead developers, has a proven track record of developing housing in the Gateway area that includes affordable housing. Multi-family housing that includes mixed incomes and family units is what is needed in Gateway. A \$2 million investment by Prosper Portland is a small portion of what the for-profit developers are willing to invest in this area.

We ask that City Council approve the NE 97th LID with the investment of \$2million of TIF funds from Prosper Portland and \$2million in SDC funds by PBOT, so the transformation of this are of Central Gateway can begin.

Thank you for your consideration in this matter.

Sincerely,



John Mulvey
Co-Chair Housing Sub-Committee



Frieda Christopher
Co-Chair Housing Sub-Committee

CC: Kimberly Branam, Prosper Portland
Chris Warner, Portland Bureau of Transportation
Andrew Aebi, Portland Bureau of Transportation

**East Portland Action Plan 2018 – 2020 Strategic Priorities
with dedicated Housing Subcommittee Advocacy**

- H. Office of Renter’s Services:** Fund and implement 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)

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

- J. City of Portland Housing Bureau and Bureau of Planning & Sustainability, Prosper Portland, METRO, Multnomah County, and State of Oregon:** Perform an Anti-Displacement Impact Analysis when considering 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). (SN.1, SN.2, SN.6, EQ.1, and EQ.2)

- K. City of Portland:** Create an “Equitable Neighborhood Housing Fund” for East Portland to support the acquisition of developable land and existing market-rate housing currently serving low-income families and communities of color by organizations actively working to prevent residential displacement and build healthy, inclusive neighborhoods within East Portland. (SN.1, SN.2, SN.6, EQ.1, and EQ.2)

=====

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 homeownership 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 longterm residences and cannot find another home in the area that does not present the same condition.