

IMPACT STATEMENT

Legislation title:

*Authorize Intergovernmental Agreement (IGA) to accept Metro's grant of \$230,000 to implement priorities in the Southwest Corridor Equitable Housing Strategy and authorize the Director of the Bureau of Planning and Sustainability to execute grant agreements with nonprofit organizations under this IGA (Ordinance)

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Purpose of proposed legislation and background information:

In 2018, the City Council adopted a housing strategy for a future light rail investment along the Southwest Corridor. With the approval of Council on May 30, 2017, BPS applied to Metro for a \$330,000 Metro 2040 grant to implement key priorities from the Southwest Corridor Equitable Housing Strategy; Area planning for the West Portland Town Center and South Portland, development concept planning for publicly owned opportunity sites near future light rail stations, implementation a Memorandum of Understanding with TriMet and other partners to acquire land for affordable housing, and supporting community-based organizations to continue to engage low-income households in the area. The application included a proposal to provide \$85,000 in local match. BPS received a notice of award on July 26, 2018 for \$230,000.

This legislation formally accepts the Metro grant and approves the use of BPS funds for the local match. The funds are critical to the implementation of the City's housing strategy for the Southwest Corridor.

The SW Corridor Equitable Housing Strategy supports the equity and growth policies found in three plans adopted by the City Council; the Portland Plan, the Comprehensive Plan, and the Barbur Concept Plan. It is also furthering the Citywide Racial Equity Goals and Public Involvement Principles adopted by the City Council in 2015 and 2011 respectively.

Financial and budgetary impacts:

A Senior Management Analyst is the project manager for this project. Funds from BPS's Comprehensive and Strategic Planning Program are being used to fund this position. In November 2017, BPS hired a limited-term full-time Assistant Planner to work on the SW Corridor Equitable Housing Strategy. The 2019-2020 BPS proposed budget includes an extension of this position for another fiscal year.

The grant from Metro provides the bulk of the project budget outside of personnel costs and \$25,000 in consultant funds. Funds from BPS's Comprehensive and Strategic Planning Program are being used to fund a portion of the consultant work. An IGA with Metro accompanies this ordinance. Exhibit C of the ordinance lays out the budget milestones and reimbursement dates. The bulk of grant funds will be used for consultant contracts with private firms and grants for community based non-profit organizations to continue to engage low-income households in the area.

Appropriations of \$30,000 in FY2018-2019 budget are described in the table below, and the remaining funds of \$200,000 will be appropriated in FY2019-2020 budget.

Contracts will be executed in early 2019 with most of the work expected to occur in 2019 and 2020. Reimbursements from Metro will be provided upon completion of major milestones and deliverables, most of which are scheduled for late 2019 and early 2020.

Community impacts and community involvement:

The SW Corridor Equitable Housing Strategy (EHS) built upon the growth and equity framework of the Portland Plan, the anti-displacement and housing opportunity policies in the Comprehensive Plan, and the urban design and place-making concepts expressed in the Barbur Concept Plan. Each of these four plans was developed with extensive community input from a broad and diverse participants in the SW district. This first phase of EHS implementation will build upon the success of the EHS community engagement process.

As we implement the EHS we will continue to better understand the impacts a major transit investment may have on low-income households and communities of color. The transit investment and accompanying commercial development brings both burdens and benefits. Reducing the burdens of direct and economic displacement of vulnerable people is a major policy objective of implementing the housing strategy. Increasing the benefits of economic opportunity and mobility for them is another major policy objective.

Through community partners and publicly available data we do have some information on the demographics of the households in the corridor and the existence of affordable housing, small businesses, and non-profit organizations operating along the corridor.

- 2.8% of residents identify as Black or African-American, 7.6% identify as Asian, 79% identify as white, 5.7% identify as Latino or Hispanic, 1.2% as Native American or Native Hawaiian, and 3.3% as two or more races.
- 12.7% of the population live below the poverty line.
- Renters make up 49% of households. 50% of households live in multi-family housing.
- Some culturally specific organizations operating in the corridor include a The Islamic Center of Portland, Portland Rizwan Mosque, Muslim Educational Trust, and Mittleman Jewish Community Center. Nonprofit service providers include Neighborhood House Portland and the SW Community Health Clinic.
- The 775 units of rent-restricted income-eligible affordable housing along the corridor comprises only 3.5% of all housing in the area. Home Forward and Community Partners for Affordable Housing operate the small handful of multi-family affordable housing buildings. The vast majority of housing affordable to households making 50% of median family income or less are in apartment buildings privately operated with no affordability requirements.
- Small commercial strips exist along Barbur Boulevard with relatively affordable commercial and office space compared to lease rates city-wide. A few small businesses provide culturally specific goods and services but the majority are auto-oriented and/or national chains.

There is broad community buy-in to developing a new identity for the nodes through the Barbur Concept Plan. Through the EHS the scale and specific needs of affordable and market rate housing development are better understood and beginning to be addressed. The area and opportunity site planning will help develop an identity for the targeted nodes with an eye toward meeting the need for housing and other amenities.

The City of Portland will create community advisory groups and coordinate engagement with residents, businesses, property owners, and key stakeholders. Additional effort will be taken to reach low-income households, and communities of color. The involvement will be designed to help increase community capacity to meaningfully and effectively engage with the project.

BPS will also connect with existing community networks and organize open public workshops on healthy equity and land use. The City will co-host meetings with community-based organizations to get their guidance on project goals, findings and recommendations.

100% Renewable Goal: not applicable.

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
217007	PNCP000001	521100	CDCPCM00000000GC	Non-Program	PN000080	PN00800001	30,000
217007	PNCP000001	441100	CDCPCM00000000GC	Non-Program	PN000080	PN00800001	30,000