

## **1. INTRODUCTION: CHARGE, CHARTER, AND MEMBERSHIP OF THE OVERSIGHT COMMITTEE**

Less than two decades ago, the neighborhoods that comprise inner North and Northeast Portland were home to the highest concentration of African American residents anywhere in the city—or in the state. Although decades of segregation had confined them there, community also given rise to a vibrant cultural center, replete with African American businesses, churches, and other cultural institutions. City efforts during the 1990s to address the crime and blight that had begun to consume the area brought about profound neighborhood transformations, but left many long-time residents with fewer and fewer housing options. Within a decade, the percentage of African Americans in the total population of the area had fallen by more than half.

In March 2014, Mayor Charlie Hales, with the support of Housing Commissioner Dan Saltzman, dedicated an additional \$20 million in Tax Increment Financing (TIF) dollars from the Interstate Corridor Urban Renewal Area (ICURA) to affordable housing in an effort to begin to address the ongoing threat of displacement and gentrification.

Recognizing the difficult history that had lead the city to this point, the Portland Housing Bureau (PHB) determined that any plan for how to invest these funds would need to be guided by the community itself. Through a series of public forums and other outreach efforts, more than 450 community members, 15 area faith leaders, and numerous community leaders generously shared their personal stories and those of their friends, family, and neighbors. They sent written notes and emails about their lived experiences and their thoughts about what kinds of housing assistance would have the greatest impact.

The result of that seven-month community engagement process was the “North/Northeast Neighborhood Housing Strategy” (the Strategy—a five-year plan for how to invest the \$20 million according to the stated priorities of the community), presented to Portland City Council on January 28, 2015.

Beyond dollars and cents, what emerged from the community process was a resounding question that the Strategy would also have to address: “how will this plan will be any different than all those that came before it?” The answer was a mechanism for greater transparency and accountability to the community itself. An Oversight Committee (the Committee) made up of community members was formed in May 2015 and charged by Portland City Council with the responsibility of overseeing the implementation of the Strategy, including the investment of the \$20 million as well as the development of the associated programming and policies, and report to City Council annually on the success of PHB and its contractors in accomplishing the goals outlined in the Strategy. In November 2016, Commissioner Saltzman amended the Charter to include oversight of the “TIF Lift” dollars and inclusion of the preference policy for all home ownership and multi-family dollars, with some exceptions for specialty populations.

## **NORTH AND NORTHEAST PORTLAND NEIGHBORHOOD HOUSING STRATEGY: COMMUNITY OVERSIGHT COMMITTEE CHARTER**

The North and Northeast Portland Neighborhood Housing Strategy Community Oversight Committee is hereby created and tasked with the responsibility of reviewing and monitoring the development and implementation of polices and programming associated with the North/Northeast Neighborhood Housing Strategy and the accompanying \$20 million on progress.

## **Scope**

This committee, working with the Portland Housing Bureau as well as its contractors, shall:

- Advise on, and review, program proposals and plan development;
- Monitor the implementation of policy and programming, and associated outcomes;
- And advise the housing director and housing commissioner on progress, issues, and concerns associated with the North/Northeast Neighborhood Housing Strategy and Interstate Urban Renewal “TIF LIFT” funds.
- PHB will inform the oversight committee of decisions, plans, proposals prior to implementation

## **Membership**

Dr. Steven Holt, Chair

Felicia Tripp, Deputy Director, Portland Housing Center

Reverend T. Allen Bethel, Sr. Pastor Maranatha Church

Virgie Ruiz, Community Member

Lisa K. Bates PhD, Associate Professor Portland State University, Center for Urban Studies

Marlon Holmes, North Portland Representative

Jilian Saurage, Pacific Continental Bank

## 2. THE NORTH/NORTHEAST NEIGHBORHOOD HOUSING STRATEGY

Strategy	Time Frame	Homes created or households assisted	Total over five years	
<b>Preventing Displacement</b>				
1	<p>Single Family Home Repair.</p> <ul style="list-style-type: none"> <li>Provide zero percent interest loans of up to \$40,000 per home to provide critical home repairs for low income homeowners up to 80% of median family income qualify (<i>\$38,850 for one person, \$55,500 for a family of four</i>).</li> </ul>	Starting immediately, annual allocation for five years.	80 households	\$3.2 million
	<ul style="list-style-type: none"> <li>Provide grants of up to \$5,000 per home to provide critical home repairs to seniors and people with disabilities up to 50% of median family income (<i>\$24,000 for one person, \$34,700 for a family of four</i>).</li> </ul>	Starting immediately, annual allocation for five years.	160 households	\$800,000
<b>Creating New Homeowners</b>				
2	<p>Invest in homeowners.</p> <ul style="list-style-type: none"> <li>Increase PHB funding for Down Payment Assistance Loan (DPAL) Program, assisting first time homebuyers with incomes up to 80% median family income.</li> </ul>	Start immediately, anticipate fully deploying in three years.	40 households	\$2.4 million
	<p>Create new affordable homes.</p> <ul style="list-style-type: none"> <li>Create permanent affordability and new affordable housing stock in the community, investing with community based organizations to leverage their expertise and additional funds (includes land trust, sweat equity, and other leverage models).</li> </ul>		32 households	\$2.6 million
<b>Creating Rental Homes</b>				
3	<p>Permanently affordable rental homes.</p> <ul style="list-style-type: none"> <li>Redevelop PHB-owned land on NE Martin Luther King, Jr. Blvd. between NE Cook St. and NE Ivy St. for affordable rental housing.</li> <li>Emphasize family-sized units and family-friendly features.</li> <li>Work with PDC and others to identify ground-floor commercial opportunity for local business (es).</li> </ul>	Start immediately.	40-80 units	\$4.5 million plus land
	<ul style="list-style-type: none"> <li>Redevelop one or more additional properties either owned by PHB, the County, or other partners.</li> </ul>	Start 2017	30-60 units	\$3.5 million

<b>Land Acquisition</b>				
4	<ul style="list-style-type: none"> <li>Acquire additional land to be used for permanently affordable housing.</li> <li>Work with the community and other institutions to leverage additional funds for this purpose.</li> </ul>	Start immediately.		\$3 million

**THE “TIF LIFT”**

<b>Preventing Displacement</b>				
1	<b>Single Family Home Repair.</b> <ul style="list-style-type: none"> <li>Provide zero percent interest loans of up to \$40,000 per home to provide critical home repairs for low income homeowners up to 80% of median family income qualify (<i>\$38,850 for one person, \$55,500 for a family of four</i>).</li> </ul>		102 to 110 households	\$4.1 to 4.4 million
	<ul style="list-style-type: none"> <li>Provide grants of up to \$5,000 per home to provide critical home repairs to seniors and people with disabilities up to 50% of median family income (<i>\$24,000 for one person, \$34,700 for a family of four</i>).</li> </ul>		120 to 180 households	\$600,000 to \$900,000
<b>Creating New Homeowners</b>				
2	<b>Create new affordable homes.</b> <ul style="list-style-type: none"> <li>Create permanent affordability and new affordable housing stock in the community, investing with community based organizations to leverage their expertise and additional funds (includes land trust, sweat equity, and</li> </ul>		85 to 90 households	\$7 million
<b>Creating Rental Homes</b>				
3	<b>Permanently affordable rental homes.</b> <ul style="list-style-type: none"> <li>Argyle/Interstate</li> <li>Spring Notice of Funding Availability</li> </ul>		150 units TBD	\$19.2 million plus land

### **3. Community Involvement/Engagement**

In 2016, the Oversight Committee met six times, we chose a consistent location and date/time to provide equitable access for all members of the community to be able to participate. In addition, all meetings are video recorded to provide additional access to members by way of public access television. Our intent is to be accountable, accessible and transparent as representatives of the community.

PHB sent out monthly email blasts and newsletters to the thousands of community members who have signed up, attended or sent inquiries regarding the N/NE Portland Strategy.

We held a forum, in North Portland at the St. John's Community Center, in September to gather information regarding the additional dollars allocated through the "TIF Lift". Over 100 people participated in this event facilitated by Dr. Holt. The overwhelming response was concerns about rising rents and "no-cause" evictions. The participants were able to prioritize how dollars should be allocated, first priority was rental housing, second home owner retention and third was home ownership.

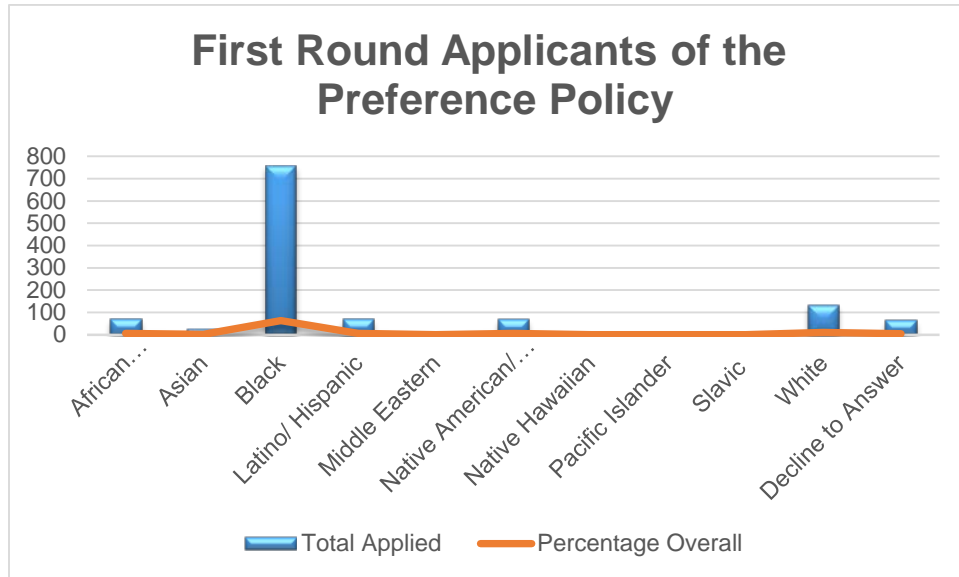
Reference table TIF Lift on page 4. TIF Lift allocations reflect priorities communicated from the forum and in agreement with recommendations from the housing bureau and approval by the Housing commissioner. The Oversight Committee provided clarification regarding priorities to support the recommendation of funding allocation.

### **4. Preference Policy**

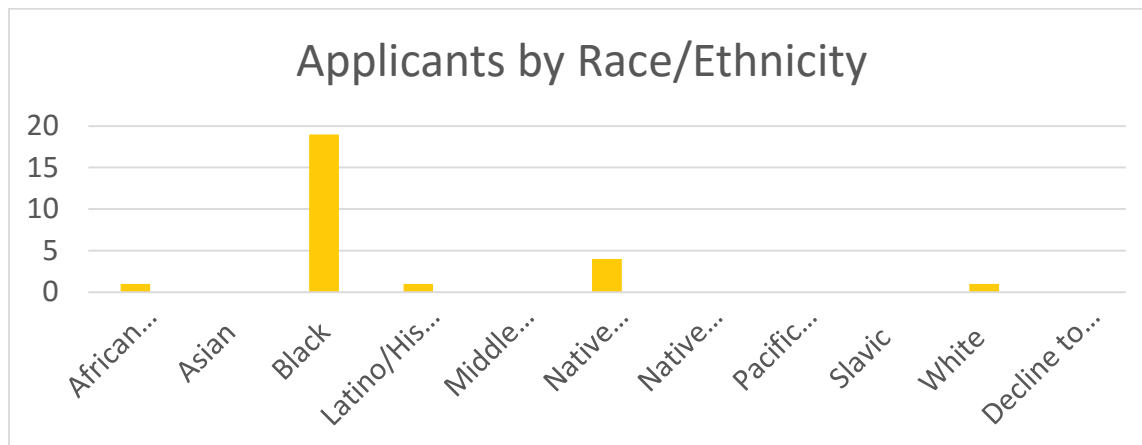
One of the most significant accomplishments that has come about related to the issue of affordable housing is the preference policy. The Preference Policy was developed as a tool to prioritize applicants wishing to apply for down payment assistance towards the purchase of a home in the interstate corridor. Taking into consideration city condemnation action areas, the Albina plan, and the interstate corridor urban renewal area, points were given to former and current residents who have familial generational ties to North and Northeast Portland.

By structuring community outreach efforts in collaboration with various diverse agencies, PHB was able to leverage current systems to provide access to the application process across the Portland Metropolitan Area. Additionally, by contracting with two homeownership providers with deep roots in the North/Northeast community (African Alliance for Homeownership and Portland Community Redevelopment Initiatives), PHB was able to further leverage opportunities to support new homeownership opportunities. With nearly 1,100 applicants applying for 65 homeownership slots, PHB was able to support the mission of the North/Northeast Housing Strategy by ensuring those who were offered the funds were ordered in priority with the goals of the strategy.

## PREFERENCE POLICY APPLICANTS RACE/ETHNICITY



## EMINENT DOMAIN APPLICANTS



## PROJECTED MULTI-FAMILY UNITS UTILIZING THE PREFERENCE POLICY

Project	Funding	# of units	#Regulated Units	% Preference Policy
King Parks	\$4.5 million	70	24 @ 30% 46 @ 60%	100%
Grant Warehouse/Beatrice Morrow	\$7.35 million	80	24 @ 30% 7 @ 50% 48 @ 60%	100%
Interstate/Argyle	\$10 million	215	150	100% of regulated units
Williams/Port City	\$4.5 million	61	40 @ 30% 4 @ 50% 16 @ 60%	100%
Marathon Development – Vancouver Avenue Apartments	MULTE \$354,367 1 <sup>st</sup> year	136	27 @ 60%	100% of regulated units
WDC – Church Apartments	MULTE \$41,864 1 <sup>st</sup> year	22	5 @ 60%	100% of regulated units
Winter NOFA	\$ 4 million	40	30 to 80%	100% of regulated units

Total of 391 (additional 40+ from the winter NOFA) affordable units to be leased utilizing the preference policy, there are an additional two MULTE projects that may decide to also utilize the policy, if so the number of units would increase by 35.

## PROJECTED SINGLE-FAMILY HOME OWNERSHIP UNITS UTILIZING THE PREFERENCE POLICY

Project	Funding	# of Units	AMI
PCRI	\$1,716,000	21-22 units	60-100%
AAAH Collaborative	\$3,284,000	42-43 units	30-100%
Winter NOFA – Condominiums at 5020 N. Interstate	\$5 million plus land	30 to 50 units	80% or less for two bedroom units 100% for three bedroom units
Winter NOFA	\$ 4 million	TBD	80% or less for two bedroom units 100% for three bedroom units

## 5. 2016 Overview

- a.** Land Banking – PHB purchased one property and made an offer on a second. There is approximately \$.8 million remaining of the initial allocation of \$3million to purchase property in the Interstate corridor.
- b.** Preference Policy – implemented for home ownership opportunities, over 1000 applications were received for 65 slots available during this first round. Significant effort by PHB to ensure equal access to the information, they provided training to community partners, elicited support from the Multnomah County Library system and provided case management for anyone having difficulty or needing an accommodation to apply for the program.
- c.** PDC collaboration - Working with PDC to increase available funding for home ownership/retention for higher AMI families. -
  - i. Participated in several oversight committee meetings to present their plan and ask for feedback of OC members
  - ii. Dr. Holt participated on PDC's NE advisory committee as a representative of the OC.
  - iii. The OC enthusiastically supports and applauds the Portland Development Commission's allocation of dollars for retention and home ownership for community members at 80 to 120% of AMI.
  - iv. PHB will be managing the retention and ownership dollars through an amendment to their IGA, the preference policy will be utilized to allocate the ownership dollars.
- d.** TIF LIFT allocation – The Oversight committee participated in both the development and implementation of the forum, as well as allocation of the dollars into the specific categories.
- e.** Education and support for those returning to the neighborhoods – lots of discussion no real movement or plan developed to address this issue.
- f.** Project Updates – The oversight committee heard from project teams for the developments funded out of Interstate funds.



## Home Repair Grants Jan-Dec 2016

Organization	Interstate TIF (Base) Average of FY's 15/16 & 16/17	NE GF (Contracts amended late Fall 2015)	Total
REACH	\$75,000	\$110,000	\$185,000
PCRI	\$33,600	\$100,000	\$133,600
CEP Emergency Home Repair	\$35,000	\$50,000	\$85,000
CEP Expanded Home Repair	\$75,000	\$0	\$75,000
Unlimited Choices	\$50,000	\$90,000	\$140,000
Rebuilding Together	\$0	\$50,000	\$50,000
<b>Total</b>	<b>\$268,600</b>	<b>\$400,000</b>	
Total Households served	95	60	

## RACE/ETHNICITY OF HOME REPAIR GRANTS

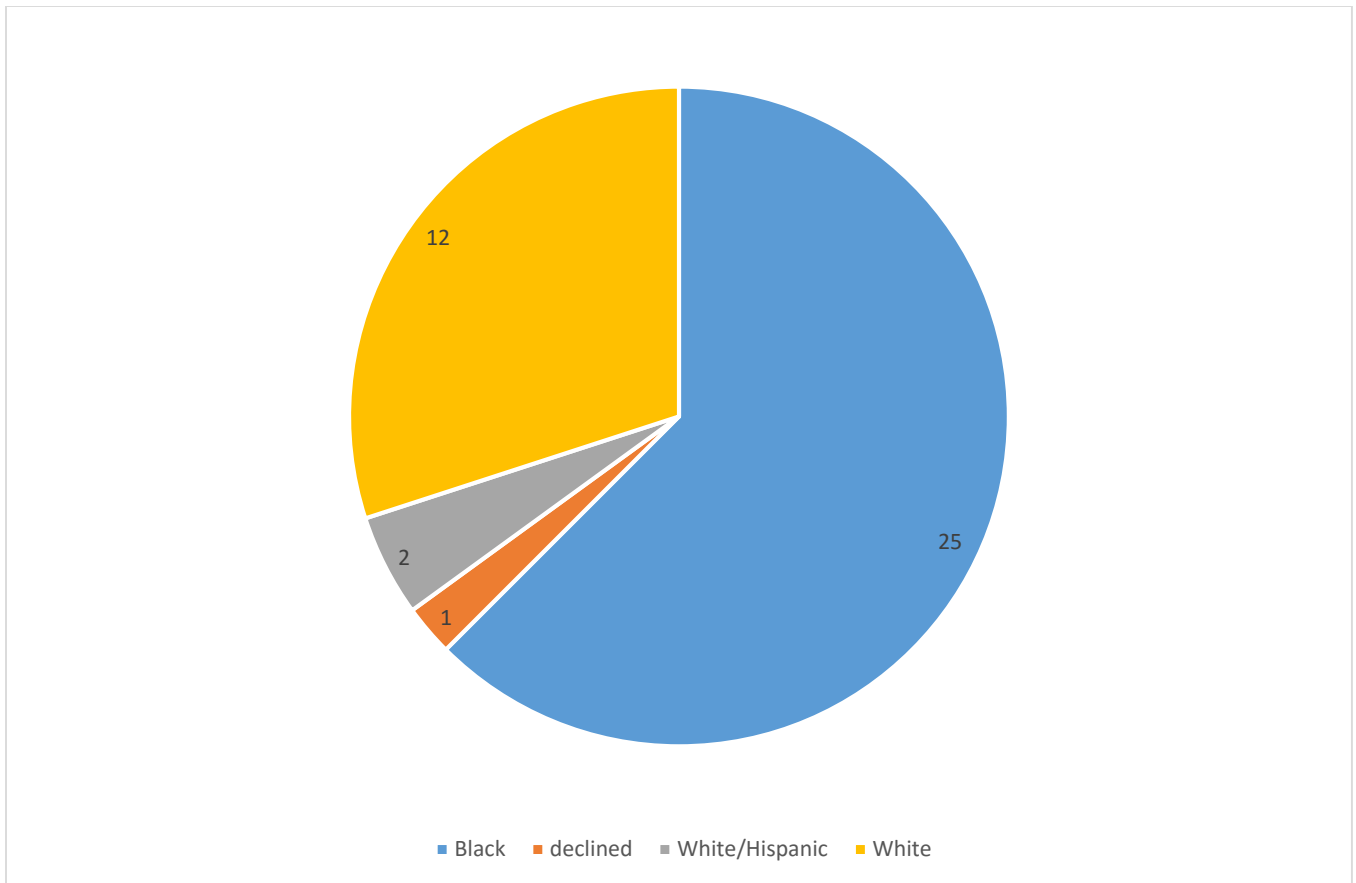
Race/Ethnicity/Origin (PHB)	TIF \$	NE GF
African	1	0
Asian	3	0
Black/African American	59	13
Latino/Hispanic	3	0
Middle Eastern	1	0
Native American/Alaskan Native	3	0
Native Hawaiian/Pacific Islander	0	0
Slavic	0	0
White	33	7
Declined to Answer	0	0
African-American	0	38
American Indian Black	0	1
American Indian White	0	1

## INCOME OF HOME REPAIR GRANT RECIPIENTS

Income	TIF	GF
(Extremely Low) 0-30% MFI	51	32
(Low) 31-50% of MFI	39	18
(Moderate Income) 51-80% of MFI	7	10
Over 80% of MFI	0	0
Declined to Answer	0	0

PHB allocated \$1,511,785.71 to 40 home owners in loans for home repairs.

## RACE/ETHNICITY OF HOME REPAIR LOANS



## INCOME OF HOME REPAIR LOAN RECIPIENTS

Income	
(Extremely Low) 0-30% MFI	2
(Low) 31-50% of MFI	11
(Moderate Income) 51-80% of MFI	27
Over 80% of MFI	0
Declined to Answer	0

### 6. COMMITTEE EVALUATION

Below is an abbreviated compilation of feedback provided by Oversight Committee members on the Bureau's progress during this first year.

- a.** Updated Charter to include TIF LIFT dollars: We worked extensively with PHB and the housing commissioner to strengthen the role of the Oversight Committee in order to ensure that "promises made are promises kept"
- b.** Communication with the City – During 2016 there were challenges in communication between the committee and the housing bureau. It is our intent to resolve those challenges by establishing agreed upon ways of functionality, ie. Replying to emails in a timely fashion, involving the committee in decisions, plans and proposals prior to implementation. And ensuring committee involvement in all NOFAs where Interstate funds are being awarded. In order for the oversight committee to effectively perform its duties, we must be informed, have time to process the information and be allowed to make recommendations that benefit the community and not necessarily PHB or community partners.
- c.** NOFA Fall 2015 – The initial handling of the fall NOFA perfectly illustrates the necessity of the Oversight Committee. A decision was made awarding a developer a project with no input or communication that could have had significant negative ramifications to an already marginalized people group. The OC was able to intervene and address process for NOFA implementation. They were successful in institutionalizing participation of the OC and people of color in the review process for projects being proposed for Interstate URA specifically, but also the need for those voices on all review teams going forward. This position was strongly supported by the Housing Commissioner, Dan Saltzman, and we appreciate his endorsement and support.

## **7. NEXT STEPS**

- a.** Conversation with community partners regarding implementation of the preference policy for home ownership. Our efforts will be to ensure that community partners of the Portland Housing Bureau are successfully implementing the preference policy. Our commitment is to make sure that impacted and displaced individuals are successful in becoming home owners.
- b.** Continue to seek opportunities for land banking.
- c.** Education and support for individuals moving back into the neighborhood.
- d.** Full implementation NoAppFee to assist with implementation of the preference policy for rental units.