

Parkrose Community Plan

Recommended Affordable Housing and Anti-Displacement Solutions

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Parkrose Housing Community Working Group Members:

Safiyya Algellal – Homeless Coordinator Parkrose School District

CaShawn Edwards - Parkrose neighbor

Andre Goodlow- Parkrose High School Asst Principal

James Lee – Parkrose School District Alum, Community Development Partners

JR Lilly- Historic Parkrose NPI Board Member

Danell Norby- Parkrose neighbor, Portland Housing Bureau

Andrea Pastor - Historic Parkrose NPI Board

Pete Pham - Historic Parkrose NPI Board

Paul Tabron Jr.- Parkrose neighbor, Elevate

Seile Tekle- Historic Parkrose NPI Executive Director

Staff: Dwight Jefferson (Bureau of Planning & Sustainability- BPS), Leslie Lum (BPS), Bill Cunningham (BPS), Angie Martinez (BPS), Seile Tekle, Jamila Dozier – Portland Housing Bureau

INTRODUCTION

The Parkrose Community Plan grew out of concern of the continued displacement of Black and Brown families living in Parkrose. Parkrose School District officials were alarmed with the dramatic drop in student enrollment as Parkrose became the first area in East Portland with noticeable decreases in communities of color.

The Housing and Anti-Displacement Community Working Group (CWG) focused on the topic of housing affordability and residential displacement in the Parkrose project area. The first two Housing CWG meetings focused on identifying housing-related issues in Parkrose and potential solutions to those problems. This document highlights community needs and community-led solutions to increase housing stability and prevent or mitigate displacement in the Parkrose project area.



THE BUREAU OF
**PLANNING &
SUSTAINABILITY**

The Recommended Solutions section of this document presents the CWG’s recommendations on solutions and actions to address issues and opportunities identified by the community, as revised by the Community Decision Team on December 13, 2021. This section also identifies issues related to implementation and identifies who may benefit or be burdened by these solutions in order to inform the CWG’s consideration of the solutions.

Housing in Parkrose is becoming more expensive as higher income households move into the neighborhood. In Parkrose, fewer households report being housing cost burdened while single family home prices rise. Over the last decade the median sale price of single-family homes rose faster and more significantly in Parkrose than in Portland as a whole. At the same time, the percentage of renters residing in single-family homes in the community declined significantly, highlighting a decrease in opportunities for larger renter households to occupy units suitable for families. These trends confirm the need for more family-sized and affordable housing expressed by Parkrose residents through the project’s workshop, survey, and work group events and activities, and outlined in this solutions document.

COMMUNITY INPUT

Community Working Group - Issues and Opportunities

- Displacement of residents is a key issue. 7% of the Parkrose School District student population is homeless – highest rate of homelessness in any school district in Multnomah County.
- There are only 55 regulated affordable housing units in Parkrose and all are Section 8 Public Housing, which leaves the future of affordable housing in the area vulnerable to market forces.
- Parkrose is not located in one of the City’s designated Tax Increment Financing (TIF) districts. TIF is a tool used in some other parts of Portland to foster development, including affordable housing.
- Size of properties in the area could also be an issue, as developers tend to want larger sites for economies of scale.
- Neighbors feel like they are stuck where they are because rents are too high elsewhere, especially if they need a larger unit that is affordable.
- The area has been losing single-family houses that have affordable rents, while apartment units are often not big enough for families.

- Families want to be stable and not keep moving. They want a place where they can stay longer and that is adaptable to their changing needs. Rent to Own option would be good, like New Columbia.
- Needs to be a mix of housing choices, including affordable family housing. Need to make sure that regulated affordable housing includes family-sized units. Engage with the community more about their housing needs and desired features, such as parking.

Community Open House Survey Input

- Decreasing housing affordability, rising rents were the most frequently raised issues, although many indicated that relatively affordable housing was a reason for moving to Parkrose.
- Need more affordable rental housing – vacant properties on Sandy could be developed as affordable housing.
- Need rent caps, rental assistance
- Improve conditions of rentals without displacing residents
- Need community land trust model for affordability
- Need financing/education on ADUs as a housing option
- Publicize resources that assist residents
- Need apartments with adequate parking

RECOMMENDED IMPLEMENTATION SOLUTIONS

The following are solutions and actions the Parkrose Housing Community Working Group recommended to be included in the Parkrose Community Plan, as revised by the Community Decision Team on December 13, 2021.

1. Partner with Community Development Corporations (CDC) and Community Development Financial Institutions (CDFI) to fund, construct, and preserve affordable housing within Parkrose

Actions:

- A. Advocate for working partnerships with CDCs and CDFIs to create programs and opportunities to fund, construct, and preserve affordable housing within Parkrose.
- B. Create or partner with a CDC and/or CDFI to Develop a Community Land Trust (CLT) to preserve affordable housing and create homeownership opportunities.

Issue(s) addressed: The need for more affordable housing in Parkrose. The creation of more affordable rental and homeownership opportunities in the community. CLTs can work to prevent economic displacement through affordable housing development; foreclosure prevention; and community capacity-building.

Feasibility/Barriers: This tool is feasible, but is dependent on participation of affordable housing developers/CDCs and a strong interest from a neighborhood organization to focus on affordable real estate development. Proud Ground's Catalytic Land Cohort have highlighted the need for CLTs in Portland, and the real possibility of creating one. However, existing community development organizations have expressed concern that a shortfall in available capital has hampered private development of affordable housing.

Benefits and Burdens: This strategy would be an attempt at mitigating displacement that is already occurring. This tool addresses economic displacement (affordable housing development; foreclosure prevention); and presents a significant community capacity-building function. For participants, such programs may mitigate effects of housing market forces that spark displacement through higher housing costs by providing a financial buffer for building renovations, eviction prevention, and mortgage financing.

Priority: High

2. Preserve existing market rate affordable housing

Actions:

- A. Research and identify apartment buildings with rents that already accommodate low income families.
- B. Advocate for PHB to offer financial support for acquisition or rehabilitation of small rental projects, in exchange for commitments to retain affordability of units.
- C. Work with community organizations to acquire larger apartment complexes for purchase and management in an affordable rental housing program.

Issue(s) addressed: Preservation of unregulated or naturally occurring affordable housing presents an opportunity to keep existing affordable housing in stock. Depending on their condition, older buildings can be a less expensive way of providing affordable housing units compared to new construction.

Feasibility/Barriers: The limited capacity of community organizations to purchase properties and manage an affordable housing program is a barrier. The length of time to create a partnership and create a program paradigm is a barrier to being an immediate

solution. Feasibility also depends on a building's condition which determines the cost effectiveness of acquisition, renovation, and use.

Benefits and Burdens: Preserving existing affordable housing is a direct benefit to the community. City priority for resources.

Priority: High

3. Catalog and target underutilized or vacant land for affordable housing

Actions:

- A. Identify property/land that can be (re)developed to create more affordable housing units.
- B. Identify and provide technical assistance and support to faith institutions interested in pursuing affordable housing development on their land.
- C. Work with Metro and PHB to create a publicly owned land inventory and develop criteria for purchasing sites, if necessary.
- D. Engage CDCs and find areas to develop affordable housing using Residential Infill Project allowances to ensure that R5 and R7 lots in Parkrose can have significantly higher development, particularly using the deeper affordability bonus.

Issue(s) addressed: Could help address barriers to affordable housing development presented by high land costs and limited opportunities for large sites that allow multi-family housing. Underutilized or vacant land, including such land on school district property, zoned as single family may be zoned for affordable multi-family housing.

Feasibility/Barriers: Developing a land inventory is a low-lift action and would be a good resource for lobbying land owners and potential affordable housing developers. The Parkrose School District may already have plans for use or development of undeveloped land it owns. There is a deficit of large undeveloped parcels in Parkrose. Land acquisition and development is dependent on willing partners (school district, faith institutions, governmental agencies) and limited funding.

Benefits and Burdens: Identifying, acquiring and developing land for affordable housing would contribute to community stability and benefit lower-income residents.

Priority: High

4. Build more affordable housing near transit

Action: Advocate to the Oregon Department of Transportation (ODOT) and TriMet for developing the parking lots and available land near the Parkrose Transit Center for affordable housing.

Issue(s) addressed: More affordable housing. Affordable housing with options for mobility. Housing opportunities for houseless individuals and families.

Feasibility/Barriers: Convincing ODOT and TriMet to build affordable housing on the land instead of market rate development is a significant barrier. Metro has a small pool of resources dedicated to Transit Oriented Development, but a lack of available funding is a barrier. Could work, but the action is a heavy lift on its own.

Benefits and Burdens: This is a direct benefit to Parkrose and the city, by locating affordable housing next to transit.

Priority: High

5. Fund an Affordable Housing Project Manager in Parkrose

Action: Obtain funding for a Parkrose Affordable Housing Project Manager who will:

- Work to increase the desirability of Parkrose to affordable housing developers.
- Create a hub for affordable housing resources, including:
 - a. Maintaining catalogue of underutilized and vacant land for development
 - b. Maintaining a list of affordable housing funding sources available in the area.
Some of potential sources of funding include PCEF, MMT, Metro TOD, OHCS.
- Establish and maintain relationships with local jurisdictions, non-profits and developers.
- Advocate for Parkrose to become an Urban Renewal Area, if there is community interest in this as a means for fund affordable housing.

Issue(s) Addressed: Parkrose needs institutional knowledge of its affordable housing needs and strategies to address them. A dedicated advocate for resources and relationships with public and private partners.

Feasibility/Barriers: Funding sources may be intermittent.

Benefits and Burdens: Parkrose will have a coordinated and dedicated approach to understanding and fulfilling its affordable housing needs.

Priority: High

6. Advocate for regulations and other actions protecting renters of color

Actions:

- A. Partner with renters' and community rights coalitions (such as Community Alliance of Tenants and Anti-Displacement PDX, Community Alliance of Tenants, or Portland Tenants United) to press for housing policy changes to protect and benefit renters of color, such as:
 - Changing laws to strengthen rent control and rent stabilization
 - Prevent renter harassment by landlords
 - Prohibit discrimination against people with criminal records
 - Limit move-in fees and deposits
 - Provide tax credits to low-income renters
 - Permanent ownership of public right of way for affordable housing development and/or community land banking
- B. Advocate for PBH to continue to obtain and distribute rent assistance funds to mitigate and prevent evictions.
- C. Advocate for HPR to connect landlords and tenants to Mediation Services to help bridge conversation and working relationships.
- D. Advocate for Eviction Legal Assistance.
- E. Connect residents to PHB foreclosure prevention funds, home buying resources, home repair programs, and other programs to help stabilize families of color in Parkrose.

Issue(s) Addressed: Renters of color have been targeted by neighbors and landlords using legal processes to create hostile relationships and legal debts leading to evictions. Lower-income residents will be relieved of unnecessary burdensome costs from penalties and legal services.

Feasibility/Barriers: Changing regulations and laws is not guaranteed. The legal and political processes may present unforeseen barriers and challenges.

Benefits/Burdens: Parkrose will benefit from a community-led approach to protection of renters of color in its community. Renters of color will have increased access to housing in the city. Lower-income renters will be able to secure housing more easily.

Priority: High

7. Support locating a homeless shelter in Parkrose to provide a safe option for the area's houseless people.

Actions:

- A. Work with community partners to locate a shelter for houseless people in Parkrose, prioritizing arrangements that can serve to provide safe options for the area’s houseless population.
- B. If implemented, work to incorporate supportive services into the homeless shelter program.
- C. Advocate for preference criteria for the homeless population in Parkrose, and for direct referrals with agencies, such as Central City Concern, that have facilities in the area.
- D. If implemented, work on partnerships with homeless assistance and shelter-related agencies to ensure their services are available to the Parkrose community.

Issue(s) addressed: Helps address the area’s houseless crisis, which includes concentrations of houseless encampments north of Sandy Boulevard and along the Columbia River. This should be considered a temporary solution, as longer-term solutions include actions to provide permanent housing and to keep people in their homes.

Feasibility/Barriers: Requires substantial resources for acquiring, improving, and managing a shelter. Older motels along Sandy Boulevard could provide relatively low-cost opportunities for conversion to a shelter.

Benefits and Burdens: Benefits houseless people, although a shelter may not necessarily benefit houseless people living in Parkrose unless there is a preference policy.

Community Comments: Note here to add is an advocate for direct referrals and prioritizing those unhoused or experiencing houselessness from Parkrose with agencies such as CCC who have facilities in the area.). Build strong outreach partnerships with those agencies to make sure their services are accessible in the community.

Priority: High

8. Explore creating a Parkrose Urban Renewal Area to provide funds for affordable housing and green jobs

Action: Undertake community-led conversations with organizations working with low-income Black and brown Parkrose residents (such as Historic Parkrose, Elevate Oregon, Your Street Your Voice--Camp ELSO, Parkrose School District) to discuss past impacts of urban renewal, if urban renewal should be employed again, and if so, what measures to take to ensure it doesn’t cause more displacement. This should also be conducted with residents. Besides funding affordable housing, any urban renewal funding should also provide funding for sustainable economic development investments that focus on living wage jobs in the Columbia Corridor employment district, with a strong emphasis on green jobs and innovation.

Issue(s) addressed: Very little regulated affordable housing units currently exist in Parkrose. Lower-income residents need more options for housing

Feasibility/Barriers: Feasibility will need further research and community discussion. Many community members considering the value of a new URA have expressed that the funds should only go toward affordable housing.

Benefits and Burdens: Could be a great resource of funding for affordable housing and other development desired by the community, but need to be careful as URAs in the past have caused displacement.

Priority: High

9. Work with BDS to elevate its efforts to change code enforcement approaches to avoid displacement of low-income people of color who are homeowners

Actions:

- A. Advocate for changing code compliance approaches to avoid using fines and property liens that can result in displacement of low-income people of color who are homeowners.
- B. Work with HPR staff to connect residents and business owners with resources if they encounter problems at BDS.
- C. Work with BDS to inform HPR staff of program resources available.
- D. Advocate for BDS to heighten program visibility and accessibility in Parkrose.

Issue(s) addressed: Elimination of code enforcement approaches that can lead to property liens against homeowners and potentially to displacement of low-income families of color from their properties.

Feasibility/Barriers: Changing regulations and laws is not guaranteed. The legal and political processes may present unforeseen barriers and challenges.

Benefits and Burdens: Vulnerable residents, especially BIPOC, will remain in their homes and neighborhoods of choice.

Community Comments: Add action items to work with BDS to inform HPR staff of BDS resources and to heighten program visibility and accessibility to Parkrose residents.

Priority: Medium

10. Partner with Community Development Corporations (CDC) and Community Development Financial Institutions (CDFI) to fund and acquire houses for homeownership opportunities for families

Actions:

- A. Advocate for working partnerships with CDCs and CDFIs to create programs and opportunities to purchase foreclosed homes to be made available to families in Parkrose.
- B. Explore development of “half a house” model with CDCs.

Issue(s) addressed: The need for more affordable home ownership opportunities in Parkrose. Families want to live in Parkrose and not be subject to displacement forces in the rental market. CLTs can work to prevent economic displacement through foreclosure prevention and creation of homeownership programs.

Feasibility/Barriers: This tool is feasible, as meetings with Proud Ground have highlighted the need for more opportunities for homeownership open to moderate income households.. However, existing community development organizations have expressed concern that the lack of coordination between the City and development organizations, and a shortfall in capital ready and available, have hampered private development of affordable housing.

Benefits and Burdens: This tool does not present a displacement risk, as it interjects a stabilizing factor and space into a community’s housing stock. This tool addresses economic displacement (affordable housing development; affordable housing development; foreclosure prevention); and presents a significant community capacity-building function.

Priority: Medium

11. Advocate to property owners and developers for the development of affordable housing units that meet family-size housing needs, including duplexes, triplexes, fourplexes, and ADUs

Actions:

- A. Support the ability of lower income homeowners of color to add ADUs by as a way to build housing and equity.
- B. Educate single family homeowners and the community on affordable housing development opportunities created by the Residential Infill Project.

Issue(s) addressed: Addresses need for more affordable housing options in the community. (Re)Development of currently underutilized residential properties in Parkrose may provide opportunities to develop more affordable housing. Provides opportunities for larger apartment or townhouse-type units that are needed for families.

Feasibility/Barriers: Will likely be difficult for lower-income homeowners to add units to their properties due to limited resources. Private developers preying on vulnerable homeowners to buy up properties to develop and flip them is a risk. Likely less of a priority for affordable housing developers to be involved in such development, compared to multi-dwelling zone sites, because there are a limited number of units that can be built with each property

Benefits and Burdens: This tool could be a benefit to the community as it addresses the need for more housing and the opportunity homeowners can play in stabilizing their community, but the direct benefit is primarily to property owners

Priority: Medium

12. Employ zoning tools that prioritize the preservation and creation of affordable housing, and provide community benefits

Actions – advocate for the following zoning code tools:

- A. Encourage preservation of existing affordable apartment buildings by not allowing replacement development to be any larger unless the majority of units will be affordable.
- B. Prioritize housing affordability as the way buildings can seek greater scale - not allowing buildings to get larger through bonuses or density transfers unless they are providing affordable units.
- C. Advocate for bonuses for providing daycare space and spaces for community meetings and events.

Action: Disallow upzoning to the larger mixed-use zones. Instead, keep the existing lower-scale zoning, with the only way of getting larger buildings through using multiple bonuses that provide affordable housing and community benefits.

Issue(s) addressed: Addresses the need for preserving existing affordable housing by reducing zoning allowances that could result in their redevelopment, and help ensure that new affordable housing is part of larger-scale development. Zoning code incentives could also encourage including services needed by area residents, such as daycare and community facilities.

Feasibility/Barriers: Similar tools are being employed across the country and in Portland, which demonstrates that such regulatory tools are feasible. Community has been demanding these types of solutions for many years. Attaching more requirements to new development could impact the economic feasibility of larger-scale projects in the near term, given that no

such projects have been built in the area in recent years, although feasibility will likely increase as the area becomes more attractive to development.

Benefits and Burdens: Would benefit lower-income renters and contribute to community stability by preserving or resulting in the creation of more affordable housing. Could burden developers by adding to the costs of future larger-scale development.

Priority: Low

Community Comments: May need to reconsider the importance of this if the housing market becomes more active and/or if an URA is implemented.

13. Include affordable housing in a range of sizes in the Rossi Farms Development

Actions:

- A. Advocate for the development of Rossi Farms to include affordable housing, especially larger family-sized units, given its proximity to schools and parks.
- B. Advocate for the City to include requirements for the development to build affordable housing as part of a public-private partnership.
- C. Propose a minimum level of affordability in which affordable units must be affordable to households earning no more than 60 percent of area median income (AMI) in exchange for the City contributing to building infrastructure, such as roads or sewer connections.

Issues Addressed: Respond to the neighborhood's need for affordable housing. Plan and develop affordable housing with the community's wants and needs at the forefront. Rossi Farms is one of the last large tracts of undeveloped land within Portland and provides a key opportunity for providing affordable housing that meets the needs of families in Parkrose and East Portland.

Feasibility/Barriers: Rossi Farms is currently seeking development partners, so there are opportunities for including an affordable housing developer as part of the development team. This is dependent on a willing property owner, as the City cannot require affordable housing as part of the development unless buildings are large enough to trigger inclusionary housing requirements, or if the City includes requirements as part of a public-private partnership created as part of the development (such as if the City were to contribute to building infrastructure).

Benefits and Burdens: Having affordable housing as part of the Rossi Farms development provides an opportunity to provide housing stability for future lower-income residents and contribute to community stability over the long term. Instituting a preference policy may

better directly benefit current Parkrose residents. Development of Rossi Farms would not directly displace Parkrose residents because it is currently vacant land, but could potentially increase nearby property values if successful and indirectly contribute to residential displacement.

Priority: Low