

## IMPACT STATEMENT

**Legislation title:** Extend state of housing emergency, operationalize efficiencies and identify Council powers, specify a twenty-four-month duration, and waive portions of the Portland Zoning Code (Ordinance)

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

The purpose of this legislation is to extend the housing emergency initially declared by Ordinance 187371 and subsequently extended twice through Ordinance 187973 and Ordinance 188627 in the City of Portland and waive the necessary provisions in Title 15 to increase the duration of the emergency for an additional twenty-four-month period, through April 4, 2021. Further, the extension is also intended to begin work on legislative proposals by relevant City Bureaus that will start looking at amendments to Title 33 in ways that can offer sustainable solutions to allow for (1) the permanent siting of day storage units, (2) expeditiously allow for temporary housing and issuance of permits related to shelter and alternative shelter siting and, (3) create an expeditious process for design review of affordable housing projects.

Notably, the existing state of housing emergency has allowed these three system improvements to provide basic humanitarian services to people experiencing homelessness and to expedite affordable housing development. The extension will allow for efforts that can operationalize these improvements in the normal course of business of the City in ways that are not dependent upon an emergency declaration.

Since the initial declaration, the City continues to take significant measures to alleviate the emergency housing needs of people experiencing homelessness or at risk of homelessness or displacement. Some of the measures are based on directives set forth in the previous ordinances while others are part of larger local/regional/statewide efforts to add to the supply of affordable units and to enhance local tenant protection policies.

Conditions like steep rent increases, very low vacancy rates and housing demand that far outpaced the housing supply precipitated an affordable housing crisis and ensuing declaration of housing emergency back in 2015. More recently, the rent growth has softened to 2%, citywide vacancy rates are stabilizing at 5% to 6% and production of housing units, both market and affordable, is at a historic high. In 2017, Portland added 7,300 market rate units while more than 800 newly affordable units became available for occupancy in 2018. At the same time, manifestations of unmet housing needs continue to persist.

The 2017 Point-in-Time (PIT) count recorded that 1,668 individuals were unsheltered on the night of the count while 1,752 people were in area emergency shelters and 757 were in

transitional housing. Overall, there was a 9.9 percent increase in the total population counted (4,177) compared to the 2015 PIT count (3,801).

The housing affordability crisis also adversely impacts many low-income renters. Just under one-third (27%) of Portland renters are extremely cost-burdened and face heightened risk of displacement and/or homelessness.

Under these circumstances, services and shelters that have catered to basic human needs, should be continued while appropriate legislative solutions can be worked out. Given the dependency of these actions on a state of emergency, the current state of housing emergency should be extended for another two years.

**Financial and budgetary impacts:**

The Bureau of Planning and Sustainability will need resources for staff to manage the work associated with the ordinance directives.

**Community impacts and community involvement:**

Through this extension, the city will continue to utilize tools and methods not available outside of the housing emergency to provide adequate, safe and habitable shelters and basic humanitarian services for persons experiencing homelessness, many of whom are our community's most vulnerable people. Further, this extension is critical to avoid serious and/or abrupt disruptions to necessary services for households as this will likely cause enhanced sufferings while legislative solutions are in the works.

**100% Renewable Goal:**

This ordinance does not impact the City's 100% renewal goal.

**Budgetary Impact Worksheet**

**Does this action change appropriations?**

- ☐ **YES:** Please complete the information below.  
☒ **NO:** Skip this section

No motion made, read into record  
as intentions.

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### **Item 158: Eudaly Amendments**

1. Add finding number 28 to read, "There are not enough revenue sources specifically identified to fund solutions to homelessness, displacements, and housing affordability so many housing related policies and programs cannot be implemented or expanded."
2. Add finding number 29 to read, "Funding for policies and programs such as tenant opportunity to purchase, universal eviction defense, rent subsidies, alternative shelter resources, hygiene resources, and stabilizing and expanding the funding for the Joint Office on Homeless Services is critical to further our goals of minimizing the impacts of the housing crisis."
3. Add Directive j. to read, "The Revenue Division, in coordination with PHB and other as necessary
4. , will identify potential new revenue sources (such as a vacancy tax, coffee tax, license fees, etc) that bring in at least \$50 million annually to the city's general fund that can be specifically allocated to fund housing services and housing policies and programs and report back to council on their findings within 1 year."