

The Portland Tribune

Wheeler's Reversal Prompts Rental Manager to Quit Commission

*By Jim Redden
February 9, 2018*

Ron Garcia says he is protesting mayor's decision to drop the single-unit exemption from Portland's tenant protection policy.

Professional property manager Ron Garcia resigned from a Portland rental advisory board last Friday to protest Mayor Ted Wheeler's decision to drop the single-unit exemption from the city's tenant protection program. It currently exempts landlords with just one rental property from paying relocation assistance ranging from \$2,900 to \$4,500 tenants subject to no-cause evictions or who choose to move after their rent is raised more than 10 percent in one year.

Garcia's resignation came the same day that Wheeler discussed his decision with the Mandatory Relocation Technical Advisory Committee. Spokesman Michael Cox announced the decision before the meeting, however. He said Wheeler wants the exemption to apply only to accessory dwelling units and owner-occupied duplexes.

Wheeler had appointed Garcia to a different committee, the Portland Housing Bureau's Residential Services Commission. The ordinance that created the commission described it as the "primary public forum for discussion of landlord-tenant housing regulation and programs in the city of Portland." But Garcia says Wheeler never attended a meeting and did not seek its advice before deciding to drop the single-unit exemption.

Garcia predicts dropping the exemption will prompt many single-unit landlords to sell their properties, reducing the supply of rentals in the city.

"In today's housing market, landlords are going to say, now is the time to cash out," says Garcia, who owns The Garcia Group with his wife. It is a property management firm that oversees more than 600 rental properties in the Portland area. He says about half are the only unit owned by the landlord.

Garcia is also president of Rental Housing Alliance Oregon. It represents approximately 1,900 landlords, 62 percent of whom own one to four units.

"The people I represent feel betrayed. I can't continue to serve on the commission in good conscience. That would make it look like the landlord point of view is being considered, which it isn't," Garcia says.

Cox admits some landlords "at the margins" of the real estate market might sell the rentals if the exemption is dropped. But he says protecting others from losing their homes is a top priority because of the affordable housing crisis.

Both groups were created after the City Council voted last February to require landlords with more than one unit to pay the relocation costs. Garcia says the exemption is still justified because such landlords cannot afford such expenses.

An unofficial study estimates the single-unit exemption affects approximately 24,000 rentals in Portland. Although Garcia has not seen the study, he says the number sounds about right to him.

The tenant protection program was sponsored by Wheeler and Commissioner Chloe Eudaly. The mandatory relation payments range from \$2,900 for a studio apartment to \$4,500 for a three-bedroom unit. The program is scheduled to expire in April. The council is expected to consider revising and extending it on Feb. 28.

The Mandatory Relocation Technical Advisory Committee prepared a permanent Policy Framework for the program with 43 possible changes for the Friday meeting. They included dropping the one-unit exemption. Eudaly has already said she wants to limit the amount of security deposits paid by renters and make it easier to get them back.

Council to Consider Low-Income Utility Relief Plan Tuesday

By Jim Redden

February 11, 2018

Commissioner Nick Fish will discuss how to ease the cost of water and sewer bills for residents without individual meters at morning work session.

Commissioner Nick Fish will present the rest of the City Council on Tuesday with a plan to help reduce the cost of utility services to low-income residents, including water, sewer and stormwater bills paid by those living in multi-family buildings without individual meters.

Fish oversees the Portland Water Bureau and the Bureau of Environmental Services. The presentation will be made at a work session that is scheduled to start at 9:30 a.m. in the Council Chambers at City Hall.

The challenge of reduce utility costs to low income households who are not directly billed by the city has long vexed the council. Although a low-income discount program was first approved in 1994 and expanded over the years, it only applies to those living in residences with individual water meters.

Although the full details of the new proposal have yet to be released, Fish says it involves working with community partners to identify those in need currently missed by the program and qualifying them for assistance.

Potential partners include the Portland Housing Bureau, the Joint Office of Homeless Services, Human Solutions, Elders in Action and Home Forward, which was formerly known as the Housing Authority of Portland.

An October 2017 audit of existing program by the City Auditor's Office recommended the city study how to extend assistance to multi-family renters.

The presentation will call for the council to approve the expanded program in the next fiscal year budget scheduled to begin on July 1. Among other things, it calls for the creation of a Low-Income Services team to consolidate existing services, manage data collection and generate regular reports.

City Offers Help for Homeowners in Johnson Creek Floodplain

By Steve Law

February 9, 2018

Program helps those hit by spiking flood insurance premiums that could force some out of their homes.

The city of Portland is expanding its pilot program to help homeowners in the Johnson Creek floodplain cope with skyrocketing flood insurance premiums.

With an additional \$100,000 from the city general fund, 50 more households in East Portland's Lents and Powellhurst-Gilbert neighborhoods will get assistance under the Flood Insurance Savings Program, said Jacob Sherman, housing program coordinator for the Portland Housing Bureau.

Due to changing federal policies imposed by Congress since hurricanes Katrina and Sandy, flood insurance premiums are rising up to 18 percent a year, causing a hardship for homeowners of modest means in Lents and Powellhurst-Gilbert. There are approximately 800 homes that could be submerged during a major Johnson Creek flood, about 630 of them owner-occupied.

The cash infusion comes after a successful pilot project launched last spring by Enhabit, a nonprofit commissioned by the housing bureau to help operate the program.

In the pilot program and in the extension, residents are offered three services: home assessments, elevation certificates and consultations with insurance agents.

Surveyors provided homeowners with certificates showing the exact elevation of their homes, which determines the extent they are vulnerable during a 1 percent flood. Formerly called 100-year floods because they were projected to come only once per century, they have a 1 percent chance of occurring in any given year.

In six cases, the flood certificates provided evidence the homes were above the 1 percent flood level and didn't need such expensive flood insurance, Sherman said.

The assessments help homeowners understand the specific flood risks to their homes. For those with flood insurance, Enhabit provides an evaluation of their current premium to ensure residents are paying a fair rate. For those without flood insurance, the program offers an opportunity to obtain coverage at an affordable rate. Low and moderate-income homeowners may qualify for this service at no cost.

By bundling the three services, the pilot program served 33 households. Though some didn't wind up getting lower flood insurance premiums, the average savings for those households amounted to \$744 a year, or \$22,300 over a 30-year period, Sherman said.

Tracie Badiang scored the biggest savings, cutting \$5,800 a year off her flood insurance, getting it down to just over \$1,000 a year.

"The Flood Insurance Savings program helped me save money, which made my mortgage payment affordable again, and helped me navigate the very complex and convoluted bureaucracy around flood insurance," Badiang said.

The city spent roughly \$45,000 for the pilot project, Sherman said, but couldn't serve all the 90-plus homeowners who applied.

"So we know there's demand and we were able to deliver some pretty strong results," he said.

To learn more about the program and apply during this second round of funding, go online to www.enhabit.org/flood or call Enhabit's Floodplain Hotline at 971-544-8715. The deadline to apply is March 5.

Willamette Week

City of Portland Wants to Change the Oregon State Constitution to Build Housing

Rachel Monahan

February 10, 2018

The Oregon House is likely to pass the bill related to the Portland housing bond; there's a question in the Senate.

A bill being pushed by Portland City Hall to help build affordable housing made it through its first hurdle of the state legislative session, but its success is not yet assured.

City Hall is pushing for changes to the state constitution to allow the funds from Portland's affordable housing bond to be matched with existing sources of funding for affordable housing.

The change would allow bonds to be matched with the major source of affordable housing money: federal low-income tax credits.

Currently, projects built from each of those pools of money must remain separate. That's because the state constitution requires cities to maintain ownership of any properties built with bond money while the federal program dictates private ownership.

City Council is asking for a law change so the two pots of money can mix.

"Allowing local governments to leverage general obligation bond proceeds, such as the \$258.4 million affordable housing bond approved by Portland voters in 2016, will increase the financing available for affordable housing and maximize overall resources," wrote Mayor Ted Wheeler and all four city commissioners in a Feb. 2 letter to Rep. Alissa Keny-Guyer, chair of the House Committee On Human Services and Housing, which is sponsoring the bill.

The change would also help Metro Council, which is considering putting a housing bond on the November ballot.

The House bill, which would refer the state constitutional amendment to voters in November, had a first hearing this week and is scheduled for a work session on Tuesday, meaning it's still alive this session.

The House is expected to pass the bill. But it's not clear yet whether it will make it through the Senate.

The bill will have little time: It's a short session. But Senate President Peter Courtney—who controls what emerges from the upper chamber—does not yet have a position on the bill.

"The Senate President is aware of the bill and hopes to learn more about the proposal when it comes over from the House," says Courtney's spokesman, Robin Maxey.

An External Review Says Portland Should Reform Its Investigations of Police Shootings

By Katie Shepherd

February 9, 2018

The OIR Group authored a 94-page report that makes 26 recommendations for improving how Portland police respond to officer-involved shootings.

An external review of officer-involved shootings in 2014 and 2015 found that the city should make changes in its investigations of police shootings.

The 94-page review published by the OIR Group makes 26 recommendations to the Portland Police Bureau in regards to how the law enforcement agency trains officers and reviews incidents where an officer chooses to fire a gun at a suspect.

The recommendations include adjusting bureau training protocol to make it more clear what constitutes an "imminent threat" and prohibiting officers from reviewing video footage of incidents before making an initial statement.

The OIR Group also suggested that the Police Review Board consider the analysis done by the training division, which reviews whether an officers actions were in line with his or her training, before making a determination.

The report emerges days after the family of Quatrice Hayes, a black teenager shot in the head by a Portland police officer, sued the city over his death. A grand jury ruled that shooting justified.

The full report will be presented in front of the City Council next Thursday.

The Daily Journal of Commerce

Portland Agency Recommends Changes to Inclusionary Housing Rules

By Chuck Slothower

February 9, 2018

A year after inclusionary housing rules took effect, a key Portland agency is providing support for developers' complaints that the rules have dramatically reduced new multifamily housing proposals in the fast-growing city.

The Bureau of Planning and Sustainability, in a one-year review of Portland's inclusionary housing policy, recommends changes to the rules that require developers to provide affordable housing in sizable multifamily projects.

The review from the city's BPS says new development applications have fallen steeply, and the development pipeline risks running dry in 18 to 24 months.

The bureau's review comes shortly after the one-year anniversary of the policy's Feb. 1, 2017, effective date. It was quietly posted Friday to the bureau's website.

"To maintain housing production and housing supply targets identified in the 2035 Comprehensive Plan, the city of Portland would need to start seeing significant increases in land use review and building permit applications over the next six to 12 months to replace

development pipeline units that will be delivered to market over the next 18 (to) 24 months,” the four-page report states. “With the understanding that there are challenges to development feasibility due to broader market fundamentals, BPS and (the Portland Housing Bureau) recommend we explore a process to make adjustments or modifications to the Inclusionary Housing Zoning Code and Program requirements.”

Developers warned even before the policy took effect that the rules were infeasible and would slow new development. The policy requires developers to designate a percentage of new multifamily building units as rent-restricted.

The Housing Bureau and BPS have the authority to make administrative changes to inclusionary housing rules. Any more fundamental changes would require City Council approval.