

Commissioner Chloe Eudaly City of Portland

REPORT TO COUNCIL

DATE:

May 15, 2018

TO:

City Council

FROM:

Commissioner Chloe Eudaly

SUBJECT:

Transmit East Portland Action Plan 2018 annual presentation.

(Report)

I am pleased to submit for your consideration, the East Portland Action Plan Annual Report.

East Portland Action Plan was charged to provide leadership and guidance to public agencies and other entities on how to strategically address community-identified issues and allocate resources to improve livability and prevent displacement in East Portland.

The annual presentation from the East Portland Action Plan (EPAP) group reports on progress made toward EPAP's "Strategic Priorities" and "Involuntary Displacement Prevention Recommendations for East Portland" and provides guidance to City Council on how to support implementation of these elements of the Action Plan.

Please see the Exhibits accompanying the verbal report presented by 11+ community members.



East Portland Action Plan (EPAP) Strategic Priorities 2018

Each Strategic Priority listed is followed by the Action Plan strategies or item(s) to which it relates.

- **A.** Set a goal that East Portland attains parity with other parts of the city in public facilities and capital spending; encourage prioritization of projects in East Portland. (EQ.1.4 and EQ.3.2)
- B. Institutionalize geographic mapping of City spending. (EQ.1.1)
- C. Develop a Quadrant Plan for East Portland. (EQ.1.4)
- **D.** Fund EPAP advocacy until the Action Plan is implemented: Advocate position, projects, and operations. (EQ.1.5, EQ.3.1, CB.1.5, and CB.2.1)
- **E.** Engage ethnic communities in neighborhood activities; provide <u>overhead</u> <u>funding</u> for translation/language and childcare services to remove barriers and improve messaging and invitations. (CB.1.2)
- F. Increase funding and technical assistance for organizations to establish two new ethnicity/languages every two years and strengthen existing ethnically-based Community Health Worker programs. Establish racially and ethnically representative community oversight of Community Health Worker programming. (EC.4.4 and SN.6.2)

- **G.** Fully fund the "East Portland in Motion" (EPIM) strategy, including the 130's and 4M greenway projects. Develop an EPIM 2 plan using Safe Routes To School as a priority criteria. (NA.1.3, T.2.2, T.3.3, T.3.6, T.4.7, T.6.2, T.6.5, and T.7.1+.2)
- **H.** Fund the "Outer Powell Conceptual Design Plan"; make improvements to Powell Boulevard (US 26) east of I-205 a regional priority. Add cycletrack or separated bike lanes to the project design. (T.4.1, T.4.2, and T.4.15)
- I. Prioritize East Portland pedestrian projects that: increase crossing safety on major arterial roadways; connect to transit, neighborhood schools, and/or are concurrent with new developments. Annually add 15 additional rapid-flashing beacon pedestrian crossings and 15 intersection signal changes with red-light cameras. (T.1.7, T.2.2, T.2.3, T.2.4, T.2.5, T.5.3, and T.6.2)
- **J.** Connect East Portland residents to family-wage employment outside of the area by identifying and removing barriers, such as limited transportation options. (EC.4.5 and T.1.2)
- **K.** Maximize East Portland's economic benefits from public projects. (EC.1.4, EC.2.3, EC.4.2, CM.1.2, CM.1.3, CM.2.3, and CM.2.7)
- L. Promote catalyst workforce development projects in East Portland; partner with the Neighborhood Prosperity Initiatives and other urban renewal and economic development efforts to bring living wage jobs to East Portland. (EC.4.2, EC.4.4, CM.1.2-.3, and CM.2.7)
- **M.** Establish the "Gateway Education/Economic Development Center". (EC.2.3, EC.4.1-.4, L.3.2, L.6.3, CM.1.2-.4, CM.2.4, CM.2.7)

- N. Establish policy and practice that balances regional affordable and American Disabilities Act (ADA) accessible housing supply and promotes fair share across Portland. (EQ.2.1)
- O. Increase opportunities for sustainable moderate income and minority home ownership. (SN.2.1+2)
- **P.** Fund a housing rehabilitation program for East Portland to improve the safety, appearance, and affordability of existing housing stock. Involve the East Portland Action Plan Housing Subcommittee in the development of the program. (HD.2.3)
- Q. Implement existing Park master plans: Parklane and Clatsop Butte. (P.2.1, P.2.2, P.2.5, and P.2.7)
- R. Connect Lava Dome areas to begin "Forest Park East" trail. (NA.3.3; NA.4.1; and P.5.1)
- S. Complete planning/design work for Gateway Green park. (P4.4)

EAST PORTLAND ACTION PLAN

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Involuntary Displacement Prevention Recommendations for East Portland (2015.10.23)

Civic Engagement Process To Be Applied When Implementing All Recommended Tools

As the East Portland Involuntary Displacement Prevention Tools are being implemented, it is important that the community stay involved to provide leadership and guidance on how to strategically address these community-identified issues and resource allocations.

The following* process will actively engage the community as partners in seeking responsible and equitable outcomes in the work to prevent involuntary displacement in East Portland.

- 1) Provide a wide range of opportunities for involvement, with targeted access and inclusion in decision-making for those with the potential to be adversely affected by gentrification/livability improvements.
- 2) Foster ongoing positive relationships between communities and Municipal Governments by ensuring accountability for improving community well-being and inclusion, and by ensuring adherence to Community Benefit Agreements that should be instituted to support East Portlanders adversely impacted by gentrification/livability improvements whenever possible.
- 3) Recognize that Municipal Governments have a responsibility to plan for the needs of and engage with disparately under-served, under-resourced, and under-represented communities, and to prioritize policy mandates based on need, so as to achieve greater equity for those most adversely impacted by gentrification/livability improvements.
- 4) Expand opportunities for meaningful community engagement and require transparent, well designed, and thoughtful culturally and language specific and relevant representative and responsive public processes throughout address of the recommended tools: from issue identification, analysis, and project scoping through implementation, monitoring, evaluation, accountability, and enforcement.

^{*}These recommendations are a revision of the "Community-Based Anti-Displacement Recommendations" produced by several community organizations and submitted as input to the Portland Comprehensive Plan Update: February 2015.

- 5) Build community capacity to increase the community's meaningful participation, innovation, solution-making and leadership by allocating adequate resources to realistically accomplish this community involvement outcome.
- 6) Utilize public comment as part of an equity-based community impact assessment to promote thoughtful consideration of and mitigation for polices that cause negative disparate impacts, irrespective of intent.

Recommendations to Be Implemented**

not in prioritized order

East Portland Action Plan Civic Engagement Grants

Fund the East Portland Action Plan Civic Engagement Grants program that allocates monies for language and racially/ethnically specific projects for those who are under-resourced/served and not normally included in decision making. Utilization of this tool has proven to be a best practice for the East Portland Action Plan's work in this richly multicultural area.

Living Wage Provisions

Additional income will position people to afford rent and housing increases. This will raise income for people who are working, but employers could hire fewer people, though this has not held true in the past. This wouldn't be helpful to those on fixed incomes or those not employed, but it would be beneficial to the majority, especially the working poor. Statistics reflect that East Portland residents are earning lower wages, so it is thought that this will impact many East Portland residents.

Local Hiring

This requires developers and contractors to prioritize hiring locally (defined as from East Portland), as well as hiring women and minorities. This is a component of a Community Benefits Agreement (CBA), which EPAP has already considered and endorsed as benefiting East Portland residents ability to make family-wages. David Douglas School District had 26% minority hiring on the Earl Boyles project. Given the projected development in East Portland, this could have a significant impact on family-wage jobs in the area.

^{**}When stating "low-income", we are referencing households living on 60% or lower median income.

Minority Contracting

East Portland has the city's highest percentage of the population identified as "minority", so minority contracting should help employ the East Portland minority population in family-wage jobs and thus prevent displacement. There is no assurance that Minority Contractors will in fact benefit East Portland residents, so this needs to be coupled with Local Hiring and Community Benefit Agreements.

Commercial Stabilization and Commercial Rent Stabilization

This includes many of the tools the Neighborhood Prosperity Initiatives (NPIs) and Main Street projects are using for economic development, including storefront improvements, targeted business assistance, capital improvements, business attraction, and community-controlled commercial development. The use of Commercial Stabilization and Rent Stabilization can prevent displacement of existing businesses in East Portland, as new companies are drawn to the gentrifying area.

Community Reinvestment Act

Banks and hospitals have to reinvest in communities within 3 to 5 miles of each facility. This program was federally developed to guide banks to make loans and other community investments available to everyone, especially locally. Communities of color and minorities are disproportionately denied loans. We can advocate for this tool to benefit local, women, and minority business stabilization and growth. It can prevent displacement by taking advantage of economic development grants, developing partnerships, and by simultaneously improving an area and financing quality low income housing, business incubators, or other community projects.

Commercial Transit Oriented Development (TOD)

Projects eligible for financial and development incentive support are funded to increase local access to public transport, and often include design and land use features to encourage transit ridership and limit single-vehicle usage. TOD incentives for business retention and growth near current and planned transit centers can promote development and employment. However, TOD was not recommended for housing purposes that receive tax abatement and have a time limited affordability commitment, unless funding not-for-profit development that will sustain affordability.

Owner-Occupied Homeownership Retention for People with Low -Income

As house values rise taxes rise, and people living on limited and fixed incomes are not able to afford the taxes. While benefiting at the point of sale, people cannot afford to stay in their often long-term residences and cannot find another home in the area that does not present the same conditions.

Rent Stabilization

Just as Oregon has property tax increase protection, Rent Stabilization protects tenants in residential multi-family properties from excessive rent increases by mandating reasonable gradual rent increases, while at the same time ensuring the landlords receive a fair return on their investment.

Just Cause Eviction (JCE), Code Enforcement, and Renter Education

Just cause eviction controls are laws that protect renters by ensuring that landlords can only evict with proper cause, such as a tenant's failure to pay rent or destruction of property. While JCE provides such protections for renters, landlords retain full right to evict a tenant for breach of rental contract. Code Enforcement compels landlords to improve unsafe building conditions. Code Enforcement can ensure that multi-family dwellings are owned and managed responsibly. When housing code violations are found and not corrected, the government can impose significant penalties upon landlords. Rights and responsibilities education for renters must be included as an active component of JCE and Code Enforcement, to ensure the systems are reasonably monitored and enacted.

Broadening Homeownership and Cooperative Ownership

This establishes programs to increase opportunities for low-income households to have the opportunity to purchase a home. It means that some of the barriers to homeowners are removed so that homeownership becomes easier for groups of people who are often unable to purchase homes for themselves. Cooperative Ownership of multi-family developments occurs when a group of people form a collective business corporation to share ownership of a building. Co-op members work together to reach mutual goals based on democratic control and decision-making. Co-op members may or may not be residents of the shared ownership building.

Exhibit B

Inclusionary Zoning

This requires developers to make a percentage of housing units in a new residential development available to low and moderate income households. In return developers receive non-monetary compensation in the form of density bonuses, zoning variances, expedited permits, or similar provisions that reduce construction costs or promote the developers goals. This can be done in developments with many single-family units or in multi-family developments.

Housing Acquisition Rehabilitation to Insure Affordability

This applies public housing dollars to purchase existing multi-family developments in poor condition and to rehabilitate the facility for use as affordable housing to be managed by a public entity or non-profit that serves low-income populations.

No Net Loss/Affordable Housing Preservation Ordinance

No Net Loss is when a City has to maintain a fixed amount of affordable housing through preservation, new construction, or other replacement of lost units. The Affordable Housing Preservation Ordinance is the establishment of a policy to ensure that the amount of housing affordable to low and moderate income persons does not decrease over time.

Community Benefits Agreements (CBA)

This is a contract with a governmental agency, real estate developer, or other jurisdiction to provide specific benefits to the local community or neighborhood in exchange certain provisions from that community or neighborhood. On public projects, CBAs can be negotiated with the initiating government agency and can be included in a Request For Proposals (RFP) with contractors. With private developers benefits can be negotiated in a contract established with community groups who then accept (or don't oppose) project adjustments. CBAs have funded workforce training, local hiring, childcare access, affordable housing units, re-location stipends, reinforced access to family-wage jobs, and other public benefits.

Anti-Displacement Impact Analysis

Impact Analysis is a tool that requires multi-family and commercial developments to provide a pre-build assessment of the effect such development will have on displacement in the area (usually a one-mile radius).

For more information about the displacement prevention tools, consult the following:

'Mitigating Displacement Due to Gentrification: Tools for Portland, Oregon':

https://wikis.uit.tufts.edu/confluence/download/attachments/37718593/Thesis Eunice Kim 201 1 final.pdf?version=1&modificationDate=1321809955000;

'Not In Cully Anti-Displacement Strategies' report:

http://www.pdx.edu/usp/sites/www.pdx.edu.usp/files/A LivingCully PrinterFriendly 0.pdf;

Policy Links:

http://www.policylink.org/equity-tools/equitable-development-toolkit/all-tools;

2013 Gentrification and Displacement Study:

http://www.portlandoregon.gov/bps/article/454027.

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East Portland Action Plan (EPAP) Eight-Year Budget Mapping Analysis March 2018

At the request of the East Portland Action Plan (EPAP), in 2011 Mayor Sam Adams directed city bureaus to map their investments geographically. Budget mapping has been an invaluable tool to track the progress in achieving equity for the most disinvested neighborhoods in Portland. Eight years of Budget Mapping data (Chart 1) show a cumulative increase of \$267 million in funding for three quality of life bureaus. This demonstrates the effective partnership between EPAP and the City of Portland to accomplish the goals of the adopted 2009 Action Plan and to reduce disparities in public investment and level of service.

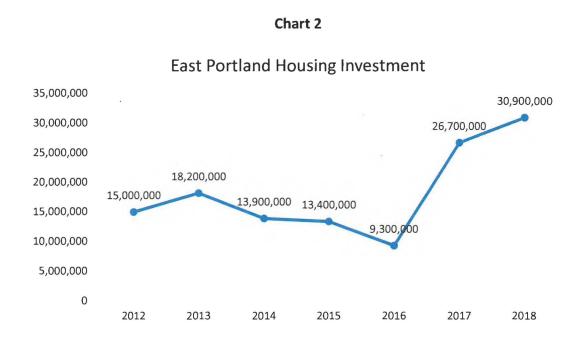
Chart 1

Annual Increase In East Portland Investment 2011-2018



Portland Housing Bureau

Increased funding for affordable housing is essential to achieving EPAP's involuntary displacement prevention goal. The Portland Housing Bureau (PHB) has stepped up its game — after several years of decline, housing investment in 2017 and 2018 were the greatest ever recorded in East Portland (Chart 2). This reflects large new projects under construction in Lents and Hazelwood Urban Renewal Areas (URAs). While 2018 is PHB's best year ever for East Portland, it should be noted that East Portland per capita investment in 2017 was still only 90% and in 2018 only 75% of the city average (Chart 3). This may be because the largest pot of local housing funds is from central city urban renewal areas and downtown units are much more expensive to build. Because of lower property costs, city housing investment in East Portland would produce many more units than it would in the Central City.



The rapid rise in Lents housing costs –PHB's State of Housing in Portland reports that home price inflation there was the highest in the city – confirms that gentrification and displacement are serious factors in East Portland. Now is the time for a land banking strategy here.

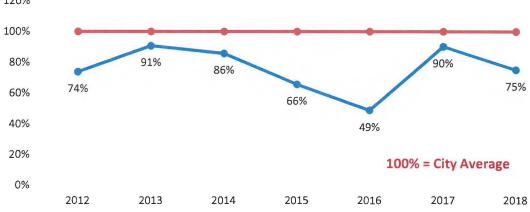
The EPAP Fiscal Year 2017-18 Strategic Priorities and East Portland Involuntary Displacement Prevention Recommendations include the following practical approaches to addressing housing in the current East Portland conditions:

Establish policy and practice that balances regional affordable and American Disabilities
 Act (ADA) accessible housing supply and promotes fair share across Portland;

- Increase opportunities for sustainable moderate income and minority home ownership and cooperative ownership;
- Fund a housing rehabilitation program for East Portland to improve the safety, appearance, and affordability of existing housing stock. Involve the East Portland Action Plan Housing Subcommittee in the development of the program;
- Comprehensive renter protections including rent stabilization; just cause eviction, code enforcement, and renter education;
- Inclusionary Zoning;
- No Net Loss/Affordable Housing Preservation Ordinance;
- · Community Benefits Agreements (CBA); and
- Anti-Displacement Impact Analysis.

Chart 3

East Portland Per Capita Housing Investment vs. City Average

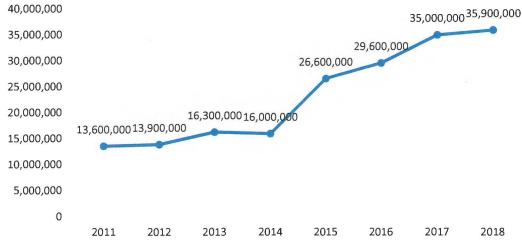


Portland Parks and Recreation

East Portland parks investment has increased from \$13.6 million in 2011 to \$36 million in 2018 (Chart 4). Parks Commissioners Amanda Fritz and her predecessor, Nick Fish, have prioritized East Portland programs and capital improvements. Until this year, Portland Parks and Recreation is the only one of the three bureaus in this analysis to invest above the city per capita average (Chart 5), which Parks has achieved for each of the last four years. This work models a conscious effort to go beyond fair share, toward addressing equity in city spending.

Chart 4



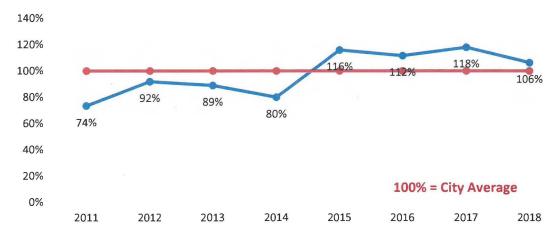


East Portland Action Plan has identified many parks' needs, some of which have been accomplished. The EPAP Fiscal Year 2017-18 Strategic Priorities include the following:

- Implement existing Park master plans: Parklane and Clatsop Butte;
- Connect Lava Dome areas to begin "Forest Park East"; and
- Complete planning/design work for Gateway Green park, where elements are already being implemented.

Chart 5

East Portland Per Capita Parks Investment vs. City Average





Portland Bureau of Transportation

From 2011 to 2018, the East Portland transportation budget nearly quadrupled from \$15.5 million to \$57.7 million (Chart 6). In 2018, East Portland transportation investment exceeded the per capita city average for the first time. These numbers reflect implementation of East Portland in Motion projects and safety improvements funded by the local gas tax increase.

In addition, the City of Portland made implementation of the "Outer Powell Blvd. Conceptual Design Plan" a legislative priority. With this support, the State committed \$110 Million to make this high crash corridor a safer and healthier roadway.

The EPAP Fiscal Year 2017-18 'Strategic Priorities' include the following that has guided the much-needed infrastructure advances:

- Fully fund the "East Portland in Motion" (EPIM) strategy, including the 130's and 4M greenway projects;
- Develop an EPIM 2 plan using Safe Routes To School as a priority criterion (3/4 of the Tier 1 EPIM projects have been implemented or funded);
- Prioritize East Portland pedestrian projects that: increase crossing safety on major arterial roadways; connect to transit, neighborhood schools, and/or are concurrent with new developments;
- Annually add 15 additional rapid-flashing beacon pedestrian crossings and 15 intersection signal changes with red-light cameras;
- Fund the "Outer Powell Conceptual Design Plan" and make improvements to Powell Boulevard (US 26) east of I-205 a regional priority.
- Add cycle-track or separated bike lanes to the project design (with EPAP advocacy and great partners in the city and state, funding is secured to implement most of the Powell Conceptual Design Plan).

Chart 6 East Portland Transportation Investment

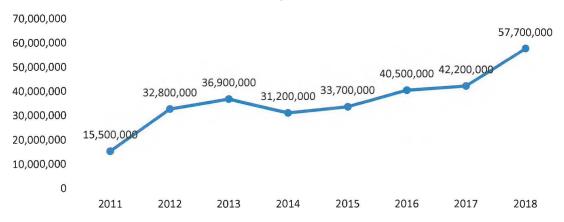


Chart 7





East Portland Quadrant Plan

Development of a Quadrant Plan for East Portland similar in depth to the planning done in the central city, is a next step in planning for EPAP and East Portland. It has been nearly a decade since the adoption of the original Action Plan, a decade of explosive growth in population, rents, home prices, homelessness/houselessness, and traffic congestion. Portland is not immune to national trends in income and wealth inequality, and racial segregation. It is no accident that every year for the past 20 years, East Portland residents report significantly lower satisfaction than any district in the Auditor's Community Survey. A Quadrant Plan will build on the success of the East Portland Action Plan and bring the East Portland community closer to parity with the rest of our city.

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Agenda No. **REPORT**Title

Transmit East Portland Action Plan 2018 annual presentation. (Report)

INTRODUCED BY Commissioner/Auditor: Wheeler/Eudaly	CLERK USE: DATE FILED MAY 22 2018
COMMISSIONER APPROVAL Mayor—Finance & Administration - Wheeler Position 1/Utilities - Fritz	Mary Hull Caballero Auditor of the City of Portland
Position 2/Works - Fish Position 3/Affairs - Saltzman	By: Deputy
Position 4/Safety - Eudaly	ACTION TAKEN:
BUREAU APPROVAL Bureau: Office of Neighborhood Involvement Bureau Head: Suk Rhee	MAY 3 0 2018 ACCEPTED
Prepared by: lore wintergreen Date Prepared:5/15/18	
Impact Statement Completed ⊠ Amends Budget □	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code. easement, franchise, charter, Comp Plan	
Council Meeting Date May 30, 2018	

AGENDA	1.42
TIME CERTAIN ⊠ Start time: 2:00pm	
Total amount of time needed: 15 (for presentation, testimony and discussion)	
CONSENT	
REGULAR	,

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz		
2. Fish	2. Fish		•
3. Saltzman	3. Saltzman	V	
4. Eudaly	4. Eudaly	/	
Wheeler	Wheeler	/	