

## IMPACT STATEMENT

**Legislation title:** Direct staff to enter into the City's commitments for the Lents Stabilization and Job Creation Collaborative Oregon Solutions Declaration of Cooperation (Resolution)

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**Presenter names:** Directors Michael Jordan (BES), Kimberly Branam (Prosper) and Shannon Callahan (PHB)

**Purpose of proposed legislation and background information:**

The proposed resolution draws to a close the two-year Oregon Solutions process for the Lents Stabilization and Job Creation Collaborative, which was formed to support strategies to preserve existing housing, enhance industrial lands for job growth, mitigate impacts of flooding, and enhance the ecological functions of floodplains along Johnson Creek. The resolution directs City staff to enter into the City's good-faith commitments as expressed in the non-binding Oregon Solutions Declaration of Cooperation and begin to implement their work. It also asks City bureaus to report back to Council in 6 to 12 months on the status of the project and progress made toward the City's commitments.

**Financial and budgetary impacts:**

The resolution has no financial impact to the City at this time. The City's commitments to the Lents Collaborative can be advanced through a variety of approaches over the next three to five years. At this time, projects that would require new resources have not been scoped, vetted, or selected.

The City's commitments expressed in the Declaration of Cooperation are achievable within existing resources, except where noted. Budget requests may be made in the future to continue the City's work toward community goals and to further implement the Lents Collaborative's priority strategies.

**Community impacts and community involvement:**

The risks of a 100-year flood on vulnerable community members and the economic development limitations on properties in the Special Flood Hazard Area (i.e. 100-year floodplain) have impacts on homeowners, renters, employees, and business owners who live and work within Johnson Creek's floodplain in the Lents and Powellhurst-Gilbert neighborhoods. Within these East Portland neighborhoods, approximately 388 acres are currently designated by FEMA as flood hazard areas, including 74 acres of industrial and employment land, 127 acres of publicly-owned natural areas, and 181 acres of residential land, with an estimated 686 residential structures.

A 2018 analysis from the Bureau of Planning and Sustainability found the neighborhoods that contain the floodplain are characterized as a "High Vulnerability – Low Opportunity" areas with a higher share of Communities of Color and rapidly increasing rents and home prices. Concerns over the impacts of rising flood insurance costs on the community were

successfully addressed through the City's pilot Flood Insurance Savings Program, which helped the homeowner participants, including 73 low-income homeowners, save an average \$650 each year and provided direct support to more than 30% of active FEMA flood insurance policyholders in the area. In addition, State Rep. Jeff Reardon and the City took early action and advocated to ensure insurance providers are well-educated about changes to the National Flood Insurance Program and better prepared to assist the more than 28,000 flood insurance consumers across the state.

In their analysis of the East Foster Commercial, Employment and Industrial Districts, Prosper Portland found that businesses in the floodplain area are generally well-adapted to area conditions and flooding and are currently thriving, offering important middle-wage jobs for East Portland and experiencing low vacancy and relatively high rents. Businesses operating in the area have considerable value, and economic rationale for redevelopment for much of the area is not strong. From a fiscal perspective, tax revenues associated with the redevelopment activity do not support a compelling case for intervention. Their analysis reaffirmed that the "Freeway Lands" property, much of which is out of the special hazard floodplain designation, continues to be the property with the most promising opportunities for private sector investment, redevelopment, and job growth (as economic conditions warrant).

The two-year Oregon Solutions public involvement process engaged hundreds of residents and business owners to share their knowledge and experiences, explain what they need to stay and be successful in the community, share their priorities and recommended actions and investments, and receive support and technical assistance to mitigate their flood insurance costs and flood risks while protecting the natural environment. Stakeholders were involved and provided feedback through the Powellhurst-Gilbert and Lents Neighborhood Associations, Lents Neighborhood Livability Association, and the East Portland Action Plan; through door-to-door canvassing of floodplain residents and interviews with industrial businesses; surveys, interviews, and invitations to floodplain specific events; tabling at community events; mailings and social media; and, amongst other opportunities, participation in Oregon Solutions Technical Advisory Committees and Project Team Meetings.

The Project Team Priorities outlined in the Oregon Solutions Declaration of Cooperation have broad support from the stakeholders involved in the process. Some stakeholders are eager to see progress and want to know how and when the priorities may be implemented. Hosting a Project Team reconvening and directing bureaus to report back to Council in 6 to 12 months on their progress will help ensure accountability. At this time, testimony is expected from the Co-Conveners, State Rep. Jeff Reardon and Michelle Rudd, land use attorney and Portland Planning and Sustainability Commissioner. Other members of the Project Team may also testify, as might community members.

**100% Renewable Goal:**

This action has no impact on the City's total energy and renewable energy use.

**Budgetary Impact Worksheet**

**Does this action change appropriations?**

**YES:** Please complete the information below.

**NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount