

February 12, 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.

=====

Housing Subcommittee Meeting

February 12, 2018

Attendees: Melinda Musser, David Potts, Char Pennie, Judy Low, Linda Bauer, Javier Mena, Leslie Lum, Sean Hubert, Rachael Solatarov, Bill Cunningham, Lore Wintergreen, Andy Miller, Tia Williams, Hayden Miller, Nick Sauvie, John Mulvey.

Nick called the meeting to order at 6:03 pm and attendees introduced themselves.

1. Central City Concern East Portland Project Update

Rachael and Sean told the group about several current projects that Central City Concern has in the pipeline in East Portland. They are developing housing at 126th and Stark St in partnership with the Native American Rehabilitation Association (NARA). This project will include 123 affordable units. They are partnering with David Douglas School District to enable homeless students to access some of these new homes.

They also discussed their project at 122nd and Burnside, which would include both permanent and transitional housing as well as support services, including comprehensive health care and job training.

Char asked if CCC is responsible for the blue bins that are distributed for garbage collection among homeless people living on the I-205 multi-use path, and she asked if there was a way for locals like her who help with cleanups to coordinate getting more of them. Rachael said that yes, it's their project, and they'd be happy to connect with her about it.

Leslie noted that CCC sells coffee and suggested that they should consider siting their roasting facility in East Portland.

John asked about CCC's cooperation with the David Douglas School District. Sean said that they are increasingly moving beyond a narrow focus on addiction treatment and into broader anti-poverty programming. He said that last year they helped 150 formerly homeless people get jobs, and that they are doing more work on pre-school programs and parenting skills among low-income people. He said that CCC is new to this kind of programming and hope to increase their alliances with school districts and other nonprofits with expertise in those areas.

Judy indicated her support for the concept of wraparound services with housing and particularly the focus on recreational opportunities for residents.

2. Better Housing By Design Discussion Draft

Bill shared a summary of the new discussion draft of the Better Housing By Design project, and reminded us that this is the city's largest update to its multifamily development rules in more than 20 years. He indicated that the public comment period on the draft ends on March 19. He also passed out information on a workshop that will be held at the Rosewood Initiative on March 14 from 6 to 8pm.

Bill gave more detail on how the affordability incentives would work. He explained that "base FAR" is FAR ("Floor Area Ratio") that is allowed "by right" when a development is proposed. Under the plan, there are 9 factors that could earn a 50% FAR bonus. One of these is for guarantees of affordability. Another is for preservation of trees. He said that there are two factors eligible for a 25% FAR bonus. One of these is for moderate income affordability requirements and the other is an incentive for larger numbers of bedrooms, which had been an issue that EPAP has raised.

Andy asked if it was possible to quantify the numbers of affordable units the city expects to generate under these incentives. Bill said that these are new tools that are difficult to predict with certainty and that a lot would depend on whether developers chose to take advantage of the incentives.

Bill also noted some issues addressed in the proposal that are in response to unique issues in East Portland, including different setback requirements, different requirements for minimum street frontage and rules to protect outdoor space.

3. East Portland Rental Rehabilitation Pilot Program

John reminded the group that we were recently briefed on the Rental Rehab program by Andrea Matthiasson of the Housing Bureau, who indicated that there had not yet been any rehab loans granted and that local landlords were uninterested in borrowing rehab funds in exchange for guarantees of affordability. Andrea recently sent us a memo proposing that the funds be reprogrammed for low-income homeowners in East Portland for the upcoming fiscal year.

This keeps the funds in East Portland and helps address EPAP's priorities, but doesn't answer the need we identified in proposing the program, which was to improve the quality of rental housing.

John also informed the group that the Housing Bureau had cut the proposed funding for the program by \$110,000.

Andy suggested that we not oppose the reprogramming of funds for this fiscal year, provided they stay in East Portland, and that we honor the original goals of the program by returning the funds to a rental rehabilitation program next year. He proposed sending a letter stating this position, which we will circulate among subcommittee members for approval via email.

4. Portland Budget Mapping Update

Nick distributed a report on city spending on housing, transportation and parks in East Portland. He noted that there was a marked improvement in housing spending in East Portland, though the amount still falls short of geographic equity. Javier noted that the main driver of the increase was the new projects in the Lents Town Center Urban Renewal Area.

Andy asked whether there could be a similar analysis of non-capital displacement prevention spending in East Portland by Multnomah County. He also urged us to think about the broad issue of concentration of poverty in East Portland.

5. Document Recording Fee Bill (HB4007)

John reminded the group that Jen Corbridge, Chief of Staff to Representative Alissa Keny-Guyer, joined us recently to talk about this bill, which would increase the fee charged when real estate documents are recorded. The additional funds would be dedicated to affordable housing.

John presented testimony in support of the bill, which was approved by consensus. (See attached.)

6. Affordable Housing Bond Requirements Bill (HJR201)

John also proposed supporting HJR201, which is a legislative referral to the November, 2018, ballot. If passed by voters, the measure would amend the Oregon Constitution to permit more flexibility to local governments in the use of affordable housing bond funds. John explained that under current law, bond funds can only be used for properties that are owned by the local government and cannot be used to leverage funds from other sources. This prevents a city from maximizing the amount of affordable housing that these bonds can create,

while forcing cities to become developers and property managers, functions that are better performed by non-profits.

John presented testimony in support of the bill, which was approved by consensus. (See attached.)

7. Inclusionary Housing Program Update

John alerted the group to two developments in the City's Inclusionary Housing program. First, they are currently taking comment on the rules regarding homeownership under the program. Second, it was reported in *The Mercury* that the Mayor expects to bring changes to the incentives that are given to developers participating in the program. He said that the report suggested that the Mayor would offer additional height in exchange for affordability, though in the past the developers have not been interested in additional height or FAR.

Javier indicated that there have been conversations about adjustments to the program but that the Housing Bureau would not make concessions on the levels of affordability or on the term of affordability, which is 99 years.

8. Strategic Priorities Review

Nick and John met with Portlanders for Affordable Homeownership last week. Lore, Nick and Arlene met with representatives from Metro to talk about a possible housing bond measure.

9. Update from Multnomah County Commissioner Jessica Vega Pedersen on the Hansen Shelter Site

Nick welcomed Hayden Miller and Tia Williams from the Office of County Commissioner Jessica Vega Pedersen. They updated the group on discussions about redevelopment of the Hansen property at NE Glisan and 122nd Ave, which is the former Sherriff's headquarters but has been used as a homeless shelter for the last two years.

Hayden reminded us that the shelter was always intended to be temporary and that the current building has passed its usable life. He said that the Commissioner is very interested in getting community input on options for developing the property, including the mix of income levels and whether or not to include commercial/retail space in the project.

Lore asked whether there is a right-of-refusal by the adjacent Ron Tonkin auto dealership, which has tried to acquire the property in the past. Tia indicated that she was not aware of any such restriction but that she'd look into it.

John asked whether the County intends to partner with local Community Development Corporations. Tia said that she was not yet at liberty to talk specifics, but that it was their intent to partner with a local nonprofit.

Andy asked whether the proposed shelter in Foster Road was intended to replace the Hanse shelter. Hayden said that it was not seen as a direct replacement and that the County has been looking for locations like Foster for a while now.

Andy encouraged the County to consider including permanent supportive housing in the project.

Lore suggested that the County consider economic development when redeveloping the property. She also suggested that the community would benefit from a multicultural center at the site.

10. Announcements

Lore told the group that State Senator Mark Hass and for City Commissioner Steve Novick are looking at the issue of tax inequity for East Portland and that Nick would be EPAP's representative in those conversations.

John reminded the committee that Thursday is the Housing Alliance's Lobby Day in the State Capitol. He also informed the group that there is a canvass for Shemia Fagan's campaign for State Senate on Sunday at 10am at the Montavilla Community Center.

Andy updated the group on the temporary closure of Human Solutions' Family Shelter due to a leaking roof. He said that all the families have been temporarily relocated to local motels while they assess the problem and decide on next steps.

The meeting was adjourned at 8:11 pm.

Next EPAP Housing Meeting: Monday, March 12, 2018, 6pm.

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

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 Sub-Committee will work with a lens of preventing displacement and gentrification, 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 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 2017 – 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*

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.



East Portland Action Plan

February 12, 2018

Re: Support for HB 4007 (Document Recording Fee for Affordable Housing)

Dear Senators and Representatives of Oregon's 79th Legislative Assembly:

We urge you to support East Portland by voting Yes on HB4007.

East Portland is home to Oregon's largest concentration of recent immigrants and its largest concentration of school-age children. We represent the future of Oregon.

But our housing crisis and decades of inadequate public investment have left our region falling further behind and vulnerable populations like ours experiencing unprecedented trauma due to housing instability.

Resources are not currently available to help:

- Oregonians currently experiencing the trauma of homelessness,
- Oregon families clinging to the few available rental units they can still afford, hoping to avoid imminent homelessness,
- Oregon's working people struggling to find a rental home that they can afford in a marketplace that has not been providing an adequate supply of them, and
- Oregon's stable working families who, in previous generations would be planning to make the long-term investment in home ownership, but are priced out of doing so.

People in East Portland and across our State are prevented from achieving their full potential because of inadequate public investments in stable and affordable housing.

HB4007 would generate revenue that will help East Portlanders at all points in the housing spectrum by supporting low-income families to become new homeowners, funding new affordable housing development and supporting compassionate and effective responses to homelessness.

The East Portland Action Plan (EPAP) was convened in 2009 by the City of Portland, Multnomah County and U.S. Senator Jeff Merkley to provide leadership and guidance to public agencies and other entities on how to strategically address

community-identified issues and allocate resources to improve livability and prevent displacement in East Portland.

EPAP's community-generated plan, which was approved by the Portland City Council, include mandates to work to "assist in stabilizing low income residents/families" (EPAP Goal SN.1), "encourage housing that is attractive to households with a range of incomes" (EPAP Goal HD.5.6), and to "foster an equitable distribution of public resources for East Portland." (EPAP Goal EQ.1)

Preventing housing displacement, stabilizing low-income families, and ensuring adequate and equitable public funding to correct historic disinvestment here are core values of the East Portland Action Plan.

In furtherance of these goals, we hope that you will join us in supporting HB4007.

Best Wishes,



Nick Sauvie
Co-Chair, Housing Subcommittee
East Portland Action Plan



John Mulvey
Co-Chair, Housing Subcommittee
East Portland Action Plan



East Portland Action Plan

February 12, 2018

Re: Support for HJR 201 (Bonds for Affordable Housing)

Dear Senators and Representatives of Oregon's 79th Legislative Assembly:

We urge your support for HJR 201, which would allow the voters the opportunity to amend Oregon's Constitution to allow more flexibility in creating new affordable housing.

We all know that Oregon has been falling behind in meeting its housing needs. In their efforts to house more low-income Oregonians for less, local governments and nonprofit housing providers have had to get creative to stretch limited dollars further.

Unfortunately Article XI, Section 9 of the Oregon Constitution puts a needless obstacle in their path. This section, adopted in 1917, prohibits funds from municipal bonds from being combined with funds from other sources, including those of local housing nonprofits. It requires that bond funds may only be used when the local government owns and operates the housing, even when a nongovernmental entity can deliver the housing faster, cheaper and more effectively.

Put simply, Article XI, Section 9 forbids local jurisdictions from leveraging public dollars to do the most good.

Not-for-profit housing developers have a long, proven record of delivering quality low-income housing for a low cost. Unlocking the ability to invest municipal bond proceeds into projects brought forward by mission-based community partners with a history and track record of developing affordable housing allows public and private housing teams to collaborate, with each bringing the skills to the table that they do best.

With the amendment, jurisdictions that pass bond measures to address the housing crisis could retain their current role as a financing and oversight agency, without having to create and staff new public agencies simply to meet the constraints of the current, outdated bond requirements.

In addition, amending the current rule would allow local governments to leverage key resources, like 4% tax credits, that cannot otherwise be combined with bond funds to

develop affordable housing. Amending this section would permit the public's tax dollars to go further, creating more housing for less.

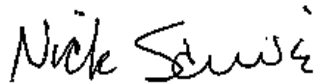
The East Portland Action Plan (EPAP) was convened in 2009 by the City of Portland, Multnomah County and U.S. Senator Jeff Merkley to provide leadership and guidance to public agencies and other entities on how to strategically address community-identified issues and allocate resources to improve livability and prevent displacement in East Portland.

EPAP's community-generated plan, which was approved by the Portland City Council, include mandates to work to "assist in stabilizing low income residents/families" (EPAP Goal SN.1), "encourage housing that is attractive to households with a range of incomes" (EPAP Goal HD.5.6), and to "foster an equitable distribution of public resources for East Portland." (EPAP Goal EQ.1)

Preventing housing displacement, stabilizing low-income families, and ensuring adequate and equitable public funding to correct historic disinvestment here are core values of the East Portland Action Plan.

In furtherance of these goals, we hope that you will join us in supporting HJR 201.

Best Wishes,



Nick Sauvie
Co-Chair, Housing Subcommittee
East Portland Action Plan



John Mulvey
Co-Chair, Housing Subcommittee
East Portland Action Plan