



# East Portland Action Plan

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## Housing Subcommittee

### Monthly Report

**June 10, 2019**

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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**

June 10, 2019

Meeting began at 6:05 pm.

**Attendees:** David Potts, Char Pennie, Erika Kennel, Yumiko Hongo, Andy Miller, Merrill Liddicoat, Linda Bauer, Doug Armstrong, Arlene Kimura, Jennifer Chang, Frieda Christopher, Gordon Jones, Nick Sauvie, Lakeitha Elliott, John Mulvey, JR Lilly and Michelle DePass.

Frieda called the meeting to order and had the attendees introduced themselves. John also introduced Yumiko Hongo, who is a journalist visiting us from Japan. She is here to cover the Portland-Sapporo Sister City event.

### **1. Introducing EPAP's new Advocate, JR Lilly!**

JR introduced himself to the group and shared some of his background and what led him to EPAP. He's very excited to be working with us.

### **2. Portland Housing Bond / Metro Housing Bond Updates**

Jennifer Chang of the Portland Housing Bureau discussed the two housing bonds.

First she discussed current progress of spending under the City's bond measure, which was passed by voters in November, 2016. She said that the goals for this fund are to create 1300 units of housing affordable to families under 60% area median income (AMI). That includes 600 units at 0 to 30%AMI and 700 units at 31 to 60%AMI. 300 units will be permanent supportive housing (PSH) and 650 will be family-sized units, which is defined as 2 or more bedrooms.

Jennifer said that the program's "priority communities" are communities of color, families, households experiencing homelessness and households facing imminent displacement. John asked how exactly these priorities are actualized within the process of leasing up the new projects. Jennifer said that some deeply affordable and PSH units are filled through referrals from community partners

such as JOIN and the rest are filled by giving advance notice of two weeks to community partners and outreach by the mobile housing team operated by the Joint Office of Homeless Services.

Jennifer said that the Housing Bureau has announced a \$77 million Bond Opportunity Solicitation. These funds will prioritize projects in East Portland, North Portland and Southwest Portland. Applications are due June 28.

Jennifer also discussed the Metro bond that was passed by voters in November, 2018. Funds from this bond will be passed through to seven jurisdictional partners, including the City of Portland, with 10% remaining with Metro for its own housing projects. The City's share will be approximately \$211 million and it will be required to create 1475 new units of housing.

The jurisdictions are required to submit a Local Implementation Strategy. Portland's strategy is under discussion now and will be finalized and brought to the City Council by September, with the expected Intergovernmental Agreement with Metro to be finalized early next year.

Jennifer noted that unlike the City's bond, homeownership is a permitted use of the Metro bond funds. She said that Metro's funds are not permitted to be used for operating costs for the permanent supportive housing units.

Frieda said that she hopes that more mixed income developments will be built. She feels the City and non-profits cannot build us out of the housing crisis and the City needs to use private/public partnerships with private developers to increase the amount of affordable housing built.

Andy encouraged the City to use the funds for land banking and said that the funded projects should complement private residential development.

John said that he hoped that there would be funds set aside to scale up pilot projects that have been proven successful, like the Kenton Women's Village, but which are not being implemented as widely as they could be.

Erika expressed disappointment that there's been too little investment in home ownership and that our City is failing to close the minority homeownership gap.

Andy said that he hopes that the City will be intentional and strategic and will think beyond a simplistic "most units for the least dollars" strategy. He also said

that they should look to partner with groups that have demonstrated success in housing people of color.

Gordon said that creating more tax-exempt properties that don't grow the tax base doesn't create viable communities. He also said that while unregulated, privately-built housing is going to serve higher-income tenants in the near-term, within about 30 years those units will "filter down" to lower income people and become naturally-occurring affordable housing.

John expressed concern that the requirements from Metro are that "no more than 10 percent" of the homes funded would be for tenants in the 61 to 80%AMI income range, but that the City's implementation language suggests 10% of the funds would be used for units at 80%AMI, meaning that the City is assuming the maximum number of highest-income units permitted. He also said that he and Frieda met with Metro Councilor Sam Chase and that Councilor Chase was strongly committed to these higher-rent units would be part of mixed-income developments and thus would help offset the costs for the more deeply affordable units.

### **3. Portland Housing Bureau Budget Update**

Michelle talked to the committee about a \$600,000 allocation to the Housing Bureau, which includes a staff position intended to distribute grant funds in East Portland. Jennifer said that the Bureau is currently finalizing the job description.

Several people expressed confusion about what exactly the position and the funding are for. Michelle explained that the new hire is expected to create a short-term grant program. John asked if the intent is anti-displacement. Michelle said yes.

### **4. Budget Mapping Report**

Nick distributed the latest report based on budget mapping data from the City. This is information about where City spending is located within the City. He said that after several years of increases in spending in East Portland on parks and transportation, this year's report shows that spending in those areas has plateaued. Housing spending, however, has increased, largely due to the spending for the Housing Bureau's new building at 105th Avenue and Burnside.

He said that this will probably decline again once the Gateway and Lents urban renewal areas expire.

## **5. East Portland Preference Policy Update**

Frieda said that the East Portland preference policy is close to final and she is continuing to meet with stakeholders and will be talking to Matthew at the Housing Bureau about her latest draft.

She also said she's considering making it a "goal" and not a "preference." Andy asked whether the policy is enforceable. He said that it's a more powerful tool if it's a requirement, given that agencies like his could be legally liable for violating it. He also asked how the policy would interact with the City's proposed "FAIR" ordinance, which regulates landlord screenings of prospective tenants.

Erika said that she was unsure whether the policy would be applicable to homeownership programs. Frieda said that she had checked with Steve Messinetti on the language.

John expressed concern that homeless people have been removed as an explicit recipient of the preference. There was discussion of whether homeless people would be captured within other categories of recipients.

## **6. Anti-Displacement Programming Update**

John said that he has met with AntiDisplacementPDX to try to work in coalition with them on displacement mitigation programming for East Portland. He also said that although it might be politically better to frame the displacement mitigation issue as part of the Residential Infill Project, he's concerned that doing so would limit the range of options and force mitigation programming to apply only to prospective development instead of providing immediate help for people vulnerable to displacement now. He and JR are meeting with Commissioner Hardesty to discuss strategies.

## **7. Liveable Gateway Update**

Gordon said that the project is moving forward. He said that the first building has been approved by the Design Review Commission and that Prosper Portland has agreed to work with the Transportation Bureau on the second Local Improvement District (LID) with approval of a \$2million match with SDC funds from PBOT.

## **8. Parkrose-Argay Project Update**

Doug gave an update on several recent changes to the draft plan. He said that there will be an Open House to give the public the chance to review the latest plan draft on June 19 from 6:30 to 8:30 at Parkrose Middle School.

## **9. Review Previous Month's Advocacy Work**

As was mentioned, Frieda and John met with Metro Councilor Sam Chase last week. John and Merrill participated in the East County Issue Forum on Housing and Homelessness at Gresham City Hall last week.

## **10. Other Business / Future Agenda Items**

JR reminded the group that we need to revisit our strategic priorities. He would like to use these as part of the EPAP packets he'll be putting together for our visits with various elected officials. He said that Multnomah County Commissioner Susheela Jayapal would be attending the next full EPAP meeting and that City Commissioner Chloe Eudaly is expected to attend the August full EPAP.

## **11. Announcements**

Merrill told the group about Rosewood Initiative's upcoming Financial Wellness and Home Ownership Fair, which is intended to equip lower-income families with the knowledge to move toward home ownership. The event is July 11, 4 to 7 pm at the Rosewood Initiative.

Char told us that the Lents Neighborhood Liveability Association would be hosting a representative from the Immigration and Customs Enforcement agency on Thursday from 6:30 to 8:30 at the Mt Scott Church of God.

Frieda announced that the new community garden is now open in the lawn area in front of David Douglas High School on SE 130th Ave.

Andy announced that Human Solutions would be opening its new Lilac shelter for homeless families at SE 77th Avenue and Powell Blvd in the former Briarwood Motel. He also said that the new development at NE 106th and Halsey would be heard by the City Council on July 10.

Doug announced that the Taste of Parkrose event will be taking place at Rossi Farm on June 22 from 10 am to 4 pm. All are invited!

The meeting was adjourned at 8:05pm.

Next EPAP Housing Meeting: Monday, July 8, 2019 at 6:00 pm at the East Portland Action Plan office, 1017 NE 117th Ave.

Childcare or Translation needed?  
Contact JR Lilly at 503-823-8027 or [jr.lilly@portlandoregon.gov](mailto:jr.lilly@portlandoregon.gov)

**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.