

2020

Annual Report

# North/Northeast Neighborhood Housing Strategy Oversight Committee



*Olin Townhomes*

## Introduction: Charge, Charter and Membership of the Oversight Committee

Less than two decades ago, the neighborhoods that comprise inner North and Northeast Portland were home to the highest concentration of African American residents anywhere in the city— or in the state. Although decades of segregation had confined them there, the community gave rise to a vibrant cultural center, replete with African American businesses, churches, and other cultural institutions. City efforts during the 1990s to address the crime and blight that had begun to consume the area brought about profound neighborhood transformations but left many long-time residents with fewer and fewer housing options. Within a decade, the percentage of African Americans in the total population of the area had fallen by more than half.

In March 2014, Mayor Charlie Hales, with the support of Housing Commissioner Dan Saltzman, dedicated an additional \$20 million in Tax Increment Financing (TIF) dollars from the Interstate Corridor Urban Renewal Area (ICURA) to affordable housing to begin to address the ongoing threat of displacement and gentrification.

Recognizing the difficult history that had led the city to this point, the Portland Housing Bureau (PHB) determined that any plan for how to invest these funds would need to be guided by the community itself. Through a series of public forums and other outreach efforts, more than 450 community members, 15 area faith leaders, and numerous community leaders generously shared their personal stories and those of their friends, family, and neighbors. They sent written notes and emails about their lived experiences and their thoughts about what kinds of housing assistance would have the greatest impact.

The result of that seven-month community engagement process was the “North/Northeast Neighborhood Housing Strategy” (the Strategy— a five-year plan for how to invest the \$20 million according to the stated priorities of the community), presented to Portland City Council on January 28, 2015.

Beyond dollars and cents, what emerged from the community process was a resounding question that the Strategy would also have to address: “how will this plan be any different than all those that came before it?” The answer was a mechanism for greater transparency and accountability to the community itself. An Oversight Committee (the Committee) made up of community members was formed in May 2015 and charged by Portland City Council with the responsibility of overseeing the implementation of the Strategy, including the investment of the \$20 million as well as the development of the associated programming and policies, and report to City Council annually on the success of PHB and its contractors in accomplishing the goals outlined in the Strategy.

## North/Northeast Neighborhood Housing Strategy: Community Oversight Committee Charter

The North and Northeast Portland Neighborhood Housing Strategy Community Oversight Committee is hereby created and tasked with the responsibility of reviewing and monitoring the development and implementation of policies and programming associated with the North/Northeast Neighborhood Housing Strategy and the accompanying \$20 million on progress.

### Scope of the Oversight Committee

This committee, working with the Portland Housing Bureau as well as its contractors, shall:

- Advise on, and review, program proposals and plan development.
- PHB will inform the oversight committee of decisions, plans, proposals prior to implementation
- Monitor the implementation of policy and programming, and associated outcomes.
- And advise the housing director and housing commissioner on progress, issues, and concerns associated with the North/Northeast Neighborhood Housing Strategy and Interstate Urban Renewal “TIF Lift” funds

Stemming from the development and implementation of the policies and programming associated with the North/Northeast Neighborhood Housing Strategy Interstate Urban Renewal Funds. This scope applies to PHB and any contractors receiving funding from this initiative.

### Membership of the Oversight Committee

Dr. Steven Holt, Committee Chair, Sr. Pastor Kingdom Nation Church

Dr. Lisa Bates PhD, Associate Professor, Portland State University

Dr. T. Allen Bethel, Sr. Pastor Maranatha Church

Gabrielle Mercedes Bolivar, Executive Director Mainspring

Triston Dallas, Attorney, Landerholm Family Law

Dr. Karin Edwards EdD, President, Clark College

Jilian Saurage Felton, Director Housing Development, Community Partners for Affordable Housing

Felicia Tripp Folsom, Executive Director, Empowering Leaders The Contingent

Sheila Holden, Retired, Regional Community Manager Pacific Power

Marlon Holmes, Teacher, POIC/Rosemary Anderson High School

Virgie Ruiz-Houston, Retired Self Enhancement Inc

Aquiles Montas, Family Resource Coordinator, Metropolitan Family Services

John Washington, Owner/Editor Flossin Media and Executive Director SDBA

## Message from The Committee Chair

2020 was a year unlike any other that we have experienced. It stretched us as a people in ways that we did not realize we could be, nor that we needed to be. The cry of social upheaval, economic interruption, a health crisis and natural disasters caused us to examine the things that really matter, dig deep into our humanity and engage in thoughtful ways that we most likely would never have without the perfect storm. Sometimes crisis is necessary.

As I reflect on the fact that this committee has consistently shown up to invest in supporting the creation and execution of affordable housing for six years, my appreciation for their dedication to prioritizing this effort is beyond expression. Thank you, Oversight Committee members, for freely giving your talent and time to this journey. The outcomes would not be what they are, had you not been a part of this essential work. A special acknowledgement to Dr. Karin Edwards who has transitioned from the Committee with new duties as the President of Clark College. Also, a special thanks to Dr. Bethel who was one of the first members of the Oversight Committee and continued to be central in this work until he transitioned to his eternal reward. I want to welcome three new members to the committee, John Washington, Aquiles Montas, and Gabrielle Mercedes Bolivar. We will also be recruiting for two additional members.

In fact, I want to express my deepest appreciation for the work of the Portland Housing Bureau, The Mayor's staff, the Commissioners, and the nonprofit partners, who responded to the challenge of the times, and found ways to move this vital work forward. It is often crisis that causes humanity to be awakened to the very issues that were in our sightline the entire time.

It is unfortunate that we did not have the opportunity to host the five-year celebration to highlight the incredible results that have been accomplished. But it is fortuitous for us to be here now. I am delighted to share the outcomes that are contained in this report.

This report captures what happens when there is concentrated, consistent and committed focus to advance creating affordable housing opportunities. You will see what happens when land is banked, buildings are crafted and leased, and a preference policy is stood up and examined. it is incredible!

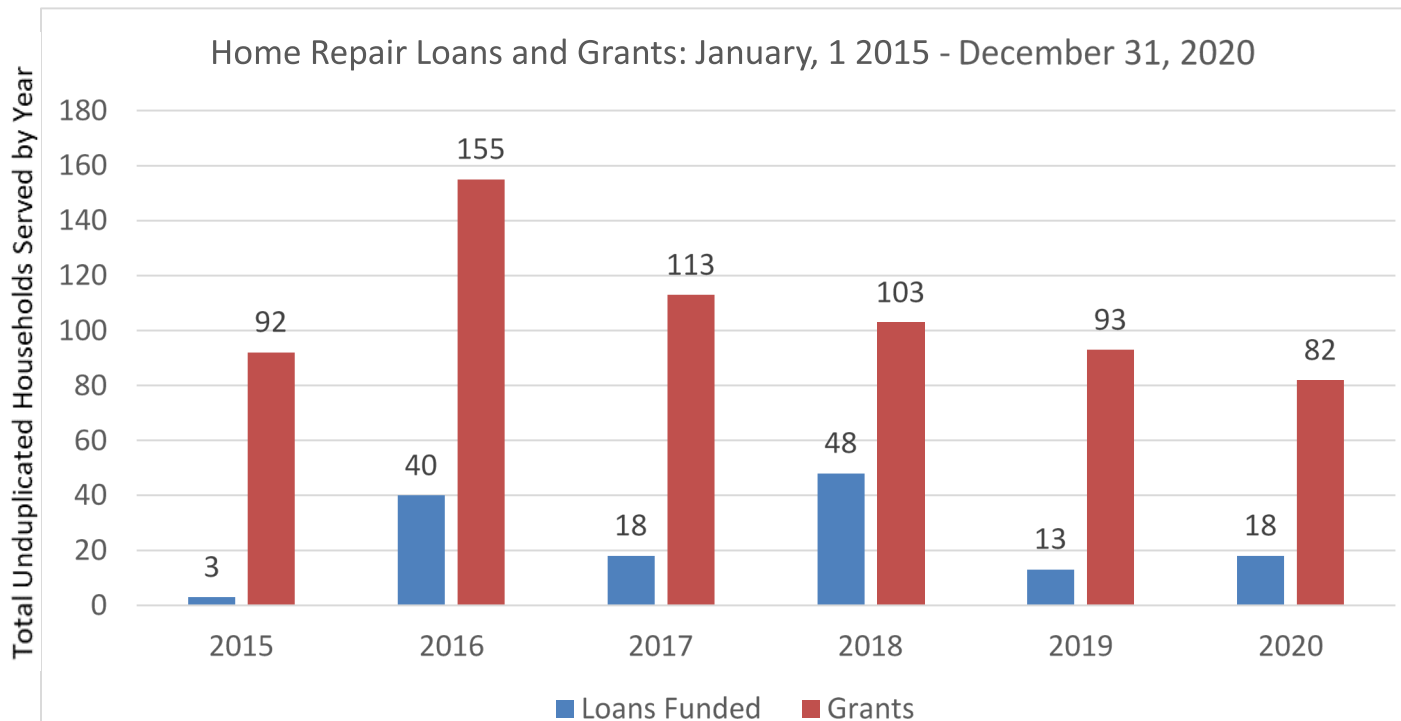
The data in this report reflects the timeframe of January 2015 through December 31, 2020.

Dr. Steven Holt

The North/Northeast Neighborhood Housing Strategies Oversight Committee is charged with overseeing strategies, developed by the Portland Housing Bureau, to mitigate the displacement of the City's most vulnerable residents in North/ Northeast Portland. In this section we will highlight some of last year's activities as well as cumulative 6-year data for the following strategies: Preventing Displacement, Creating New Homeowners, Creating New Rental Homes and Land Banking.

## Strategy 1: Preventing Displacement

The Bureau contracted with community partners to provide home repair grants for a **total of 638 households in the Interstate URA from 2015 – 2020** using funds from the Interstate Base Tax Increment Financing Affordable Housing Set Aside, the N/NE allocation, General Fund, Tax Increment Financing Affordable Housing Set Aside Lift. The Bureau funded a **total of 140 home repair loans in the Interstate URA from 2015 – 2020**, using the Interstate funds listed above and funding from Prosper Portland.



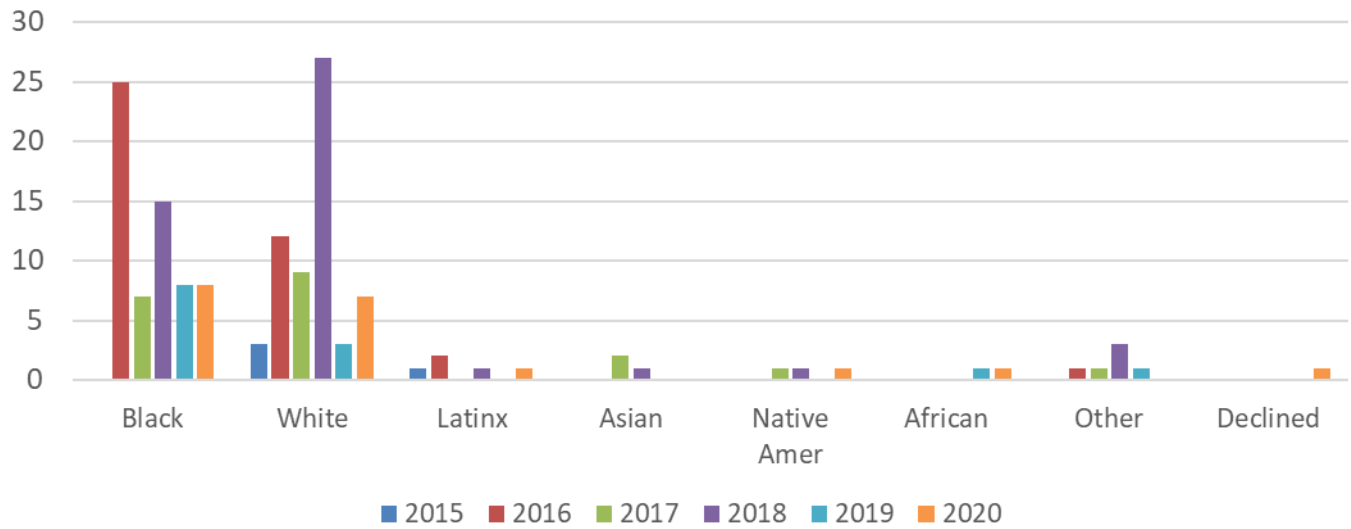
### 2-Year Home Repair Loan Trends:

2016 – 2017 funded loans = 58

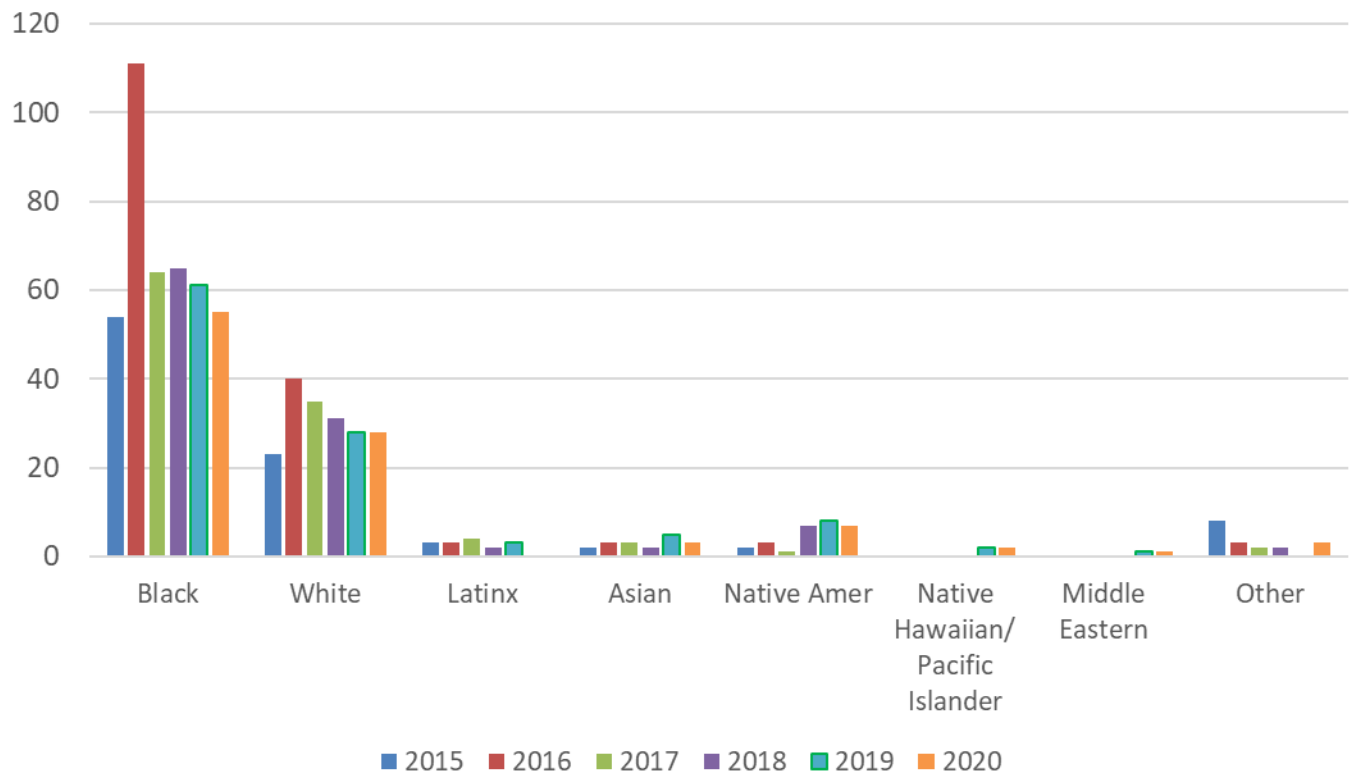
2018 – 2019 funded loans = 61

2020 funded loans = 18

Home Repair **Loans** by Race: January 1, 2015 - December 31, 2020



Home Repair **Grants** by Race: January 1, 2015 - December 31, 2020



# Homeownership Asset Preservation Pilot

Pilot Program Background: Responds to community needs identified in N/NE Neighborhood Housing Strategy, through community engagement and advocacy by N/NE Oversight Committee.

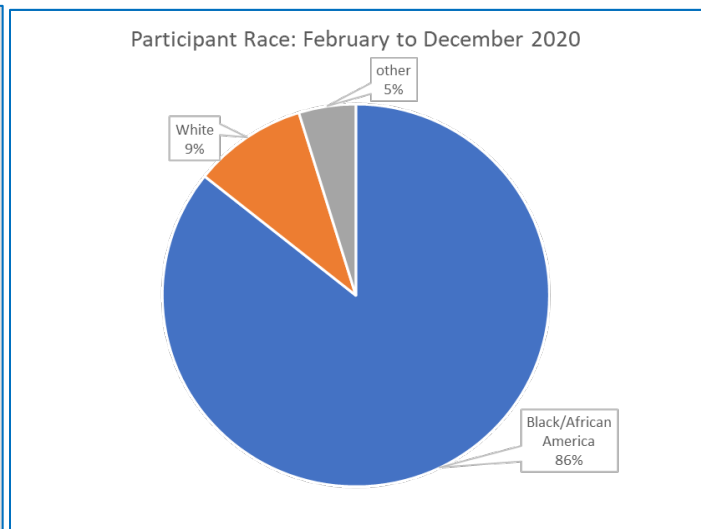
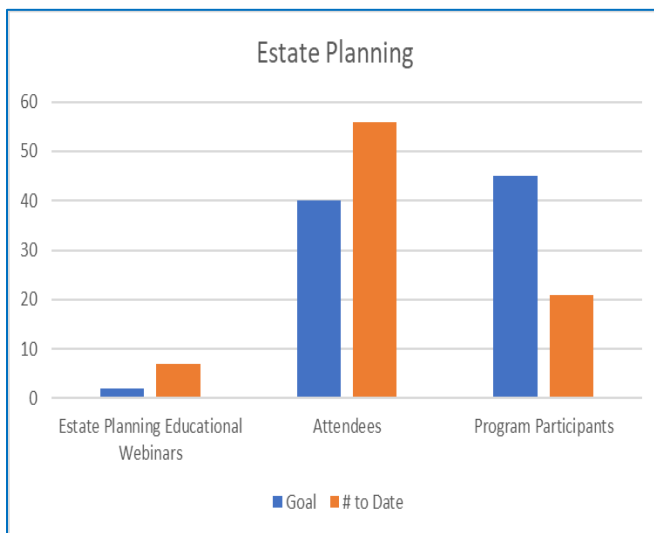
Pilot Program Goals: Stem the continued displacement of longtime homeowners and prevent additional loss of housing wealth in the N/NE community, by providing homeowner retention and legal estate planning services.

The Contract was awarded to African American Alliance for Homeownership (AAAH) in partnership with The Commons Law Center to administer the 20-month (November 2019 – June 2021) pilot program



## Eligibility:

- Households earning up to 80% Area Median Income (AMI) or \$73,700 for a family of four
- Homeowner residing in Interstate Urban Renewal Area or the N/NE Study Area
- Target Services to:
  - Homeowners of Color
  - Longtime homeowners (20+ years)
  - Seniors and people with disabilities



## CARES Mortgage Assistance Program

17 Interstate URA funded Home Repair Loan households received CARES Financial Assistance

Average CARES mortgage financial assistance = \$4218/household

71% Black/African American

27 Interstate URA funded Down Payment Assistance (DPAL) Families received CARES Financial Assistance

Average CARES mortgage financial assistance = \$4938/household

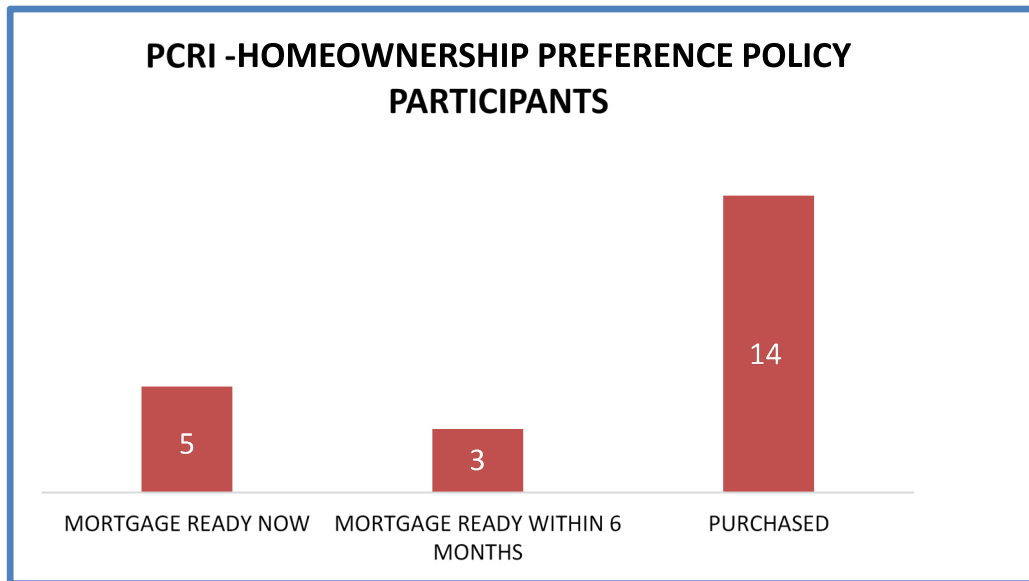


## Strategy 2: Creating New Homeowners

### Down Payment Assistance

Charts represent pipelines for 2 partner organizations actively providing homebuyer education & counseling to Preference Policy households (PCRI & Portland Housing Center) and does not represent the total number of Preference Policy buyers nor perspective buyers.

#### Portland Community Reinvestment Initiatives



Blandena Townhomes

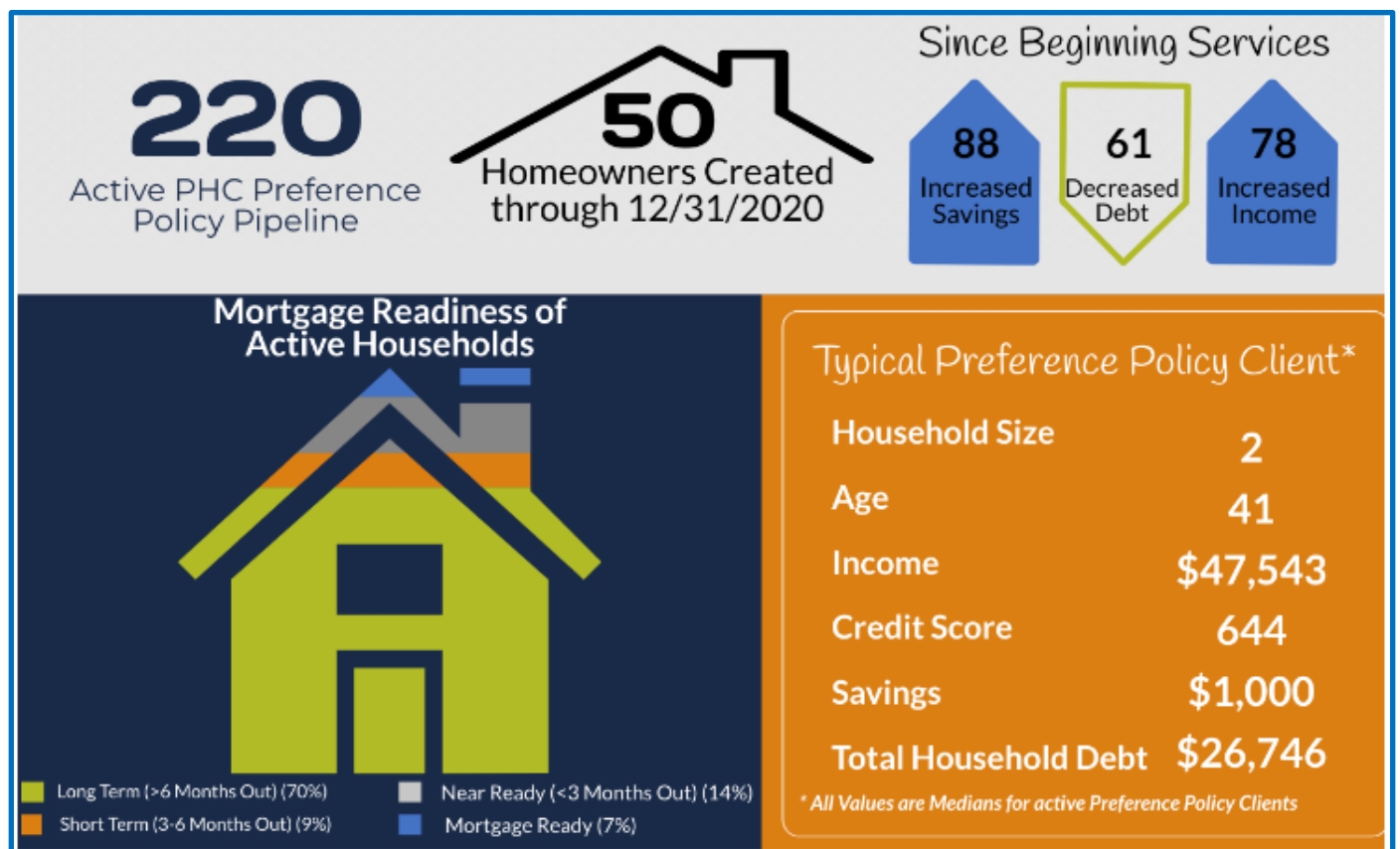
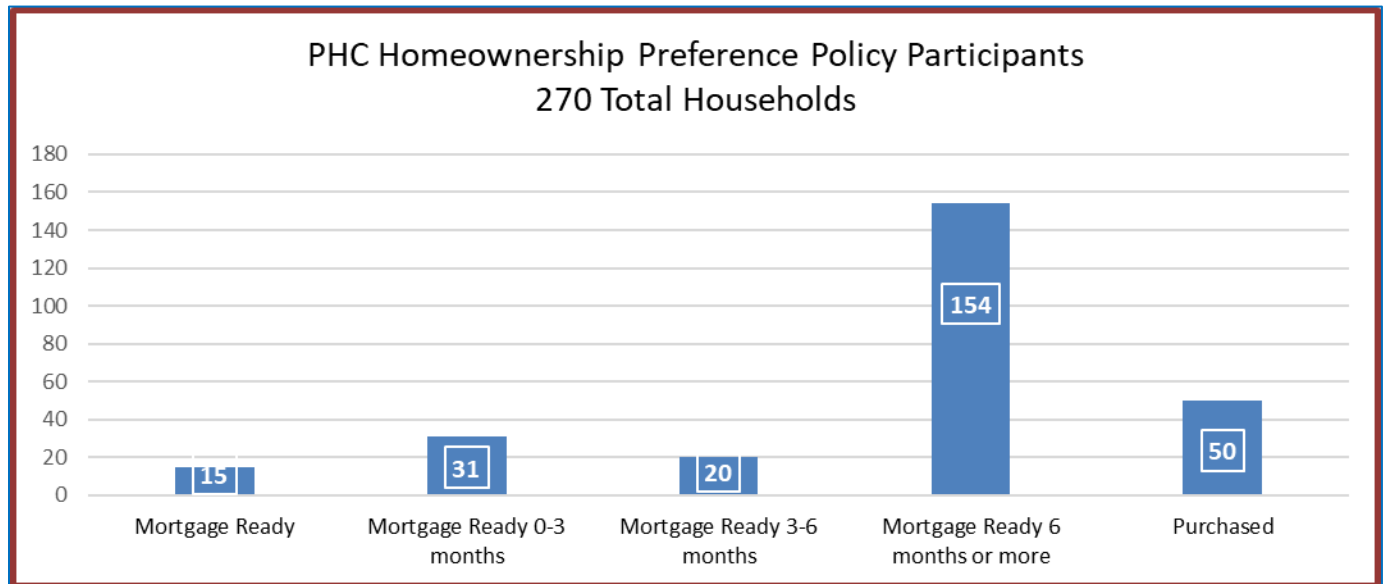


Williams Townhomes

These homes are part of PCRI's Pathway 1000 Initiative – an effort to help displaced residents move back to the community.”



## Portland Housing Center



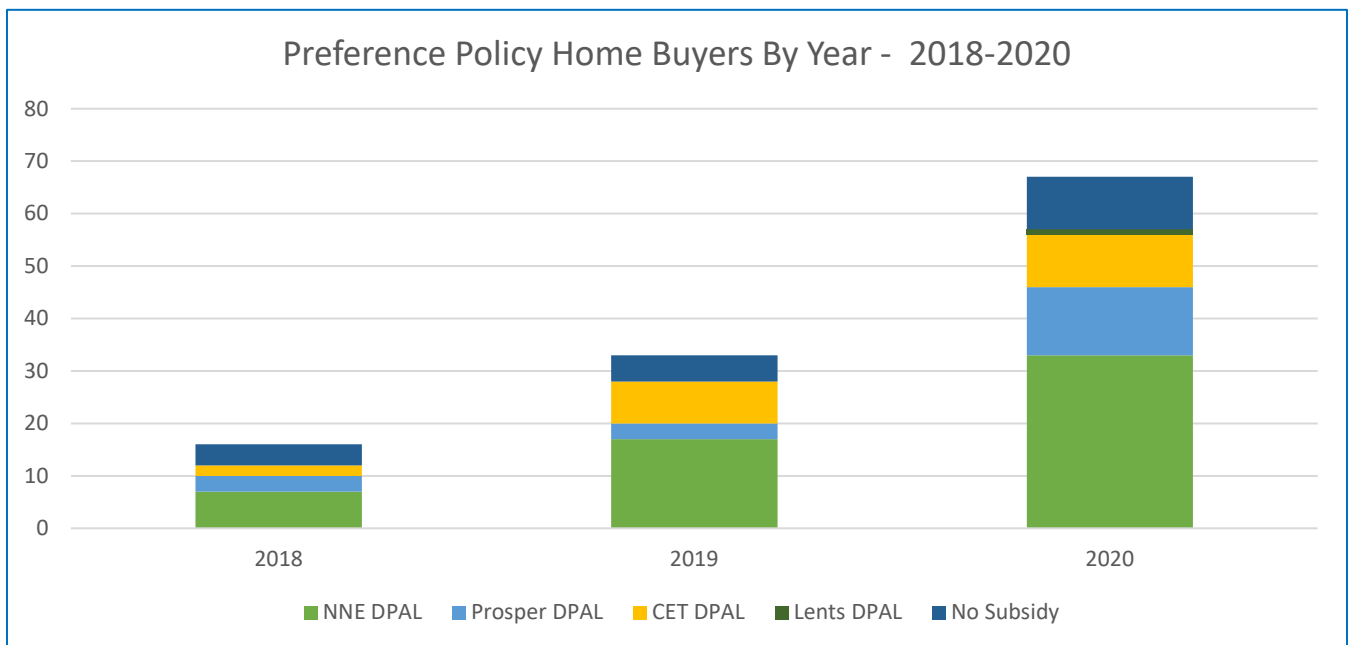
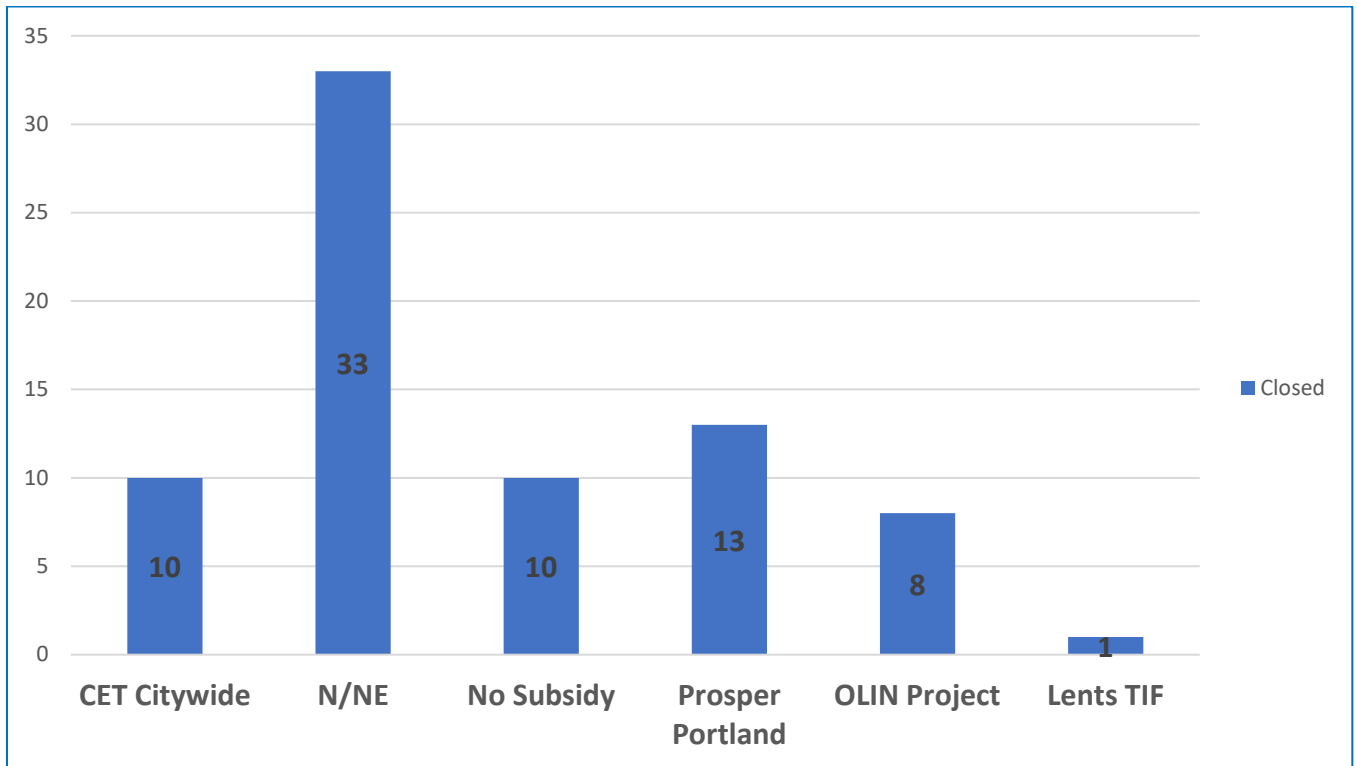
## Total New Homeowners

**75** New Home Buyers Identified through the N/NE Preference Policy

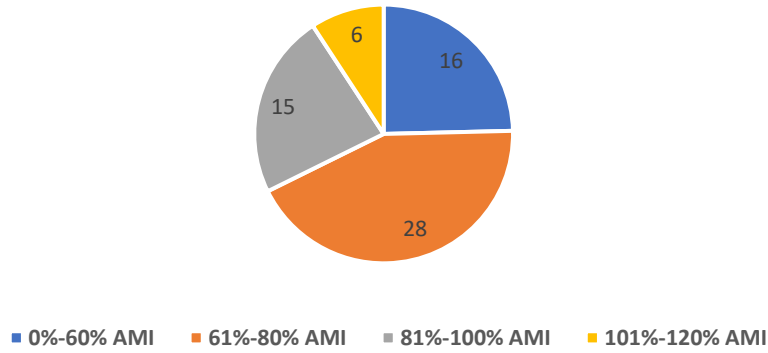
**65** of which purchased with PHB subsidies/investments – **59% of Goal**

**Goal: 110 new homeowners with PHB subsidies by 2022**

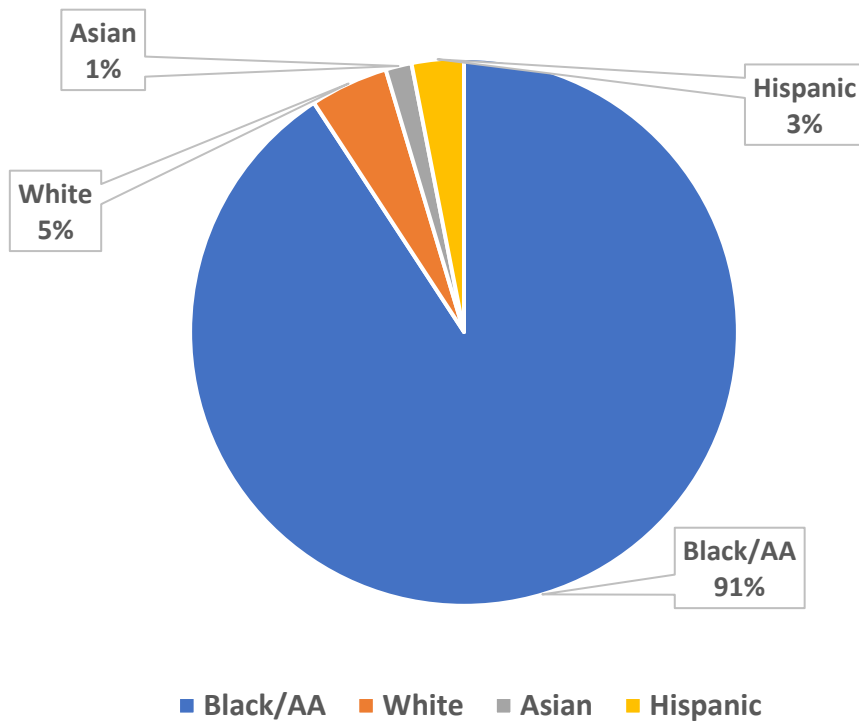
*(as of December 31, 2020)*



### Household Income



### Race/Ethnicity of New Homeowners



## Home Ownership Unit Developments

Portland Housing Bureau is working with community partners Habitat for Humanity and Proud Ground to build 42 affordable home ownership units for preference policy applicants within the district.



**Habitat for Humanity – Olin Townhomes 12 Units**



**Habitat for Humanity - Kenton Townhomes 30 Units**

## Strategy 3: Creating Rental Homes

Affordability continues to be top priority, for the work of the N/NE housing strategy. To meet the goal of increasing the availability of affordable rental units, PHB and their development partners have made substantial investments in the construction of affordable housing.

Building Sponsor	Units	Status
<b>Beatrice Morrow</b> PCRI	80	Occupied
<b>Charlotte B. Rutherford</b> CCC	51	Occupied
<b>Magnolia 2</b> IHI	50	Occupied
<b>King + Parks</b> PCRI	70	Occupied
<b>Songbird</b> Bridge	61	60% Leased
<b>Renaissance Commons</b> REACH	189	50% Leased
Total Units	<b>501</b>	



Beatrice Morrow



Charlotte B. Rutherford





King + Parks



Magnolia II



Renaissance Commons



Songbird

## CARES Rent Assistance Programs

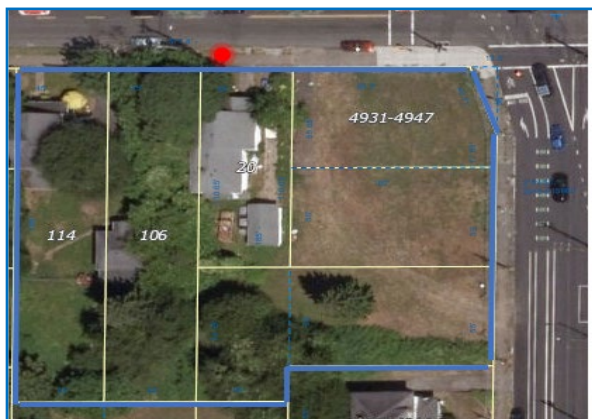
The Portland Housing Bureau supported Preference Policy buildings with rent assistance utilizing federal HOME funds, prioritizing buildings with BIPOC tenants:

Preference Policy Building	Rent Assistance	AMI	Race	HH w/Disabilities	Units Assisted
Garlington Place	\$34,159.00	0-50%	10 Black-African American People 3 White People	4	8
Charlotte B Rutherford	\$57,066.00	0-30%	28 Black-African American People 2 American Indian/Alaskan Native people	5	14
Magnolia II	\$117,778.00	0-30%	60 Black-African American People 1 American Indian / Alaskan Native people	3	28
Beatrice Morrow	\$156,685.00	0-50%	54 Black-African American People	7	29
Renaissance Commons	\$34,819.00	0-50%	31 Black-African American People 8 White people	4	17
<b>Total</b>	<b>\$400,507.00</b>		<b>183</b> Black-African American People <b>11</b> White People <b>3</b> American Indian- Alaskan Native people	<b>23</b>	<b>96</b>

Additionally, PHB supported individual renters in Preference Policy buildings with federal CARES funds through the CVRRP, utilizing culturally specific community-based organizations (Black Parent Initiative, Brown Hope, Doulas Latinas International, Mt. Olivet Baptist Church, PCRI and Wisdom of the Elders).

TOTAL 6 PROPERTIES - Assistance Provided	\$95,887.00
TOTAL 6 PROPERTIES - Households Assisted	49

## Strategy 4: Land Banking



Carey Blvd

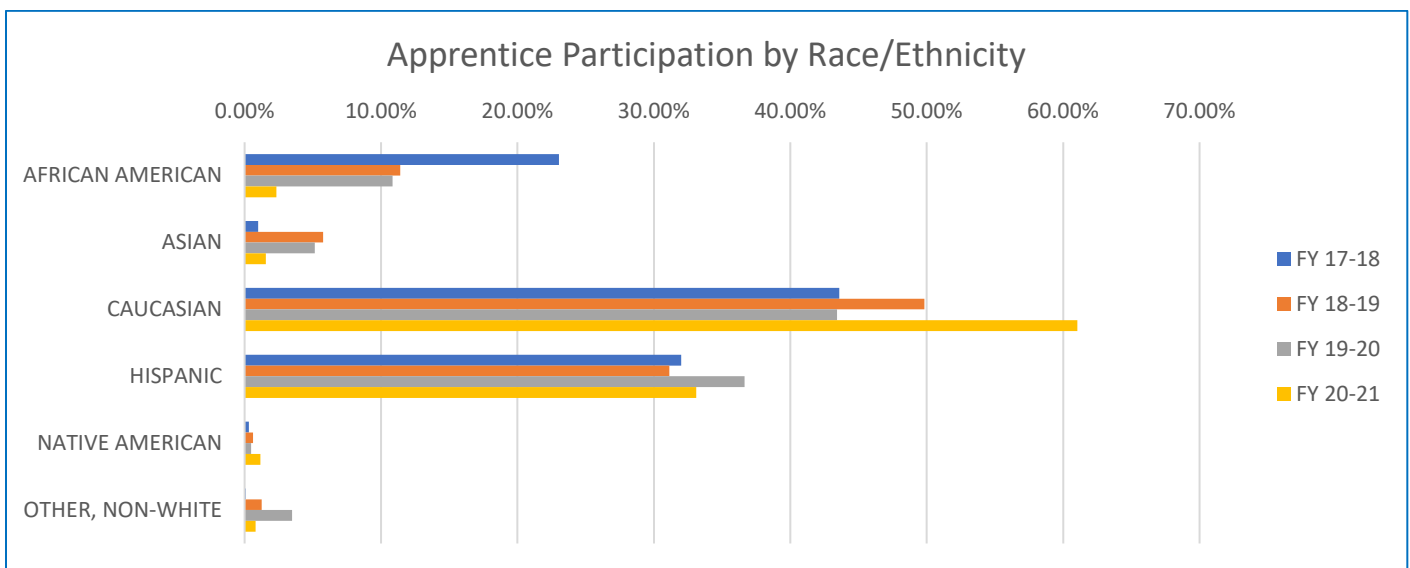
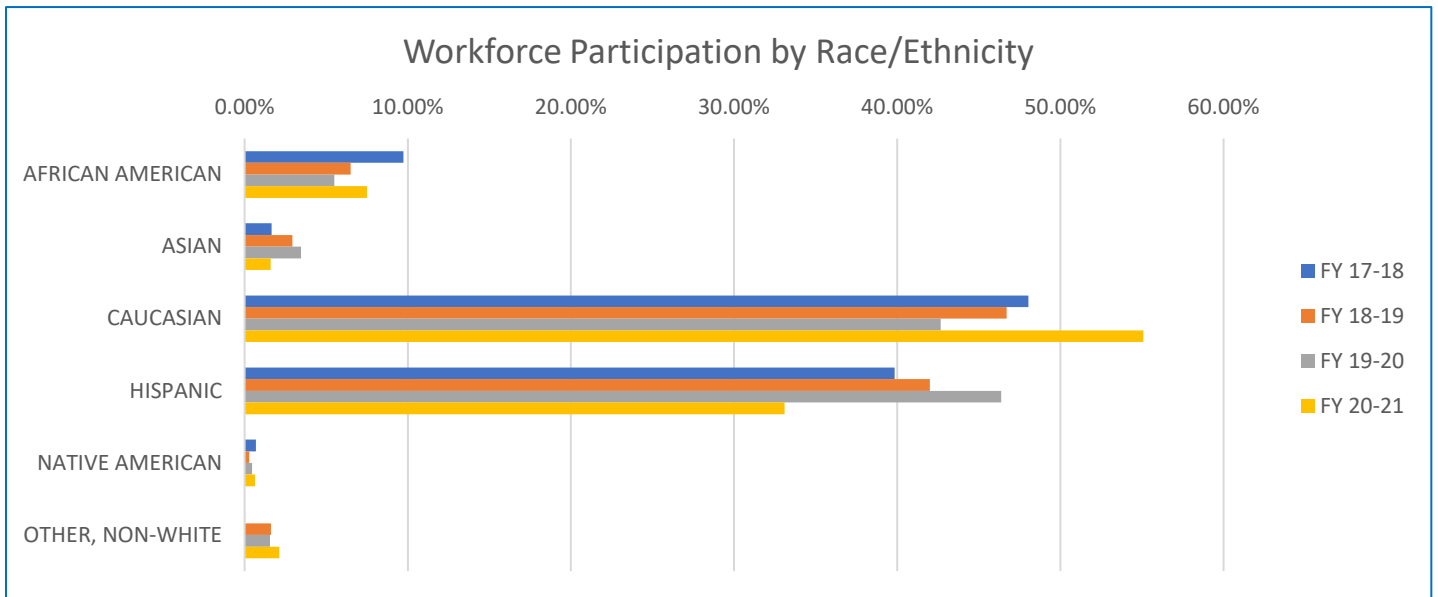


Strong Family Property

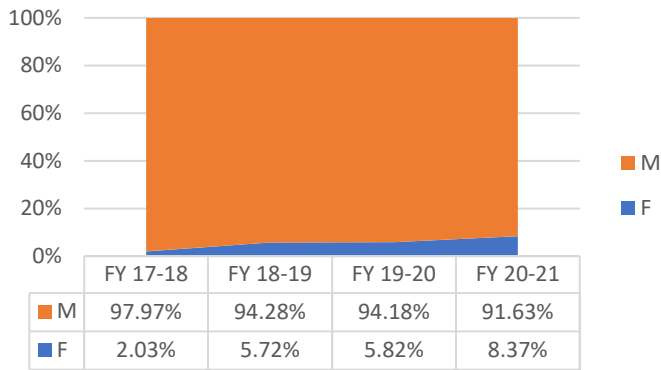
PHB has purchased three properties to utilize for future developments. Carey Blvd was purchased from the Water Bureau and brought into the ICURA in 2020. The Strong family property was purchased in 2019, from long term property owners. Both of these properties will be developed utilizing funds from the recently approved “maximum indebtedness” of the Interstate TIF District. The third property 5020 N. Interstate planned to have homeownership condominiums, due to circumstances related to financing and COVID 19, that site will now be developed as a rental property, with Metro Bond funds.



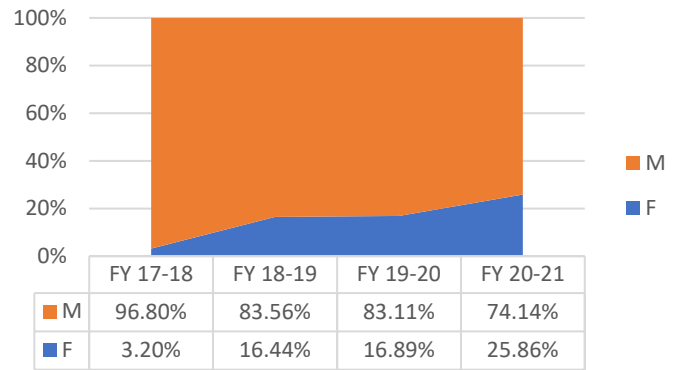
## Policy Area: MWESB Demographics for Rental Construction



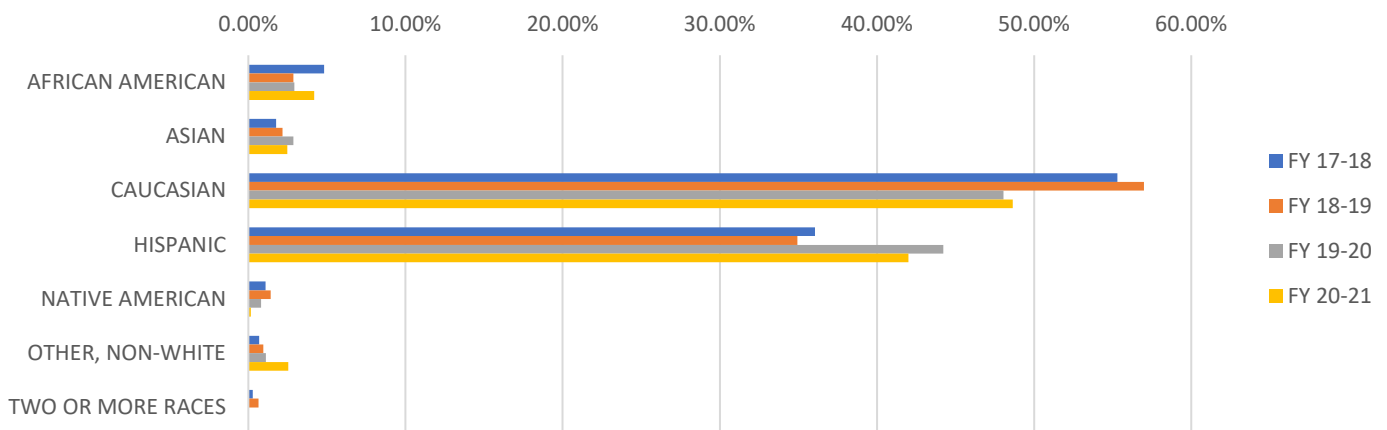
### Workforce Hours by Gender



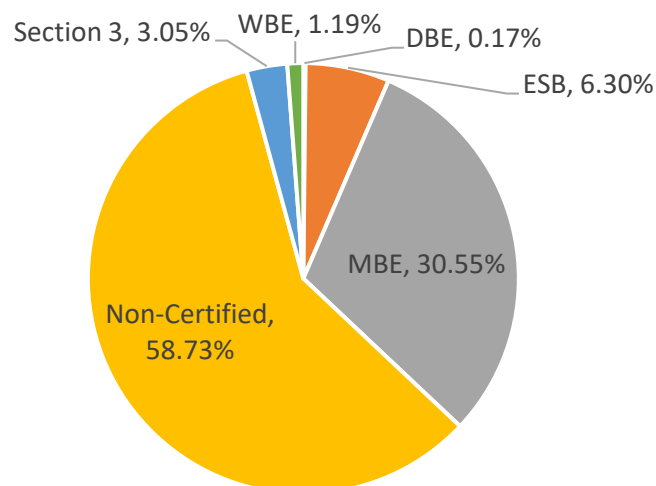
### Apprentice Hours by Gender



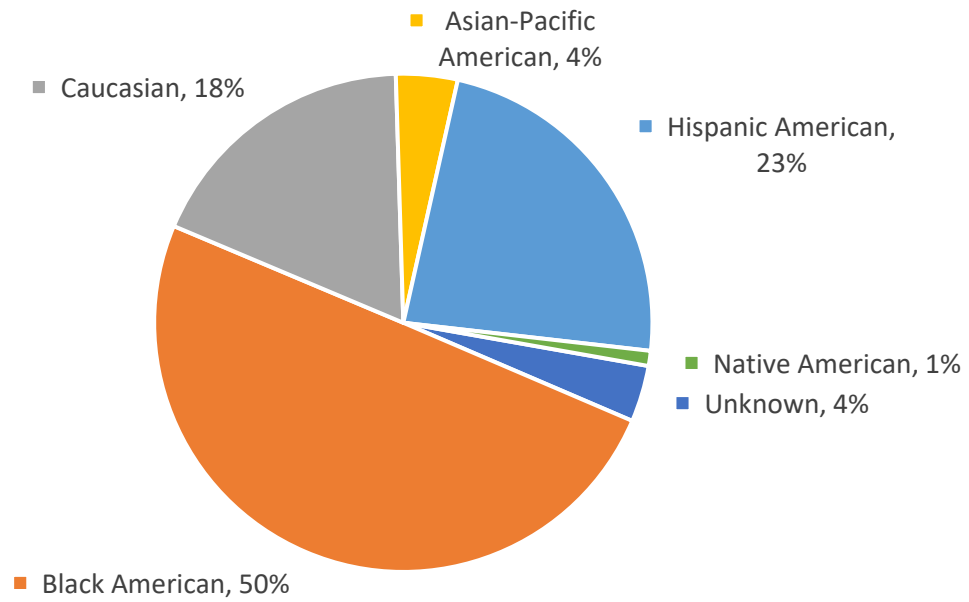
### Journey Level Participation by Ethnicity



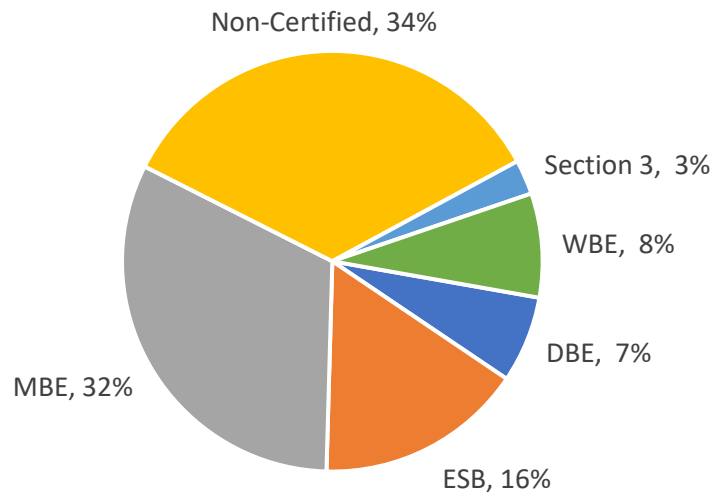
### Total Certified Firm Participation (Prime & Subcontractor)



Certified Firm Participation by Ethnicity



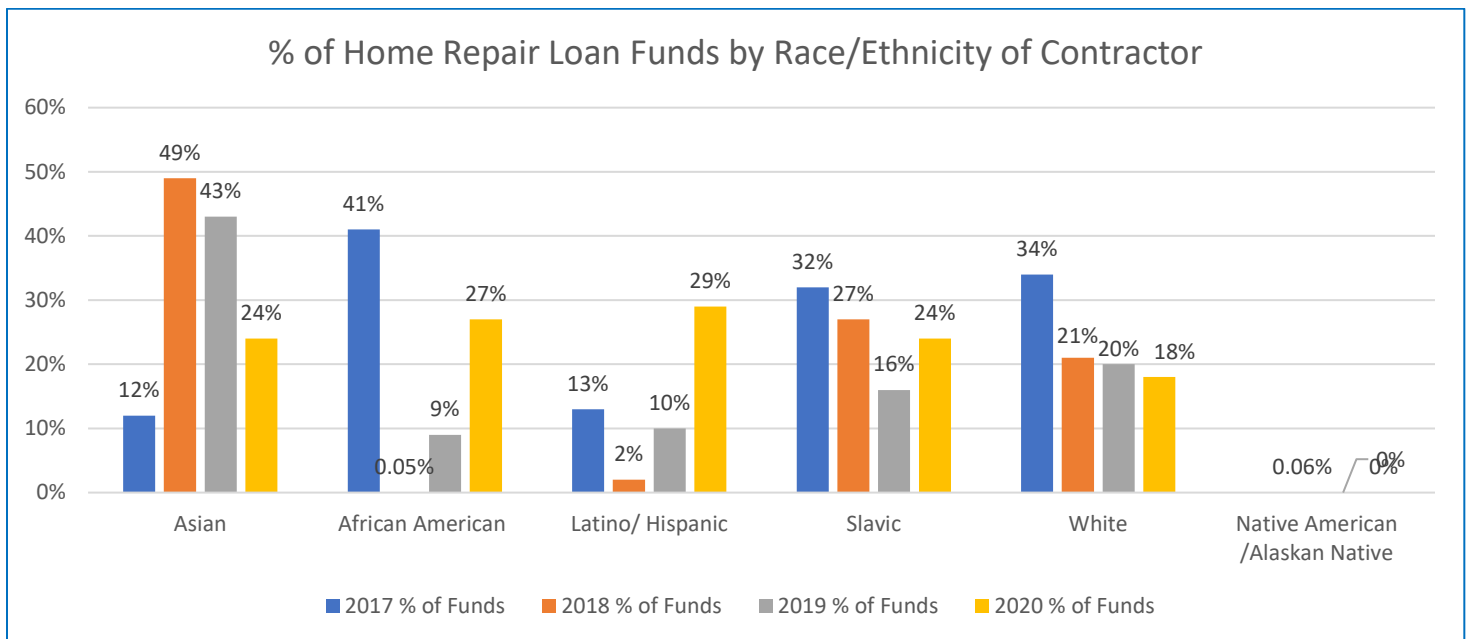
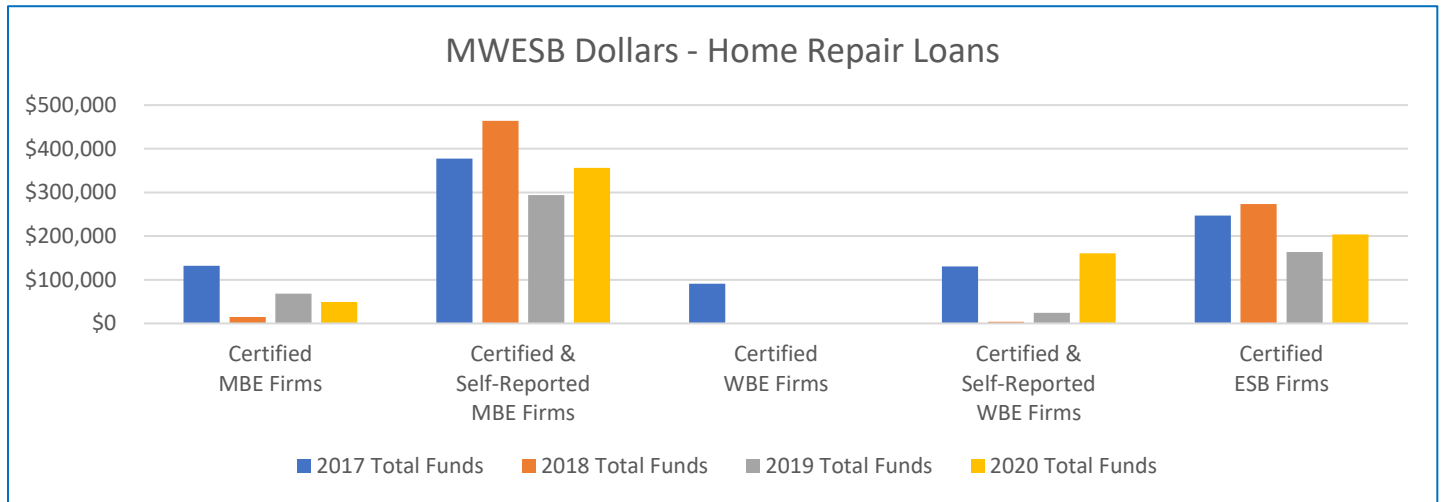
Total Subcontract Awards by Certification Type



## Policy Area: MWESB Demographics for Home Repair Loans

The information below includes all loans funded with N/NE TIF, Base TIF, TIF Lift, and Prosper Portland funds.

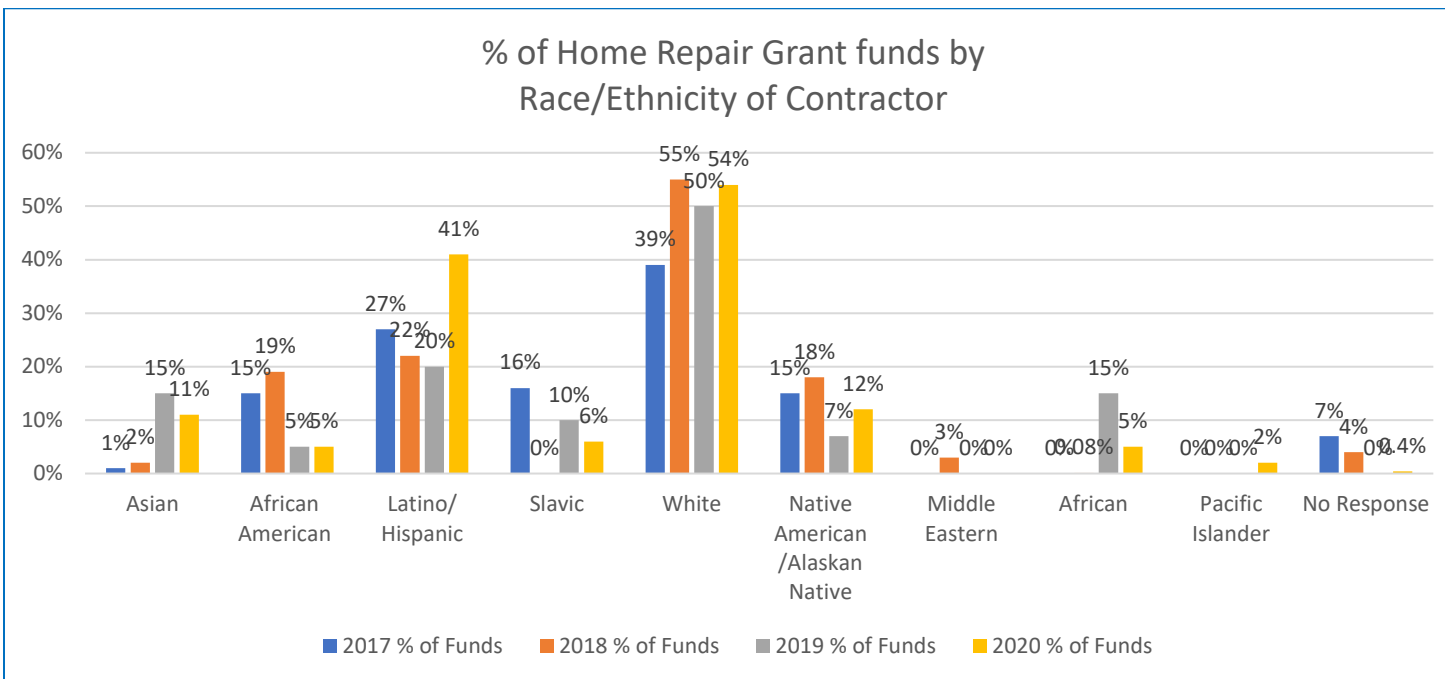
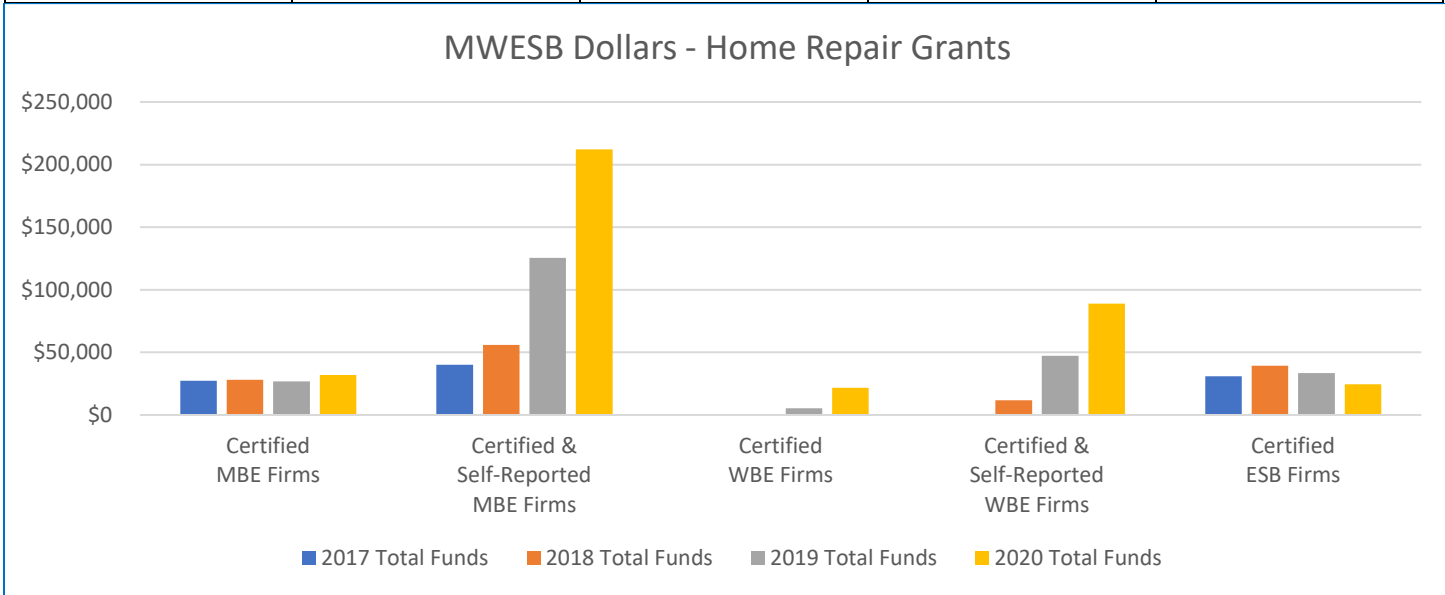
	2017	2018	2019	2020
Total # of Contractors	8	18	22	19
Total Funds Spent with Contractors	\$573,493	\$898,765	\$472,250	\$603,976



# Policy Area: MWESB Demographics for Home Repair Grants

The information below includes all grants with N/NE TIF, Base TIF, and TIF Lift funds.

	2017	2018	2019	2020
Total # of Contractors	22	22	31	35
Total Funds Spent with Contractors	\$69,508	\$103,940	\$210,670	\$304,389



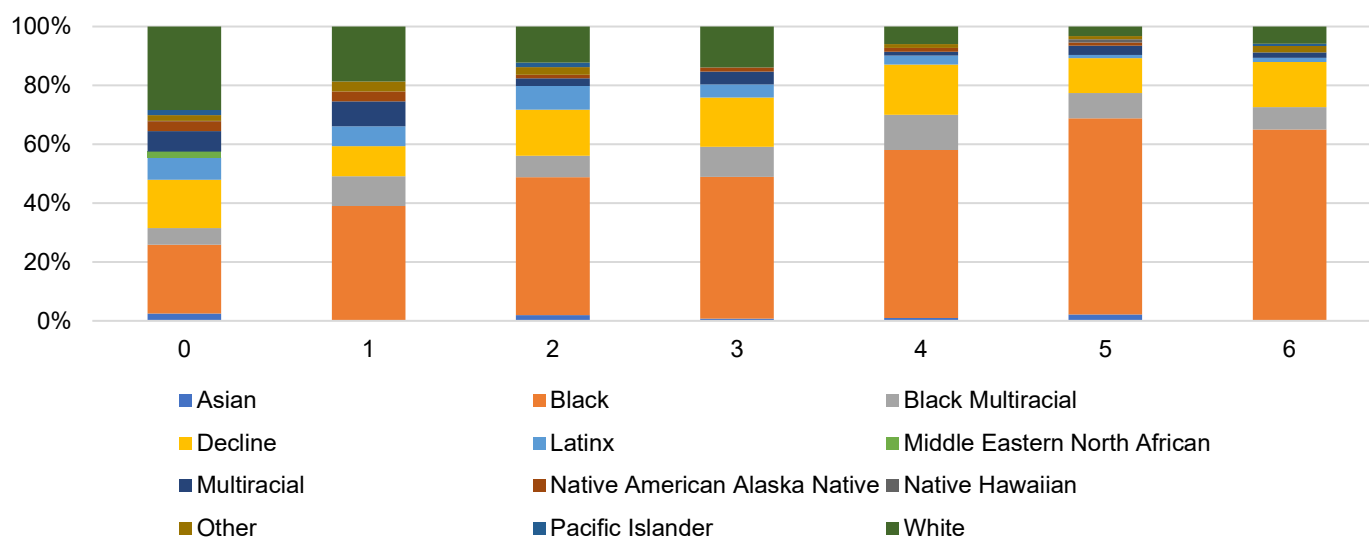
\*2019 home repair grant contractor race/ethnicity data was updated for this report and is reflected in the bar graph above.

## Policy Area: Preference Policy

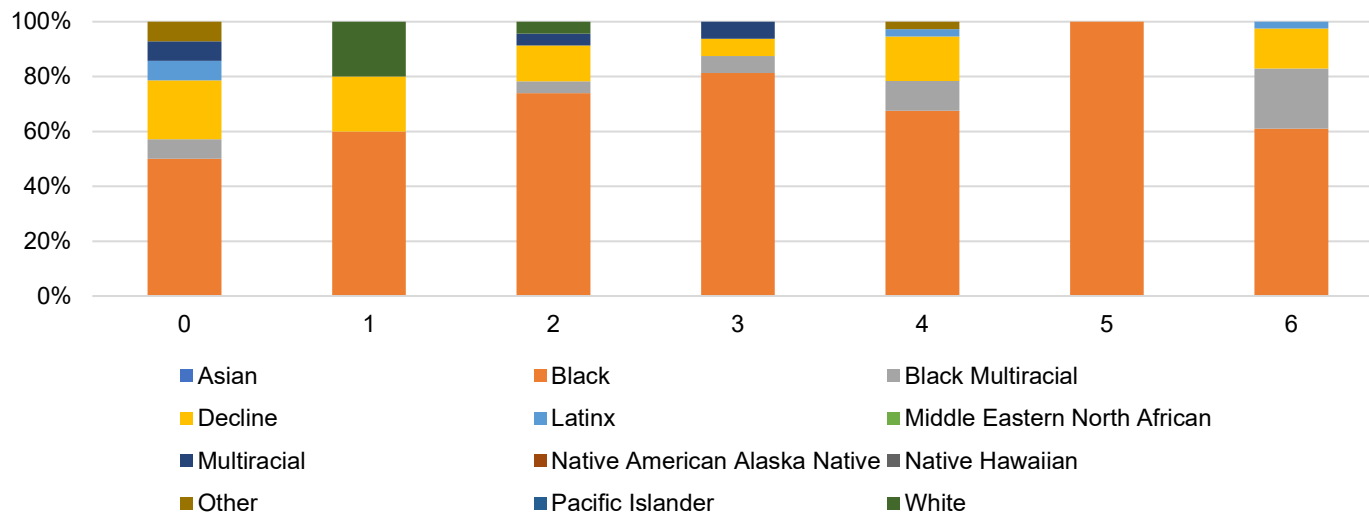
PHB opened the preference policy waiting list to facilitate the lease up of three affordable housing buildings, Songbird, Renaissance Commons and King+Parks. The round was opened in January, closed in March, and over 1700 applications were received. Restrictions due to COVID made verifying points a challenge for many applicants, as the locations/agencies that would normally have been available were not open to the public.

To date, the program has received over 5,155 applications from households interested in affordable housing opportunities in three homeownership and seven rental multifamily developments.

**2020 Preference Policy Applicants by Race and Preference Points**  
(*not claiming eminent domain status*)



**2020 Preference Policy Applicants by Race and Preference Points**  
(*claiming eminent domain status*)



# Summary

- Maximum indebtedness – In Fall of 2017 the OC was made aware that all rental development funds had been allocated to projects, and additional funding could be available through the process of maximizing indebtedness for the district. The committee supported moving forward with the investigation of the possibility to increase available funds through this process. Prosper Portland and Portland Housing Bureau gave several briefings to the OC which led the committee to provide an official recommendation in support of maximizing indebtedness to Prosper Portland's Board in January 2020. The committee thanks all the jurisdictional partners who supported this effort, specifically Multnomah County, Portland Public Schools and Metro, and City Council approving this effort in January of this year.
- 5020 not going forward – A combination of mitigating elements that created the perfect storm that impacted the project's progress: financing, HOA fees, COVID, and lack of interest by preference policy purchasers. In September PHB and Proud Ground made the difficult decision to cancel the project. We want to thank Proud Ground and their project partners for all the work and effort that went into creating the project.
- There is an ongoing need and desire for affordable housing units in NE Portland, 1700+ people applied for the preference policy in 2020 to take advantage of the opportunity to live in North and Northeast Portland. This demonstrates strong desire for place and community. Necessity versus opportunity is the mitigating issue. When the opportunity is provided to move back or to stay in N/NE Portland, people will take it, and the preference policy provides that opportunity.
- We are aware of the need for broader geographical placement of projects, there is a concentration of affordable housing projects on MLK. Affordable housing should be woven into the entire fabric of the community, not just isolated to a specific street or zone.
- There have been leasing challenges of the two of the three new buildings utilizing the preference policy. The committee has concerns about the lack of culturally specific staff working in the leasing office, it should not have been surprising to them about what the committee were asking of them. Although, COVID did have some impact on the delays in lease up, there were many other issues that compounded their ability to move people in. Our expectation is that partners understand that this is a community that has been traumatized over decades, that staff are trained on the history of this community and that wherever possible the first point of contact is from the BIPOC community.



# 2021 Opportunities

- Coordination of efforts - unlike any time in our history there is significant investment and concentration on what was the historic Albina neighborhood. The I-5 Rose Quarter expansion Project, the Williams and Russell Project, Albina Vision Trust, and the work of this Oversight Committee means that there are over One Billion dollars being released in this community. It is imperative to capture this incredible collaborative opportunity and to strategize for the generational advancement that this can leverage. It will require the coordination of many agencies and thoughtful leaders. But this moment cannot be missed. While we know that what was lost cannot be completely recovered, we must also acknowledge that we cannot miss this moment and cause further damage. My hope is to see each agency leader seize this responsibility and work for the legitimate good of the community that has been historically harmed.
- While the initial intent was to utilize the 5020 property for home ownership (as identified already), the hard work and preparation that went into the original plans now offer rental opportunity. The plans, renderings and time will not go wasted. 60 units of affordable rental housing will be developed at this location. Portland Housing Bureau staff have presented an initial plan for the funds that were allocated to the 5020-condo project. The committee supported the recommendation to utilize \$1.5 million for DPALs for families that are currently mortgage ready. We will continue to work with them on planning for the remaining dollars from that project.
- Dr. Lisa Bates and Dr. Ami Thurber received a \$250,000 grant from Robert Wood Johnson Foundation to continue and expand the evaluation of the North/Northeast Housing strategy's preference policy as a support to health and well-being, and racial justice. The funding includes resources to support community members both as participation incentives and for a group who will serve as project advisors. The importance of this work is that it creates opportunity to capture the significance of place for those who can take advantage of the preference policy.
- Community engagement and planning for the two land bank properties will be a focus of 2021 for the committee. The Strong family property on Alberta and the Carey Blvd property have the potential of creating community, creating new homeowners and potentially support for small business. We look forward to working with PHB on these planning processes.
- We, the Oversight Committee along with the housing bureau have requested a decision package of approximately \$300,000 to provide stable and ongoing funding for the administration of the preference policy. While we understand that the bureau has additional TIF resources at this time due to the increase approved through maximum indebtedness, TIF resources will be depleted with the completion of the three planned projects. The units will be regulated affordable for 99 years and require the preference policy to lease them. Additionally, we understand that the bureau has had to hire temps each year to administer the program, with permanent funding they could hire staff to work year round on this effort to support a community that has been devastated by gentrification and displacement. We ask that City council include this ask in the FY 21/22 budget.

## Conclusions

There is much to be celebrated and many people to be thanked. The work that took place in a pandemic is outstanding. Thanks to each person who put themselves at the risk of harm to take care of others. Your investment does not go without notice.

While it is appropriate to pause and praise, we cannot miss what remains in front of us. Maximized indebtedness offers the real and timely strategy to keep this work going. The number of families that have expressed desire to return to a space that has so much meaning is obvious. More affordable rental and ownership housing opportunities are necessary. Maximized indebtedness provides resources to continue to address this housing crisis, so that families are benefited for generations. Thank you, Portland City Council, Multnomah County Commissioners, Portland Housing Bureau, Prosper Portland, (any that I missed) for supporting Maximum Indebtedness of the Interstate TIF District.

Thank you, N/NE Oversight Committee members, PHB, City Council and all our community partners for your relentless effort. Our time continues to be limited; this moment won't last forever. Let us continue to do our best and to ensure that the "promises made will be promises kept."