



East Portland Action Plan

Housing Subcommittee

Monthly Report

April 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

April 11, 2019

Meeting began at 6:03 pm.

Attendees: Linda Bauer, Doug Armstrong, Adam Brunelle, Sandra Wood, Morgan Tracy, Yesika Arévalo, Erika Kennell, Frieda Christopher, John Mulvey, Merrill Liddicoat, Pam Phan, Linda Wise, Nick Sauvie, Ameera Saahir, Michelle DePass and Robert Liberty.

Frieda called the meeting to order and the attendees introduced themselves.

1. Residential Infill Project - Displacement Report (Morgan Tracy and Sandra Wood, Bureau of Planning and Sustainability)

Morgan and Sandra presented to the group about the Residential Infill Project, which will be considered by the City Council later this year. The project involves changes to the zoning codes for single-family zones and would allow development of duplexes, triplexes and four-plexes.

As part of the project planning, the Bureau of Planning and Sustainability did a study that showed the displacement impacts that would result from the changes. That study showed that the new code would help to ease displacement citywide, but would increase displacement pressures in several neighborhoods, including parts of East Portland.

Morgan and Sandra reviewed the basic elements of the proposal.

Robert asked about the goal of the project, which was concern about demolitions and replacement with larger single-family homes. Morgan said that the proposal limits the size of new structures but makes an allowance of additional Floor-Area Ratio (FAR) for additional units and units priced below market value.

Michelle asked how affordability would be regulated. Morgan said that they anticipate it will be similar to the affordable units under the inclusionary housing ordinance, but that the conversation is ongoing.

Doug mentioned that under the plan, the allowable FAR increases by 250 sp. feet every five years. Sandra explained that they didn't want to permanently prohibit modest additions.

Sandra talked about the displacement analysis that BPS did to accompany the project. She said that they identified vulnerable households by analyzing four indicators of vulnerability: higher than average population of people without a four-year degree, higher than average people of color, higher than average low-income people, and higher than average population of renters.

John asked for confirmation that the study was narrowly tailored to measure the impacts under RIP as compared with a "baseline" of displacement that may already be occurring. Sandra confirmed that this was accurate.

Frieda asked about the bonus for affordability. Morgan said that nothing in the proposal requires units to be affordable.

Pam said that she wasn't certain whether the small-scale developments in the low-density zones would create meaningful numbers of needed affordable units.

Robert asked whether the plan could do more to reach further to house lower-income people. Pam agreed and said that her concern is with the most vulnerable communities.

John reminded the group of the letter EPAP approved in October to the City Council and BPS asking for displacement mitigation programming to accompany adoption of the RIP. He also told the group that the RIP was approved by the Planning and Sustainability by only a 5 to 4 vote, and that the 4 in opposition were doing so because they wanted to ensure displacement mitigation would be part of the proposal.

Yesika expressed concern that the new rules would not support the larger family sizes among new Portlanders and families of color.

Sandra said that as the displacement picture evolves, we want to avoid locking in rules that don't work for certain neighborhoods. She also said that their report is not comprehensive of all displacement that's happening. Morgan said that the current comprehensive plan trajectory is not optimistic on displacement. Doug said that he wonders whether, if the data were up to date, neighborhoods like Parkrose would be shown as much more vulnerable.

Frieda expressed a concern of unintended consequences with four-plexes. She gave an example of two large lot near her where they are being combined then subdivided and potentially could add up to 20 units where the street infrastructure could not handle the vehicles. Frieda asked whether there was some allowance for neighborhoods that shouldn't get more dense. Erika said that with the projected population growth, we need to embrace higher density.

2. Anti-Displacement Study and Programming (Robert Liberty, Institute for Sustainable Solutions, Portland State University)

John introduced Robert Liberty and said that we would be engaging with his group to work on antidisplacement in East Portland. Robert said that he wanted to partner with EPAP and the City on a Metro grant to support displacement mitigation and create innovative programs to stabilize vulnerable communities.

For instance, under the RIP, who would be living in the new Accessory-Dwelling Units (ADUs) created? He said that just because the rents are lower, doesn't mean they're going to the people who need those rents. He also talked about obstacles to financing ADUs among lower-income communities, cost concerns for new ADUs, and issues of capacity: Do lower-income people understand their options? Do they need help with issues like property management?

He said that although there's been a big increase in public housing resources, it will never be more than 3 or 4% of the market, and work needs to be done with private development of affordable units.

He said that at the end of the project, he hoped to have real projects launched, and that some things they try might work and some things might not. He also said that the City would contribute staff time to support the work.

3. Homeownership Availability under N/NE Preference Policy (Yesika)

Yesika distributed some information about upcoming affordable ownership opportunities. She said that Proud Ground would be providing grants of \$50,000 to \$100,000, supported by the Metro housing bond, to assist low-income homebuyers under the N/NE Preference Policy. She said that the applications are being accepted between April 22 and May 3.

4. Support for Homeownership Funding (John)

John brought a letter to the Legislature in support of increased funding for home ownership programs. Linda asked what would be cut in order to fund these programs. Pam explained that they would be funded through increased allocation to the LIFT program, which is funded by general obligation bonds. Linda blocked agreement on the letter. She wanted to get information on if LIFT funds were increased what might be cut.

4. East Portland Preference Policy Update (Frieda)

Frieda is continuing to meet with stakeholders on the preference policy.

5. Parkrose-Argay Project Update (Doug)

Doug showed images of three different master plan options for the property. He indicated that the most popular was the one that aligned the street so as to preserve the Mt Hood view from Parkrose High School. He reminded the group about the upcoming project Open House on April 18.

Review Previous Month's Advocacy Work:

Frieda through her work on the City-wide Budget Advisory Committee advocated for the \$600,000 funding for East Portland in PHB's budget. She also supported the coordinated effort between Prosper Portland, Planning and Sustainability, Bureau of Transportation, and Housing Bureau in regarding to development in East Portland.

Other Business:

John reminded the group that we've been working to get additional information on implementation of the Metro housing bond. Still working on it!

Frieda asked if the committee could agree to John and Frieda sending a letter of support for the \$600,000 in PHB's budget, because of the time constraints. There was a consensus for them to do the letter and send to City Council.

Announcements:

Frieda said that there would be a budget hearing focused on housing and homelessness on Saturday, April 6th, 10am-12pm at PCC on Killingsworth.

Pam said that AntiDisplacementPDX was working on bringing the City Bureaus into line with the policies in the Comprehensive Plan, and she would like for EPAP to engage with them.

Meeting adjourned at 8:05pm.

Next EPAP Housing Meeting: Monday, May 13, 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



April 15, 2019

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

RE: Support of PHB Funding for East Portland

Mayor and Commissioners:

Thank you for your critical work on behalf of our City.

Like residents of the rest of the City, East Portlanders are being hit hard by rising rents and lack of affordable housing options. But although we share many issues with the rest of the City, we also have a unique set of challenges.

East Portland is the home to many of Portland's underserved and vulnerable communities. Those same communities are now experiencing displacement from of East Portland. EPAP's core mission is to prevent this from happening, and we know that you share that goal.

The Housing Bureau is proposing a new initiative for East Portland that aligns with the direction to provide coordinated planning for East Portland in conjunction with the Bureau of Planning and Sustainability, Prosper Portland, and the Bureau of Transportation. This proposal comes from PHB's base budget and requires no increase in funding.

The East Portland Action Plan is prepared to be active partners with PHB in the East Portland Antidisplacement Initiative. We envision a robust public component leading quickly to specific, practical anti-displacement programming on the ground in our community.

If positive actions such as this are not taken, we believe that significant numbers of East Portland's underserved residents will be pushed out of Portland completely. We request that the East Portland Antidisplacement Initiative be fully funded as requested by Housing Bureau.

Sincerely,



John Mulvey
Housing Subcommittee Co-Chair



Frieda Christopher
Housing Subcommittee Co-Chair

cc: Shannon Callahan, Portland Housing Bureau
Michelle DePass, Portland Housing Bureau
Andrea Durbin, Bureau of Planning and Sustainability
Leslie Lum, Bureau of Planning and Sustainability
Kimberly Branam, Prosper Portland
Chris Warner, 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.