



East Portland Action Plan

Housing Subcommittee

Monthly Report

October 14, 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

October 14, 2019

The meeting began at 6:04 pm.

Attendees: Erika Kennel, Linda Bauer, Doug Armstrong, Frieda Christopher, Erik Andersen, Scot Grossnicklaus, John Mulvey, Nick Sauvie, Tova Hershman, Laurie Palmer, and Michelle DePass.

Guests: Shannon Callahan and Matthew Tschabold, Portland Housing Bureau

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

1. Housing Bureau Update

John introduced Shannon Callahan, Director of Portland Housing Bureau (PHB). Shannon shared a flyer that listed the projects that were selected for the recent round of bond projects. There are two new projects in East Portland: 115th & Division by Human Solutions and 160th and SE Stark, which is by Central City Concern. There is an additional project on that is part rehab and part new construction on 136th by Powell. There also will be two projects in Cully neighborhood.

John asked what was still available in funds. Shannon said there was approximately \$45 million remaining in the fund, but they want to keep some of that in Contingency to make sure there are no under discovered issues that would require more funds.

Shannon reported they had met or exceed their goals with the bond funds with 1424 units which have been funded from the bond.

Linda asked about homeless that were housed only had a retention of 50%. Shannon said it is more like 80% for those they can contact. She explained the process of follow up. She would get more information from the Joint office on the numbers.

John asked about the Renter Services Office (RSO). Shannon said they have the RSO that started in February 2018. PHB combined their staff and new staff for the office. They provide multiple services for renters. They will be releasing the first draft of administrative rules for the "FAIR" program of tenant screening and mandatory relocation on Wednesday for a 45-day comment period. She

reported the first stages of registration database for landlords and they already have 40,000 registered on first phase. She believes that there are approximately 120,000 still unregistered. The Bureau is currently requesting “Fall Bump” funds as a “downpayment” toward an expanded database that would likely include off the shelf software for rental unit registrations.

Regarding rental services, Matthew said they had \$2m in contracts for various services including fair housing testing and legal assistance. He said that there are 6 contracts in total of \$250k for organizations to do trainings around the city on new tenant/landlord rules.

Erika asked about the Metro Bond. Shannon said Metro has asked for two documents – local implementation strategy and Intergovernmental Agreement between Metro and the City. She said the implementation strategy will look similar to the Portland Housing Bond Framework for targets. They are in the process of writing the draft and they plan to do focus groups among non-English speakers and meetings with community groups before the Implementation Plan and IGA go to City Council. John said that he expects Bureau staff to attend our next meeting to brief us on the draft plan.

2. Housing Bureau East Portland Displacement Programming

Matthew presented on the \$600k in city budget for EP. He said that \$150,000 of that is earmarked for an East Portland Policy and Program Coordinator. He said that the position announcement should be posted soon, perhaps as early as next week. The initial goal is for this person to work with East Portland stakeholders on issuing grants for planning, feasibility and community stabilization. He said that he hopes the grants will be out during this fiscal year. Once the grants are given the person will focus on a permanent community driven planning and program development for East Portland.

John said it appears most bond funds was for new construction, but he feels the rehab should be reconsidered as an anti-displacement tool and rental rehab should be looked through an anti-displacement lens. She said they did have rehab as part of the bond solicitation but those selected were new construction. She said they have to look at the useful life of the building before buying as well as the cost of rehab. Nick said that the benefits of acquiring existing rentals are cyclical and depend on the economic conditions at the time. Shannon said that the Bureau didn't make a conscious decision to focus on new construction, but that they funded what appeared to be the best 9 projects from among the 23

submitted. One of the 9, the Joyce Hotel in downtown, is an acquisition, and the rest are new construction.

Erika asked about inclusionary housing. Shannon said that they will be retooling a couple of items. They need to identify a different calibration for homeownership because the current policy was written for rental units, but they do not anticipate any wholesale changes to the program. Erika said she heard about a new market analysis being done by the Bureau. Shannon said that they are doing a new outside market analysis.

Shannon said there are 500 affordable units in the pipeline or built with inclusionary zoning. John said that the benefit of the policy is broader than a mere count of new units created, because IH provides reassurance to community members who are fearful of change in their neighborhoods as new development moves in.

3. East Portland Preference Policy

Frieda reported she met with Shannon to discuss the policy. Shannon explained even though it was only tied to funding it was still considered a preference policy based on location. There were legal issues that would have to be gone through. Shannon committed to looking at preference policy. Shannon committed to requiring a developer's marketing plan to reach out to agencies and school district homeless liaisons in the area of the project for two weeks before availability is announced more broadly. She explained how most developers do early contact with the agencies and often have the units full before they open the list. Doug said that many East Portlanders have already been displaced from elsewhere in the City and that the local preference policy should work with anti-displacement programming to catch all at-risk people.

Laurie said that the marketing strategies often miss low-income communities, particularly African-Americans.

Shannon said she would have the developers come out to discuss their marketing plans and get ideas from our committee on who they should do the early marketing to.

4. Better Housing By Design follow-up

Doug said his presentation went well. He said Bill's presentation went strong. He said one of the big push backs was the lack of parking. Another push back was the historic districts.

Shannon said the Housing Bureau is asking for one minor change relating to the computation of the FAR bonus for affordability and whether the proposal contains the right incentives for home ownership units. There was a discussion of PHB's role in Better by Design issues.

5. Rescheduling November Meeting

John said that we need to reschedule the November meeting, which conflicts with Veteran's Day. He hopes to have a presentation on Purpose Build Communities by Andy Miller and Jennie Glass and a staffer from the Housing Bureau to talk about the Metro Bond implementation. He looked at various dates with the speakers and they were available Wed, Nov. 6. After a discussion with the committee the majority of the committee present could attend on that date. The committee November date will change from November 11 to November 6. He will send an extra notice to the mailing list this week.

6. Review Previous Month's Advocacy Work

Frieda met and had a discussion with Shannon Callahan on the East Portland Preference Policy. John met with Rosewood Initiative on displacement. Laurie Palmer attended a full day Resident Summit in Salem. They are organizing a new group to represent residents of affordable housing.

7. Announcements

Doug announced that the Land Use and Transportation Committee would have Morgan Tracy from the Bureau of Planning and Sustainability presenting on the Residential Infill Project at their meeting this Wednesday at 6:30pm.

The meeting was adjourned at 7:40 pm.

Next EPAP Housing Meeting: Note *NEW DAY AND TIME!*
Wednesday, November 6th 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

**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.