



Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

Portland Planning and Sustainability Commission

Katherine Schultz, Chair

Michelle Rudd, Vice Chair

Jeff Bachrach

André Baugh

Ben Bortolazzo

Mike Houck

Chris Smith, Vice Chair

Katie Larsell

Andrés Oswill

Eli Spevak

Teresa St Martin

July 24, 2018

Mayor Wheeler and Portland City Commissioners
Portland City Hall
1211 SW 4th Avenue
Portland, OR 97204

Dear Mayor Wheeler and City Council Members,

The Planning and Sustainability Commission (PSC) expresses our cautious but optimistic support for the proposed SW Corridor Equitable Housing Strategy. The strategy is well researched and designed to address the near-term housing crisis and the corridor's long-term potential displacement of individuals of color and future housing needs. It centers the needs of our most vulnerable residents and provides a clear roadmap to stave off displacement and increase fair housing choices for all households. However, our city has a long history of infusing equity language into plans and setting aspirational goals but failing to follow through. This time must be different. We must not repeat the mistakes of the past. We need our political leaders to champion this work to make it real.

If the Portland City Council is not prepared to capitalize its portion of this housing strategy, then we ask you not to adopt the strategy and its housing targets. We also recommend you evaluate the merits and local commitments to housing and transit together. Transit must be built in an equitable way to meet both our environmental sustainability goals and equity goals. Therefore, we ask you to consider not supporting the light rail project if this housing strategy is not capitalized and fully implemented.

Fortunately, Portland is not doing this work alone. We are grateful for the partnership the City of Tigard is providing and their early use of urban renewal dollars for affordable housing and the new system development charge waivers for affordable housing. We are also cautiously optimistic that Metro will step up to be part of the solution to meet our region's housing needs. The regional housing bond measure became a reality in no small part due to the request by Mayor Wheeler for TriMet to contribute to affordable housing resources through the SW Corridor light rail project. We ask the Portland City Council to reassert Portland's request that \$100 million of a potential regional housing bond be invested to prevent displacement in advance of both the SE Division bus rapid transit line and the SW Corridor light rail.



City of Portland, Oregon | Bureau of Planning and Sustainability | www.portlandoregon.gov/bps
1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868

Printed on 100% post-consumer waste recycled paper.

TriMet should also be commended for its commitment to enter into a memorandum of understanding with Portland and other jurisdictions to prioritize affordable housing on properties purchased for the light rail project deemed excess after construction. We would like to see all excess properties disposed of with requirements that some amount of affordable housing is provided for households at or below 60% of area median income (AMI), and 80% AMI if homeownership opportunities are provided. Also, the homeownership resources should be targeted to communities currently at risk of displacement. To increase the likelihood of securing affordable housing financing for the greatest affordability we would like the disposition of excess property to be spaced out over a period of 5-10 years after service begins. We hope this practice serves as a land bank for mixed-income and fully affordable housing projects near every station along the corridor. We ask that TriMet and the Bureau of Planning and Sustainability bring us a draft of the MOU before it is signed so we can better understand the terms and process for how the disposition process will be carried out.

We greatly appreciate the robust engagement of low-income households and communities of color by the community based organizations working in the corridor. The inclusive process is reducing barriers to participation and lifting up leaders from these communities. We hope this model of collaboration and investment in community capacity building continues throughout the implementation of the housing strategy, and becomes a standard for all major investment projects the City is involved in. The Equity and Housing Advisory Group and community-based organizations (CBOs) have identified solutions ground truthed in community. In the spirit of shared accountability, the City now needs to step up. At a minimum we would like to see the City make some legislative and budgetary commitments as the council considers adopting the strategy and develops the 2018 fall bump and 2019-2020 budget.

- 1. Make a one-time investment to fund the [CBO's request](#) to form a Community Preservation Workgroup.** If the City Council adopts the housing strategy this fall they should concurrently approve a 2018 fall BuMP package that provides at least two years of funding for staffing and capacity building of a workgroup to continue engaging constituents and advocating for anti-displacement strategies. We would also like to see more of a connection between the community groups in SW and those working along SE Division Street.
- 2. Make an ongoing annual investment above current levels into anti-displacement services** for low-income households at risk of displacement along the SW Barbur and SE Division as transit service is introduced. The cost per household for services such as legal aid and emergency rental assistance are much lower than subsidizing a regulated rental unit. A services package should be funded in the 2019-2020 budget and deployed in consultation with the Community Preservation Workgroup.
- 3. Make a one-time multi-million-dollar investment of general funds in an apartment building acquisition fund** such as the Network for Oregon Affordable Housing's fund. Acquisitions should begin within the first couple years of the strategy as station area planning begins. Speculators are



already active in the market so a nimble source of funds must be deployed without haste. This investment should also address similar needs along SE Division Street.

4. **Form a SW Corridor Urban Renewal Area with strong guardrails** against funds being used for anything other than affordable housing until the housing stretch targets have been met. URA revenue is the largest source of permanent capital the City can commit to the corridor's housing targets. Without these resources we do not believe the City can honestly say the strategy will be fully capitalized. A significant affordable housing set aside of TIF funds would be 60% and should be exclusively invested in rental housing for households with incomes at or below 60% AMI or homeownership opportunities for households with incomes at or below 80% AMI. Additionally, commercial affordability is a secondary priority before any funds go toward transit.
5. **Follow through on developing proposals and funding for new tenant protections.** The Community Alliance of Tenants resident leadership cohort developed a [short list of tenant protections](#), some of which do not require repealing of pre-emptive measures at the state level. These should be a legislative priority for City Council.

A number of other anti-displacement efforts similar to this housing strategy are currently underway throughout the city (Division Street bus rapid transit, N/NE Housing Strategy, East Portland Action Plan, and others). We recommend the City Council use this opportunity to adopt a housing strategy for the SW Corridor to direct the bureaus to establish a coordinating structure to leverage investment and enact new policies for affordable stable housing in all areas.

The Portland Planning and Sustainability Commission will take an active role in monitoring and championing the housing strategy and light rail project with an eye toward equitable outcomes for low-income households and communities of color. We have asked BPS to support our efforts in the following ways:

1. **Provide staff support for a PSC work group on the housing strategy and light rail project.** This group will conduct advocacy during the upcoming City Council budget processes and throughout the process to adopt the housing strategy and Locally Preferred Alternative for the light rail project.
2. **Work with PHB and the Community Preservation Workgroup to co-develop an annual accountability report** with community level indicators of displacement and fair housing choice and progress measures on the major components of the housing strategy. We ask that BPS work with the Community Preservation Workgroup to highlight community activities and include clear near-term actions for City Council and bureaus to take in subsequent years.
3. **Lead station area planning process along Barbur Boulevard** to achieve the housing targets, build community capacity, and advance the development of key opportunity sites as affordable housing.



All zoning and regulatory tools available to the City should maximize the production and preservation of affordable and market rate housing.

It is vital for the continued health and prosperity of our community that Portland and its neighboring jurisdictions grows equitably, supporting the needs, lives and human rights of all current and future members of our diverse community. This housing strategy is both ambitious and achievable if there is aligned political will and sense of urgency to act early. We look forward to working with to and get it right this time and provide a new model for equitable growth.

Sincerely,

Katherine Schulz
Chair



City of Portland, Oregon | Bureau of Planning and Sustainability | www.portlandoregon.gov/bps
1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868

Printed on 100% post-consumer waste recycled paper.