

Budget Equity Assessment Tool

CITY POLICY

This Budget Equity Assessment Tool is a general set of questions to guide city bureaus and their Budget Advisory Committees in assessing how budget requests benefit and/or burden communities, specifically communities of color and people with disabilities. As noted in Portland's 25-year strategic plan, the Portland Plan, Goal-Based Budgeting, and page 102:

When fully implemented, the new budget approach will direct City of Portland bureaus and offices to:

- Use an asset management approach to achieve more equitable service levels across communities and geographies.
- Track and report on service levels and investments by community and geography, including expanding the budget mapping process
- Assess the equity and social impacts of budget requests to ensure programs, projects and other investments to help reduce disparities and promote service level equity, improve participation and support leadership development.
- Identify whether budget requests advance equity, represent a strategic change to improve efficiency and service levels and/or are needed to provide for basic public welfare, health and/or meet all applicable national and state regulatory standards.

This is a critical part of the City of Portland's commitment to ending inequity. The mission and charge of the Office of Equity is to focus on ending inequality based on race and disability, and this document addresses these two specific populations.

However, it is the policy of the City of Portland that no person shall be denied the benefits of, or be subjected to, discrimination in any City program, service, or activity on the grounds of race, color, national origin, English proficiency, sex, age, disability, religion, sexual orientation, gender identity, or source of income. Additionally, the City's Civil Rights Title VI program guidelines obligate public entities to develop systems and procedures that guard against or proactively prevent discrimination, while simultaneously ensuring equitable impacts on all persons. Therefore, City bureaus are encouraged to use this document to assist in evaluating equitable impacts on all residents.

It is recommended that all managers and others who work on the budget for the bureau use this tool. Bureau Equity Committees may also be a resource in its completion. The Office of Equity and Human Rights is also available for discussion/training/consultation regarding the use of this document.

BUREAU/OFFICE/DEPARTMENT



SECTION ONE: ADVANCING EQUITY

1. How does this budget request increase, reduce, limit or eliminate programs and services that are vital to communities of color, immigrant and refugee communities and/or people living with a disability?
 - The Home for Everyone (HFE) Action Plan Decision Package will increase the amount of programming and services supporting communities of color, immigrant and refugee communities and people living with a disability. The decision package will fund program and policy recommendations supporting housing and services for populations experiencing homelessness and housing instability, of which there is a disproportionately higher representation of people of color. Funded efforts will be aligned with A Home for Everyone, our community plan to end homelessness in Multnomah County, which has as one of its primary priorities the commitment to promote greater racial equity. Recommendations will fall within one of five topic areas, including: Housing, Veterans, Safety off the Streets, Health and Workforce & Economic Opportunity. Each workgroup will use a Racial Equity Tool in the development of recommendations, which will include but not be limited to, stating benefits and/or negative impacts of recommended actions
 - In response to concerns about gentrification and displacement in North and Northeast Portland and with the support of Housing Commissioner Dan Saltzman, Mayor Hales proposed that \$20 million in Tax Increment Financing be set aside to support affordable housing in the Interstate Corridor Urban Renewal Area (ICURA).

To insure that whatever housing was created or preserved with the funds would best meet the needs of those at risk of displacement, the Portland Housing Bureau (PHB), together with an advisory group of community leaders, planned a series of four forums to gather input from area residents. Forums were held at locations in the affected area of N/NE Portland. Attendance statistic revealed a very high rate of participation from African Americans as compared to the Portland population as a whole (statistics were not collected on immigrant or disability status). Other people of color did participate, but not to the same extent as African Americans

African American	39.4%
Asian/Pacific Islander	2.4%
Hispanic	4.8%
Mixed Race	2.4%
Native American	3.0%
Undisclosed	3.6%
White	44.2%

PHB received excellent and varied feedback from attendees about not only what should be done with the \$20M, but more generally about housing issues in the community.



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Many community members expressed the idea that people, particularly African Americans, who had lived and owned a home in the community for many years and sometimes multiple generations, were being forced out by a variety of factors including inability to pay for housing upkeep, rising taxes and other ownership costs, difficulty in passing homes intergenerationally inside families and predatory lending and development practices to name a few.

In response to these concerns, PHB developed a budget add package valued at \$1.6M with two components:

- a. \$750,000 to fund home repairs
- b. \$850,000 to fund housing case management

The “Mayor’s \$20M” will be funded through tax increment financing (TIF). TIF can only be used inside the ICURA boundaries and for physical improvements (“sticks and bricks”). The add package requests general funds to fund these two programs because they are not TIF eligible: home repairs will take place in N/NE Portland, but OUTSIDE the ICURA boundaries; services like case management are never TIF eligible regardless of location.

2. What considerations were taken into account in this request to maximize equity?

- The Home for Everyone Coordinating Board, comprised of community partner representatives, is the primary body responsible for developing recommendations for this decision package. The board is comprised of 25% - 33% board members of color, many of whom represent culturally-specific communities. In November 2014, the board reviewed and approved a Racial Equity Lens tool that is being used for all processes and decisions that come from the board.
- For the N/NE \$20M proposal, marketing and outreach for these programs will be crucial. While PHB doesn’t discriminate on the basis of race or national origin, it can emphasize that marketing and outreach for this programs be targeted to people of color, immigrants and people with disabilities. Such marketing and outreach is expected to increase the participation in these programs from these populations as compared to participation rates without this increase in marketing and outreach efforts.

In addition, for the case management portion of the program, PHB will solicit for a contractor to deliver such services. That solicitation will include criteria that give preference to organizations with demonstrated ties to and success in delivering services to these targeted communities.

Lastly, PHB will specifically track program participation statistics having to do with race, ethnicity, national origin and disability status. If results are falling below desire

levels, PHB can intervene during the delivery of the programs and look for (and require) solutions to any issues encountered in this regard.

SECTION TWO: PERSONNEL

See Workforce Demographics by Bureau [here](#) or by visiting our website at www.portlandoregon.gov/oehr

3. What is the impact on employees of color?

At this time there are no reductions in force planned as a result of budget decisions. If decision packages are approved, the bureau may indeed add staff to fulfill the new program functions. The bureau has a great track record of hiring employees of color, 3 of 5 external hires since July are people of color, and 3 of 5 temporary hires are people of color.

NHP homeownership and home repair programs are provided in partnership with community partners that provide culturally specific services and outreach to minority communities. Frequently, employees of community partners providing these services are employees of color.

4. What is the impact on employees with a disability?

No impacts at this time.

SECTION THREE: PROGRAMS/SERVICES

If your bureau or office has multiple programs, please address the budget request for each program or groups of programs.

5. How does this program or service align with the goal of advancing equity?

HART Functional Area	Alignment to Advancing Equity	Geographic Areas Effected	Impact of Populations of Color	Impact on Persons Living with Disabilities
Shelter & Emergency Services	Programs and services in this area support people experiencing homelessness who are living on the streets, in shelters and/or at imminent	SW Portland 23.17% (concentrated downtown)	Yes	58.80%



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HART Functional Area	Alignment to Advancing Equity	Geographic Areas Effected	Impact of Populations of Color	Impact on Persons Living with Disabilities
	risk of losing their housing. Several programs focus on outreach to culturally-specific agencies to identify people in need of services. Based on the 2013 Point-In-Time Count, populations of color are over-represented among people in this category.	NW Portland 16.71%	No	
Homelessness Prevention & Rapid Rehousing	Programs and services in this area support families and individuals experiencing homelessness who are in need of housing placement or eviction prevention services. Several programs, including the Short Term Rent Assistance program, fund culturally-specific and community-based agencies to provide culturally responsive outreach and services.	SE Portland 20.65%	No	33.32%
		NE Portland 17.90%	Yes	
Housing Access & Stabilization	Programs in this area support families and individuals experiencing homelessness or at imminent risk of	SE Portland 16%	No	91.22%



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	losing their housing. Several programs, including the Short Term Rent Assistance program, fund culturally-specific and community-based agencies to provide culturally responsive outreach and services.	Outside of Portland Limits 15.46% (east of 182 nd)	Yes	
Supportive Housing	Programs in this area support families and individuals experiencing homelessness who are living with a disability (or disabilities.) The majority of people served in this area have the experience of chronic homelessness.	NW Portland 28%	No	76.58%
		NE Portland 9.31%	Yes	
Economic Opportunity Initiative	This program supports very low-income and/or homeless families, youth and adults with microenterprise and workforce services. The program has more than 15 contracts with	Multnomah County: 34%	Yes	5%
		East: 48%	Yes	



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HART Functional Area	Alignment to Advancing Equity	Geographic Areas Effected	Impact of Populations of Color	Impact on Persons Living with Disabilities
	nonprofit agencies, many of whom serve immigrant and refugee populations, individuals with disabilities and individuals exiting prison. The initiative serves a high percentage of people of color, between 55%-75% of participants, depending on the service type.	Southeast: 17%	Yes	

NHP homeownership and home repair programs are provided in partnership with community partners that provide culturally specific services and outreach to minority communities. Their services proactively target historically underserved community groups that are less likely to become homeowners and also most at risk of losing their homes to foreclosure.

PHB's Housing Investment and Portfolio Preservation (HIPP) team focuses on the finance and management of multifamily rental housing. The City's so-called "TIF Set-Aside" emphasizes that tax increment financing for such housing be targeted to households earning 60% or less of area median family income (MFI). While other funding sources PHB uses allow resources to be spent on households earning up to 80% MFI, in practice nearly all PHB rental units are restricted to those at 60% MFI or less (for reference, a household of four at 60% MFI earns \$41,640/year). Nearly all PHB projects serve households with a range of incomes, many below 60% MFI with (on average) a small percentage below 30% MFI. These are more often households of color as compared to the Portland population generally:

White	54%
African American	16%
Hispanic	8%
Asian/Pacific Islander	4%
Native American	2%
Undisclosed or other	17%

In addition, when federal funding is used, building developers/owners must insure that 5% of units are fully handicap accessible; state of Oregon code requires that 100% of units are handicap adaptable.

6. Identify the impacts of the budget request on specific geographic areas:
(Citywide/Regional; Northeast; Northwest; North; Central; Northeast; Southeast; Southwest; East; Central City; or Unknown)

NHP programs are heavily funded with Interstate and Lents URA resources which geographically limit which homeowners can receive home repair services and where low-income renters can receive assistance to purchase their first home. Flexible resources comprise approximately 30% of home repair dollars and can be used Citywide. Approximately \$240,000 (20%) of homeownership assistance is available to help with home purchases Citywide.

Funding for multifamily rental projects come from two main sources: tax increment financing and HOME/Community Development Block Grant (federal). TIF can only be spent in the district in which it's generated; federal dollars can be spent anywhere in the. The following discusses impacts by each region of the City and assumes that nearly all spending will benefit households at 60% MFI or below.

With the North/Northeast \$20M, PHB will be making an add package request to serve households in North/Northeast Portland. The Bureau projects it will serve up to 100 households with these funds. In addition, PHB plans to solicit for the development of a property it owns in this geographic area. Because the average development project takes two to three years to come to fruition, PHB doesn't expect any households to be served in the current fiscal year by this portion of budgeted funds. However, PHB solicitations include other elements which attempt to address communities of color and people with disabilities. In recent solicitations, 25% of total points awarded to proposals has been based on responses to equity based criteria. Criteria have included minority, women and emerging small business (MWESB) subcontracting, sponsors' demonstrated cultural competence and marketing best practices as those apply to diversifying tenant populations. While these have been successful, PHB recognizes that more can be done. For upcoming N/NE solicitations, PHB plans to put even greater emphasis on development teams with demonstrated connection to the local community and communities of color.

Elsewhere in North/Northeast Portland, the Miracles Central project, which is sponsored by the Miracles Club, will begin construction in FY 15-16. The forty-seven units will be marketed to those in recovery from alcohol and drug dependency, particularly those clients already using services from the Miracles Club. People working through Miracles Club programs are predominantly African American and other people of color. The sponsors expect a similar demographic at the new project. In addition to Miracles Club, PHB is funding the acquisition/rehabilitation of the Allen Fremont. This is an existing building of 64 units owned by the Greater Baptist Convention. The residents there are mostly African American seniors and people with disabilities. The rehabilitation will result in this building remaining affordable for the long-term; the current population will not be in danger of being permanently relocated.



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In northwest Portland, PHB currently has two projects under construction, the Erickson-Fritz between NW 2nd and NW 3rd at NW Couch and the Abigail at NW Raleigh and NW 13th. The Erickson-Fritz will contain 67 units all for households below 60% MFI. The building is being developed by Innovative Housing Inc. (IHI). In part in response to requests from PHB, in several of its recent projects, IHI has undertaken an aggressive campaign to increase the diversity of residents in its buildings. IHI plans a similar marketing campaign at the Erickson-Fritz. IHI is also on track to exceed 30% MWESB subcontractor participation on the project. The Abigail is being developed by Bridge Housing; it is their first Portland project. At \$47M this is one of PHB's bigger recent projects. As bidding for the project began, the developers reported that their general contractor was struggling to meet MWESB subcontracting goals. PHB intervened in the bidding process and was able to negotiate an increase in MWESB participation. Bridge also plans to undertake a marketing campaign they expect to result in residents at least as diverse as the city of Portland as a whole.

In southwest Portland, PHB does not expect to have any projects in development in this quadrant of the city during fiscal year 2015-16. However, by FY 16-17 the 1st and Arthur project (located at the southwest corner of this intersection) should be under development. Central City Concern will own this project when complete. CCC has already received \$1.5M in Alcohol and Mental Health (AMH) funding from the state of Oregon. CCC will target a dedicated number of units in the project to this population who, again, contains a higher percentage of people of color and people with disabilities as compared to the city of Portland as a whole.

In southeast Portland, PHB made available \$500,000 to the Native American Youth and Family Association (NAYA) to secure a lease from Portland Public Schools (PPS) for a portion of the Foster School property at SE 86th Ave. In 2014 NAYA received a highly competitive 9% low income housing tax credit award from Oregon Housing and Community Services. PHB also awarded the project up to \$600,000. With these funds NAYA will develop a 40 unit intergenerational community based on the Bridge Meadows project in Northeast Portland. NAYA Generations will focus on children in foster care and include families who agree to be foster parents and seniors who agree to assist with the children and their families. All this will be in the context of Native American focused learning and programs. In partnership with PPS, NAYA plans to eventually develop an early learning center on the property, again utilizing aspects of Native American culture. This project is not expected to be in active development until FY 16-17 though pre-development work will occur during the current fiscal year.

Also in Southeast Portland, PHB has made an award to the St. Francis Park project. This 102 unit project is not expected to be in development in the current fiscal year. With such a large project, PHB will expect the developers, Home Forward and Caritas Housing, to put special emphasis on marketing and outreach to MWESB subcontractors. Home Forward has extensive policies in this regard and has experienced good success on their recent projects.

7. What areas of the city will be impacted by your program or service and is there a larger than average population of people of color in those areas?

See discussion in question 6 above.

To help you answer this question, the following map link shows where communities of color are greater than average for the city of Portland.

<https://www.portlandoregon.gov/bps/article/508117>

This next link provides information on overall vulnerability, including maps of communities of color, lower income households, renters, and level of educational attainment. Together these four components are indicators of at risk populations.

<http://www.portlandoregon.gov/bps/66107>

8. Identify potential impacts on people living with a disability. (See Attached Worksheet)

See discussion in question 5 above.

NHP home repair programs provide accessibility improvements for low-income homeowners living with a disability. Wheel chair ramps, grab bars, and walk in showers allow homeowners with a disability to continue living in their homes.

SECTION FOUR: EQUITABLE PUBLIC PARTICIPATION

9. How does this budget build community capacity and power in communities most impacted by inequities? (e.g., improved leadership opportunities within BAC, community meetings, stakeholder groups, increased outreach, etc.)

See discussion regarding community meetings, stakeholder groups, and increased outreach with respect to the N/NE \$20M strategies.

Identifying Impacts Worksheet

Once you have identified the populations/communities impacted, use the following chart to name the potential burdens and benefits.

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts
Existing residents of color	Programs are intended to help them stay in their homes and avoid being displaced	Programs may not be sufficient to avoid displacement. Either the program success is limited or funding is inadequate to make a significant dent in the problem.
People of color in need of rental apartments	New apartments will be created to house such people.	Units at the price ranges in PHB-sponsored buildings are scarce. Waiting lists are often very long. While



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		some units will become available, many people will not be able to access units. PHB is aware that screening criteria and fees can often impact people of color disproportionately. While PHB will ask developers/owners to attempt to address such issues, PHB's experience is that these kind of issues resist simple solutions.
People with disabilities	As already discussed, 5% of units funded with federal funds must be handicap accessible and all units must be handicap adaptable.	5% of units in a 50 unit building (a typical size for PHB) would result in the creation of just 2 or 3 units. In addition, while all units must be adaptable, developers/owners are not required to make units fully accessible.
Minority and Women subcontractors	PHB has established a goal of a minimum of 20% MWESB subcontracting in its projects. On a \$10M project (a typical size for PHB), this would result in at least \$2M worth of work going to such firms. In the most recent year, PHB projects have averaged ???% MWESB participation.	PHB does not have goals for MWESB general contractors or services contractors (e.g. architects/engineers). These firms do not benefit from existing PHB policies or resources.
Communities of color	PHB funding for homeownership and home repair services is administered primarily by organizations that provide culturally specific services and outreach. Nearly half of beneficiaries are from communities of color.	Resources may be inadequate to create a positive impact for some families and programs are primarily funded with Interstate and Lents URA resources which geographically limit which homeowners can receive services.



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Renters below 80% MFI	Services and financial assistance is available to help create first time homebuyers, assisting communities of color that are represented in homeownership at lower numbers than white homeowners.	Resources may be inadequate to create a positive impact for some families and programs are primarily funded with Interstate and Lents URA resources which geographically limit which homeowners can receive services.
Homeowners over the age of 55	Home repairs allow homeowners to continue living in their homes while they age safely in place.	Resources are not adequate to meet the need and programs are primarily funded with Interstate and Lents URA resources which geographically limit which homeowners can receive services.
Homeowners with young children	Assistance to remove lead-based paint hazards helps to protect children most at risk of health disparities.	Communities of color may be less aware of lead-paint poisoning and therefore less likely to seek out resources
Minority Contractors	Most NHP construction jobs are small (under \$20,000), enabling small, and minority contracting firms to compete equally for awards.	Many construction beneficiaries of NHP construction dollars are small, 1-2 person construction firms that are less likely to be interested in navigating the certification process currently used for tracking minority contractors.

Name of Bureau Director

Date

Rev: October 2014