



# Portland Housing Bureau

**Portland Housing Advisory Commission**  
**Tuesday, July 1, 2014**  
 3:00 p.m. – 5:00pm  
 Portland Housing Bureau  
 421 SW 6th Ave, Suite 500  
 Portland, OR 97204

✓ = PHAC public member action item  
 ▶ = PHB staff member action item

## July 2014 Meeting Minutes

**Members Present:** Jesse Beason, Colin Rowan, Marc Jolin, Rey España, Deborah Imse, Andrew Colas, Sarah Zahn, Amy Anderson, Dike Dame, Wayne Miya, Bill Gentile, Jean DeMaster, Elisa Harrigan

**Members Excused:** Tom Brenneke

**Staff Present:** Traci Manning, Leslie Goodlow, Javier Mena, Daynelle Banks

**Guests Present:** Tom Armstrong, Danell Norby, Tony DeFalco

Agenda Item	Discussion Highlights	Outcomes / Next Steps
<b>Welcome &amp; Review Meeting Purpose, Review Minutes</b>	Jesse Beason opened the meeting and welcomed the new PHAC members. Minutes were approved.	
<b>Public Testimony</b>	Ruth Adkins with Oregon ON – launched Facebook awareness campaign: Keep Portland Affordable. A social media awareness campaign to build a sense of urgency across our community that affordable housing is an important problem. It is not an official advocacy ask, just a way to build awareness.	
<b>Keep Portland Affordable</b>	Traci framed the discussion by summarizing the first two segments in the Affordable Housing System series. We are continuing to drive discussions toward housing trends in Portland, how we use our resources and what are the gaps in our resources. Traci mentioned the review of the housing trends study. We've been a lot more thoughtful in designing resources that will keep the Portland that we love affordable and address various issues. Living Cully has done great work identifying housing issues in their	✓ <b>Traci to send new PHAC members link to housing trends study</b>

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<p><b>Living Cully</b></p>	<p>community. We will be able to take a step back to look at how this can be applied to the entire city of Portland. Traci turned to discussion over to Rey.</p> <p>Rey introduced Tony DeFalco, the Living Cully coordinator and Danell Norby from Habitat for Humanity. The partnership includes NAYA, Hacienda, Habitat, and Verde working on community revitalization: specifically sustainability and investments related to that as an anti-poverty strategy. Rey asked Tony and Danell to talk about CASH (Cully Affordability Standards on Housing).</p> <p>Tony DeFalco introduced the discussion by giving a quick overview of the Living Cully project to be followed by open discussion and questions. Tony distributed a draft set of strategies for preserving affordability in Cully to the PHAC members. Verde began leading efforts to bring sustainability assets to the Cully neighborhood. The goal was to build on the work of Hacienda. Good paying jobs to lift people out of poverty was missing. Verde, Hacienda, and NAYA began to work more closely together as Living Cully. The Cully EcoDistrict idea is that investments can be brought in at a neighborhood scale. There has been a lot of success in concentrating the economic benefits of an EcoDistrict towards low-income people and people of color. Living Cully has been able to attract investments and resources like Cully park, habitat restoration, and neighborhood revitalization initiative. Bringing in assets and development also has the danger of gentrifying the neighborhood. Living Cully was able to work with a group of students at PSU to understand what the communities concerns were about gentrification and displacement and what should be incorporated into strategies. There were three main findings:</p> <ol style="list-style-type: none"> <li>1. To preserve affordability in the neighborhood</li> <li>2. Increasing income</li> <li>3. Stabilizing people in their homes</li> </ol> <p>Tony introduced the CASH program. If we can't preserve affordability of the neighborhood we will lose diversity. Part 1 of CASH is the analysis of current needs. Part 2 will be Living Cully working with partners to develop strategies resulting in an action plan. There has been a lot of engagement with the people living in the Cully neighborhood. Tony distributed the CASH Part 1 summary and turned the presentation over to Danell.</p>	

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	<p>Danell Norby: One of the main buckets of strategies that came out of the study was stabilizing people in their homes. The question of scale kept coming up in discussions around preventing displacement. Danell presented a draft of the affordability analysis. There are overarching goals; two of which should be stressed:</p> <ol style="list-style-type: none"> <li>1. Maintaining the existing cultural diversity</li> <li>2. Trying to maintain minimum share of market shielded housing</li> </ol> <p>Housing burden was used to identify who is at risk of being displaced. There are currently 1200 households that pay more than 50% of their income towards housing costs. That number is being used as a jumping off point for planning. Living Cully partners, members of Portland Housing Bureau, and Proud Ground did some collaborative work with an outside consultant to come up with strategies to meet needs of these households. It was an exercise to think creatively. The next step will be around feasibility analysis.</p> <p>Tony DeFalco: This is a multi-prong strategy on how to address affordability in Cully including Supply Projects, Supply Programs, Supply Policies, and Household Projects. This isn't just about building units of housing. We are trying to combat this from multiple dimensions. We are looking to the PHAC to answer the following questions:</p> <ol style="list-style-type: none"> <li>1. What have we missed?</li> <li>2. What are the funding sources that are missing?</li> <li>3. Are there issues around policy that have been missed?</li> </ol> <p>Jesse: Take a moment to digest the new data that has been presented.</p> <p>Jesse: In your survey work with Cully neighbors how many homeowners were concerned about displacement?</p> <p>Danell: There has been an increase in discussions among residents. Homeowners are a little bit less susceptible to displacement. The most concern is around renters and mobile home owners. Lower income homeowners and elderly homeowners are a pretty high risk group. There is starting to be more awareness. There needs to be more campaigning and education around displacement and point to the things that have happened in Albina and other neighborhoods as an example.</p>	

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	<p>Tony: We have started some community organized efforts. We are interested in city-wide efforts around preventing displacement and addressing gentrification. We have been working very closely with PALF and other agencies. We are working towards creating a model.</p> <p>Sarah: Have you found anything that you would consider to be a model or a policy that is really addressing displacement now? Or are you creating a policy or strategy that would be a model?</p> <p>Tony: It's a little bit of both. City-wide that is an ongoing discussion. As far as a model we have discovered you can have more impact working at a neighborhood scale than you would as a single entity. There is something there that is definitely sharable.</p> <p>Danell: What we are really interested in doing, in the absence of inclusionary zoning, is tie things to the market in any way that we can. We are looking at strategies to stabilize homeowners and create income opportunities.</p> <p>Tony: What are the strategies that are going to be deployed city-wide as relates to gentrification and displacement? Is it possible to work outside of the traditional silo?</p> <p>Marc: I'm interested in mobile home parks and how you are thinking about the mobile home park resources?</p> <p>Tony: There are five mobile home parks in Cully. About 10% of the neighborhood live in mobile home parks. We have pretty good knowledge of four of them. We've done door to door canvassing to understand who lives there and what their challenges are. The largest mobile home park recently sold for \$2.4 million. We are interested in setting up a task force because they are some of the most vulnerable.</p> <p>Marc: It's affordable and low barrier. Scarce resource that we are protective of. We should be talking about affordability and accessibility.</p> <p>Jean: What kind of success have you had in assisting low income people to become homeowners?</p> <p>Tony: Key resources: NAYA, Hacienda, Habitat, and Proud Ground.</p>	

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<p><b>Comprehensive Plan Presentation</b></p>	<p>Danell and Tony discussed the stage of gentrification in Cully, the challenges to keeping the affordable units and the strategies to try to address those challenges. There will be focus groups with elders coming up in July to understand various issues such as housing burdens, transportation issues, livability issues, and access to resources. There is a gap in services for elderly homeowners who are looking to move on from their current residence. Transitional counseling service could be beneficial to elderly homeowners.</p> <p>Rey summarized the Living Cully model. Cully is planning a new weatherization project that could possibly be used as a model. There are projects and models that need to be tested that may be able to address the concerns and struggles that are being experienced in Cully.</p> <p>Danell and Tony left the meeting.</p> <p>Jesse introduced Tom Armstrong from the Bureau of Planning and Sustainability to discuss the comprehensive plan draft presentation.</p> <p>Tom presented an overview of the proposed draft of the comprehensive plan. This is the next step in a series of projects to update the comprehensive plan. The proposed draft will be published later in July that will be followed by a series of public hearings over the next year. We are looking out long-term to the year 2035. The city is expecting quite a bit of change during that time period. There are five main pieces that will be rolled out:</p> <ol style="list-style-type: none"> <li>1. Create Healthy Connected Neighborhoods by Growing in Centers and Corridors</li> <li>2. Provide Land and Infrastructure for Job Growth</li> <li>3. Connect Habitats and Build Green Infrastructure</li> <li>4. Make Investments to Reduce Disparity</li> <li>5. Prepare for Climate Change, Earthquakes, and Other Natural Hazards</li> </ol> <p>Urban design framework is a conceptual illustration around how we grow as a city. This is based largely on the 20/40 plan through Metro. We are expecting about 120,000 new households in the region. About 80% of zoning is for mixed use multifamily development. Most growth is going to be multifamily. The whole region over the next 20 to 25 years is going to run out of single family capacity. The pressure is going to continue. We need to tackle that with a new set of rules, regulations and guidelines. We've built on work from Dr. Lisa Bates and Danell Norby around gentrification and vulnerability.</p>	

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	<p>Tom referred to the presentation to discuss the investment strategy. Tom distributed a handout summary of housing goals and policies. When it comes to housing issues we have plenty of zoning capacity. It's an affordability resource problem and design character problem that will be addressed as we implement the plan. When the plan is released in July there will be Map App version 2.0 to allow people to see changes in neighborhood. The proposed plan will be released on July 21<sup>st</sup>. There will be outreach events during the months of August and September. This is a foundation to get people to understand what is in the plan. Tom opened up the floor for questions.</p> <p>Marc: The concept of resilience in the goal slide, help me understand what that is.</p> <p>Tom: A lot of it has to do with infrastructure investment. This focuses on climate change. Storms, wild land fire risks, changes in the way storm water is managed. Being able to factor that in to how we build the city through those shocks to the system.</p> <p>Amy: There are a lot of low income housing in "deeper SE" from Powell to the edges of Clackamas. I don't hear much about developing those areas.</p> <p>Tom: There is a project going on with Metro, Tri-met, The City of Portland and the City of Gresham to build up the Powell-Division corridor for bus rapid transit. Before this no one really says that there is an issue there. It runs under the radar. That is something that is now on the radar.</p> <p>Elisa: Can you give me a couple of examples of what the infrastructure might look like in the core priority areas? Do you have a process or does that come later after the plan?</p> <p>Tom: Most of it comes later depending on the bureau. It a blueprint or guide for those future conversations when the actual investment decisions get made. This is setting the framework for making those decisions.</p> <p>Sarah: How do you balance private investment with wanting to encourage development in other parts of the city that don't see as much activity?</p> <p>Tom: We will continue to look at the Limited-Term Tax abatement. We need to focus affordable housing in the places that already have all the amenities. When you get further out into East Portland that is where we need to invest in the infrastructure and amenities</p>	

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	<p>and that is how you balance that. There needs to be more emphasis on East Portland and filling in those deficiencies.</p> <p>Jesse: I think that one thing infrastructure bureaus can do a better job at is trying to create more flexible plans. One thing I have seen is that market forces move faster so bureaus are coming in a making infrastructure investments in neighborhoods that don't need it in terms of when you think of where disparities are. A critical way of implementing the plan would be to make investments based on need and being more flexible with the plan.</p>	
<p><b>PHAC Introductions</b></p>	<p>Jesse began introductions for the current members and new members. We will be reaching out to set up orientation meetings.</p>	
<p><b>Other Business Follow-up</b></p> <p><b>Short-term rental revenue</b></p>	<p>Traci introduced the topic of Short-term rental revenue tax – We know this as Air BnB. This is going to council tomorrow July 2<sup>nd</sup> to consider allowing short-term rentals in the City of Portland. Council considered early in June and they wanted to consider it again. This is relevant to PHAC because 50% of the revenue collected would go toward the provision of affordable housing. The question is should council allow short term rentals in the City of Portland?</p> <p>Jesse clarified that the item for PHAC to vote on is about accepting the revenue to be used for affordable housing if the short term rentals are allowed.</p> <p>Marc: Can you clarify if it is a percentage or a dollar amount? The ordinance started as 50% then became an annualized minimum of \$500,000. Is that right?</p> <p>Shannon: They are projecting \$500,000 and they would take 50% of that. That is just a baseline of what they presume it could be. We have been thinking of pegging it to a particular dollar amount but it has been changed back to a percentage because it has the potential to grow.</p> <p>Traci: There were a number of questions and concerns. If PHAC wants to take a position on this it would be more generic.</p> <p>The submission of a letter of support the ordinance for 50% if the revenue from the short term rental tax was approved by the PHAC.</p>	<p>✓ <b>PHAC executive committee to draft letter of support</b></p>

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<p><b>N/NE Neighborhood Investment Strategy</b></p> <p><b>Legislature</b></p>	<p>Leslie is leading and advisory committee of stakeholders to help us reach the community. The first meeting is on Tuesday July 8. The forums will be starting in mid-September.</p> <p>The deadline for submission for items that PHB wants the City to take a lead on the legislature is July 3<sup>rd</sup>. We will support the larger housing agenda that is going to the state. The Inclusionary Zoning workgroup is still being formed and should know by the end of August if there will be potential legislative ideas.</p>	
<p><b>For the Good of the Order</b></p>	<p>Jesse adjourned the meeting.</p>	