

IMPACT STATEMENT

Legislation title: *Adopt and authorize the submission of the 2021-2025 Consolidated Plan and the FY 2021-22 Action Plan application for the Community Development Block Grant, HOME Investment Partnership, Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS Programs to the U.S. Department of Housing and Urban Development (Ordinance)

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Purpose of proposed legislation and background information:

Since 1995, the U.S. Department of Housing and Urban Development (HUD) has required a single consolidated submission for the planning and applications aspects of the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnerships, and Housing Opportunities for Persons with Aids (HOPWA) formula programs. The multi-year Consolidated Plan and annual Action Plans have replaced the Comprehensive Housing Affordability Strategy (CHAS), the HOME program description, the Community Development plan and the CDBG final statement, and the ESG and HOPWA applications.

The City of Portland is the lead agent for the Consolidated Plan Consortium, which also includes the City of Gresham and Multnomah County. In accordance with HUD regulations, the Consolidated Plan Consortium is required to submit a Consolidated Plan every five years as a condition of receiving four Federal formula grants: Community Development Block Grant, HOME Investment Partnership Grant, Emergency Solution Grant and Housing Opportunities for Persons with AIDS. The Consolidated Plan contains a snapshot of the community's housing and community development needs, identifies local priorities, and establishes the strategies each jurisdiction will use to address those priority needs. The Consolidated Plan also includes five-year numeric goals; each jurisdiction will be expected to measure its progress against those goals in the Consolidated Annual Performance Report (CAPER) filed in the fall. The 2021-2025 Consolidated Plan will be the sixth five-year plan. Consortium members also submit an annual Action Plan; FY 2021-2025 is included with this 2021-2025 Consolidated Plan.

HUD regulations also require each Consortium receiving federal housing and community development funds to certify that it is affirmatively furthering fair housing. This requirement is guided by the Affirmatively Furthering Fair Housing (AFFH) rule. In 2020, HUD reduced the AFFH to simply an ongoing commitment towards fair housing for entitlement jurisdictions. Reverting that in April 2021, HUD has released two interim rules: (1) restoration of AFFH and (2) reinstatement of the disparate impact rule. These rules will determine the nature of required update to Fair Housing Assessment and/or Analysis of Impediment (AI). For the Con Plan 2021-25, as per requirement, the Portland Consortium is certifying a commitment to furthering fair housing. Till the time the fair housing assessment is updated, the 2011 AI that describes the barriers to fair housing choice, which remain today, and includes recommendations for actions to

address and eliminate them continues to remain the guiding document for affirmatively furthering fair housing. Most of these recommendations are addressed by programs funded in the FY 2021-2022 Action Plan.

The Consolidated Plan establishes local priorities, consistent with national objectives and priorities established by the US Department of Housing and Urban Development (HUD), to utilize funds allocated by CDBG, HOME, HOPWA and ESG programs. Over the five-year period covered by the 2021-2025 Consolidated Plan over \$75 million is expected to be available through these programs, including allocations and program income. Each of the federal funding sources have specific program requirements that restrict eligible actions and projects. The Consolidated Plan is required to be formatted to answer specific questions by HUD about how these federal funds will be spent. The federal program objectives and local housing goals to meet those objectives, are listed below.

- **CDBG Program Objectives:** Provide decent housing; Create suitable living environments; Expand economic opportunity
- **HOME Program Objectives:** Expand the supply of decent, safe, sanitary and affordable housing.
- **ESG Program Objective:** Reduce and prevent homelessness.
- **HOPWA Program Objective:** Provide housing for persons with HIV/AIDS.

Summary of the objectives and outcomes identified in the Consolidated Plan

As determined in the Needs Assessment and Market Analysis included in this plan, the three broad needs and goals identified are described below:

CONSORTIUM NEEDS	ASSOCIATED GOALS
<p>1. Affordable housing choice:</p> <p>The community needs safe housing, in good condition for all residents. Projects accomplishing this goal include home repair, down payment assistance, new housing development support, affordable housing development, rental housing rehabilitation and permanent supportive housing.</p>	<p>1. Increase and preserve affordable housing choice in ways that promote racial equity</p>

<p>2. Basic services & homeless prevention/intervention:</p> <p>There is a pressing need in the community to prevent and reduce homelessness and increasing stability for all residents. Projects accomplishing this goal include interventions across a broad spectrum, such as: supportive and emergency services, transitional housing, shelters, homelessness prevention through service interventions, Housing First models, Fair Housing enforcement and education, cultural and population appropriate program delivery and activities to increase self-sufficiency, e.g., job training, employment readiness and education.</p>	<p>2. Reduce and prevent homelessness in ways that can mitigate overrepresentation of BIPOC communities</p>
<p>3. Community and economic development:</p> <p>The community needs improvements to area infrastructure, facilities, economic opportunities, and economic development. Programs to improve employment outcomes and household economic stability include employment training, referral and self-sufficiency and economic enhancement programs. Projects will also support micro-enterprises and business development, as well as, public facilities, parks, and transportation improvements.</p>	<p>3. Improve livability through Infrastructure, employment, and anti-poverty strategies</p>

Financial and budgetary impacts:

This Five-Year Consolidated Plan will bring approximately \$15 million dollars in federal grant resources annually for housing, homelessness prevention and community economic development. The Consolidated Plan identifies three investment goals for federal funds. These three goals are:

- 1) Affordable housing choice (Need); Increase and preserve affordable housing choice (Goal)
- 2) Basic services & homeless prevention/intervention (Need); Reduce and prevent homelessness, including mitigating the overrepresentation of Black, Indigenous, and People of Color experiencing housing instability (Goal)
- 3) Community and economic development (Need); Improve livability and promote economic development in low and moderate-income areas by investing in community infrastructure, employment training and anti-poverty strategies for area resident (Goal)

Grant	Amount	Entitlement Area
Community Development Block Grant	\$8,672,468	City of Portland
HOME Investment Partnership Program	\$3,743,539	Portland HOME Consortium
Emergency /Solutions Grant	\$745,056	City of Portland
Housing Opportunities for Persons with AIDS	\$1,797,490	City of Portland for EMSA (Clackamas, Clark, Columbia, Multnomah, Skamania, Washington, and Yamhill Counties)

Matching funds estimated to equal \$1,001,236.75 are required for the HOME program. The members of the HOME consortium will each contribute their *pro rata* share of match. Key sources of match are expected to include local Tax Increment funds; local General Funds; grant funds from the State Housing Trust Fund, value of below market financing using the Oregon Affordable Housing Tax Credit; value of donated property and donated labor; the value of property tax exemptions for low- and moderate-income home ownership properties developed in distressed neighborhoods; the value of property tax exemptions for low- and moderate-income rental housing owned by charitable non-profits and rented to income-qualified tenants; the value of property tax exemptions for low- and moderate-income housing developed under the New Multi-Unit Housing program; the value of building permit fee waivers and system development charge waivers; and the value of contributions from charitable and corporate sources. Although General Fund match may be available, federal regulations do not require a General Fund match for the HOME grant.

Dollar-for-dollar matching funds are required for the ESG program. The source of the \$745,056 match is expected to be General Fund allocated in the Portland Housing Bureau budget to Housing Access & Stabilization programs benefitting people experiencing homelessness.

Community impacts and community involvement:

This Consolidated Plan was prepared in the midst of an ongoing Pandemic. Consequently, the Consortium has relayed on virtual hearings and on-line surveys for soliciting public comments. Additionally, the Consortium makes available around the year ‘Comment Card’ to submit comments. Further, the comment card was translated into four different safe harbor languages: Spanish, Simplified Chinese, Russian and Vietnamese based on the Consortium language access guidance.

Similarly, the Consortium has relayed on over the phone consultations, inputs from multiple task forces convened to address the needs created by the public health emergencies and a tailored “Consultant Survey”.

In addition to the survey opportunities, the Consortium held a virtual Zoom Hearing in Fall 2020 for Needs Assessment and another similar virtual Zoom Hearing in late Spring 2021 to share the highlights from the Consolidated Plan and Action Plan. Community residents also get an opportunity to offer comments at the respective City Council Hearings for Gresham and Portland and at the Oversight Board for Multnomah County.

The meetings were advertised in widely circulating dailies and through the EMMA email blast. Draft plans were made available online and along with option to avail paper version upon request.

Calendar of events for 5-year Consolidated Plan:

ACTIVITY	DATE
Fall Community Needs Hearing (Portland)	Nov 10, 2020
Fall Community Needs Hearing (Gresham & Multnomah County)	Nov 17, 2020
Community Survey	November 2020 – May 2021
Service Providers Survey	April 2021
Publication of Draft	May 3, 2021
City of Gresham Hearing (Community Development & Housing Subcommittee)	May 3, 2021
Multnomah County Hearing (CDBG Policy Advisory Board)	May 5, 2021

City of Portland Consolidated Plan Hearing	May 25, 2021
City of Gresham Council	June 1, 2021
City of Portland Council	June 23, 2021

This Con Plan & Action Plan respond to testimony regarding the need to protect the interests of renters, especially low-income renters, renters of color and all other protected class groups. The majority of public comments have been about hardships imposed by the public health emergency, the plight of the population experiencing homelessness, continued lack of affordable housing options of all types and in all locations throughout Multnomah County. As an expression of the focus on racial disparities across the nation and in the Portland Metro area, residents have brought up exacerbated inequities experienced by the BIPOC population.

A summary of comments received thus far includes: eviction risk, economic instability, decreasing supply of homes for sale, increasing rents, housing discrimination, scarcity of living wage jobs and lack of financial support for small businesses. Displacement risk for low-income residents to area with fewer amenities continues to be a problem. As another impact of the COVID 19 Pandemic, area residents also noted a spike in mental health services needed, as the pandemic has negatively impacted community members' mental health, especially children and teens struggling with distance learning. Strategies suggested included culturally specific housing services tailored to the needs of these populations, reducing screening barriers, and increasing household incomes.

The public involvement process is contained in the Citizen Participation Plan (CPP) and is a part of the 2021-2025 Consolidated Plan and included as an exhibit with the relevant ordinance. The public participation process for this Con Plan/Action Plan follows the CPP guidelines and the HUD HOME and CDBG waivers regarding public participation.

Other Government Participation

Government partners and stakeholders solicited in the creation of this plan emphasized the need for housing and services that will serve the low-income households in the jurisdiction and also emphasized the need to serve the needs of the population experiencing homelessness. Serving the needs of populations with added vulnerabilities such as physical or mental health problems, age, children, race, sex, gender, domestic violence, ethnicity and immigration status was also brought up. Partner agencies also noted how health, housing and household prosperity and stability are interrelated.

Staff also consulted local reports describing community and economic needs.

A number of plans were consulted in the preparation of this Consolidated Plan reflecting policies, needs or significant research, those include:

- American Community Survey 2015-2019
- Census Bureau Reports for 2015-2019
- City of Portland Comprehensive Plan 2035
- Consortium Analysis of Impediments to Fair Housing Choice 2011
- Consortium A Home for Everyone
- City of Portland State of Housing Report (2019)
- Portland Point in Time Count 2019
- Multnomah County; A Home for Everyone, A United Community Plan
- Multnomah County Climate Action Plan (2019)
- Multnomah Food Action Plan (2010-2015)
- City of Gresham Comprehensive Plan
- Gresham Point in Time Count 2019
- Home Forward Moving to Work Plan
- Multnomah County Capital Improvement Plan
- Multnomah County Coalition of Communities of Color Unsettling Profile Reports
- Metro Opportunities and Challenges for Equitable Housing
- 2019 Poverty in Multnomah County Report
- City of Gresham Parks & Recreation, Trails and Natural Areas Master Plan
- Gresham Neighborhood Change Analysis
- Multnomah county Comprehensive Gang Assessment
- Multnomah County Strategic Plan to Address Gang Violence
- City of Gresham Capital Improvement Program
- Gresham Powell-Division Transit and Development Project Action Plan
- Gresham Active Transportation Plan
- Poverty in Multnomah County (2019)
- Map Gresham: Opportunity Analysis
- City of Gresham Housing Study
- Gresham 2020 & 2021 Council Work Plans
- Gresham Task Force on Housing Final Report
- Gresham Housing Capacity Analysis for 2021-41 (draft)

100% Renewable Goal:

This action does not directly contribute to the City's Goal of meeting 100 percent of the community-wide energy needs with renewable energy by 2050. But the action does support the established city goal in the following ways:

- This action should contribute to decreases in community energy use due to our investments in energy efficiency services for low-income households.

- PHB has a green building policy that requires PHB owned properties or developments with over 10% of PHB financing to meet net zero energy goals by 2050. These policies apply to all sources of funding including federal funds.

Budgetary Impact Worksheet

Does this action change appropriations?

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