

Introduction

The Consolidated Plan 2011-2016 (Plan) is both a combined housing and community development plan and an application to the U.S. Department of Housing and Urban Development (HUD) for funds available to cities and counties under four formula grant programs. HUD allows these funds to be used to benefit low- and moderate-income people and neighborhoods, within specific priorities established by the local jurisdictions.

This Plan for 2011-2016 represents the fifth five-year cycle of coordinated planning that began with the Comprehensive Housing Affordability Strategies (CHAS) adopted in 1991 by the Portland Consortium. The members of the Portland Consortium are the City of Portland, the City of Gresham, and Multnomah County (representing the unincorporated portions and smaller cities within its boundaries).

HUD requires that the Portland Consortium establish priorities for the allocation of federal resources. Within each priority, the Portland Consortium has decided that programs should focus on populations with the greatest barriers.

DRAFT PRIORITIES FOR 2011-2016 CONSOLIDATED PLAN FOR MULTNOMAH COUNTY, GRESHAM AND PORTLAND

Priority 1: Increase the production and preservation of rental housing, with an emphasis on rental homes for households who face the greatest challenges finding housing in the private market.

- We will invest in programs that improve the quality of rental housing.
- We will invest in housing units that are affordable and accessible to people transitioning out of homelessness.
- We will promote fair and non-discriminatory access to quality affordable rental housing for all households in all neighborhoods throughout Multnomah County.
- We will work to align non-capital resources like Section 8, Continuum of Care and homeless service funding to the production of new housing units to support both the financial stability of the housing and the people calling the units home over the long haul.

Gresham-specific rental housing sub-priorities:

- Focus on rental homes affordable to households with incomes at or below 50% of the area's Median Family Income.
- Focus on housing senior citizens and special needs populations.

Portland-specific rental housing sub-priorities:

- Emphasize the production of deeply affordable units.
- Establish appropriate production targets for a range of housing affordable and desirable to Portland’s diverse population whose housing needs are not met by the private market, including our low-wage workforce.
- Develop geographic priorities for capital investment in housing to promote complementary goals of economic revitalization, prevention of residential displacement and sustainable communities.
- Manage existing housing assets to meet the community’s housing needs while conserving public resources.
- Work with community partners to leverage the family-wage construction jobs and other opportunities for economic participation created by housing production to advance PHB’s equity goals.

Priority 2: Invest in programs with a proven ability to transition people quickly and permanently from homelessness to housing and in programs that efficiently and sustainably prevent homelessness. Maintain a community safety net that provides short-term shelter, information and referral services to County residents facing homelessness or housing crisis.

- While we will maintain a basic safety net that includes shelter and services that provide a level of safety off the street , we will give a higher priority to investments that truly prevent or end homelessness. Over time, we believe investing in programs under this priority will reduce the need for shelters.
- Preventing homelessness through limited interventions like rent assistance, foreclosure and eviction prevention, and low-cost repairs to that make housing safe and accessible for low-income owners and renters, is cost-effective and makes sense.
- We will shift resources from less-focused, more costly programs to the strategies with a proven track record for efficiency and success.
- We will ensure that investments under this priority equitably benefit all communities experiencing homelessness or the threat of homelessness.
- We will maximize the availability of shelter to those most vulnerable to the debilitating effects of street homelessness.
- We will work to reduce time spent in shelter beds waiting for housing placement by better aligning programs like rental assistance that help move people into permanent housing.

- We will maintain a set of basic community services that provide low-cost, time sensitive information and referral so households facing homelessness, eviction or foreclosure can help themselves or find the help they need in the community.
- We will work to ensure that investments under this priority equitably benefit all communities experiencing homelessness or the threat of homelessness.

Priority 3: Invest in programs and strategies proven to assist low and moderate income families to sustainably purchase a home or retain a home they already own.

- We will promote fair and non-discriminatory access to quality affordable homeownership for all households in all neighborhoods throughout Multnomah County.

Portland-specific homeownership sub-priority:

- Focus investments on families from Portland’s communities of color to address the low rates of minority homeownership that have resulted from historic legal barriers and current institutional patterns and practices.
- Invest in programs that effectively prepare and position low and moderate income families of color to purchase and retain their homes in an effort to overcome historic gaps in homeownership rates while fully complying with the laws and regulations that further fair housing.
- Maximize the impact of investments in homeownership by focusing on strategies like limited down payment assistance and the community land trust model that fairly balance the level of public investment against the goals of assisting a greater number of households and ensuring that assisted families can sustain their ownership over time.
- Focus investments on cost-effective programs that are effective in helping existing low-income minority homeowners maintain the health and safety of their homes.

Priority 4: Invest in comprehensive, evidence-based programs that assist adults and youth to improve their economic condition by increasing their incomes and assets.

Priority 5 (Gresham only): Invest in community infrastructure development and redevelopment in low and moderate income neighborhoods to safeguard public health, improve livability and promote economic development.

Priority 6 (Gresham only): Increase economic opportunities through redevelopment and job-creation activities.

MONITORING

Some projects are funded by more than one jurisdiction. To reduce administration and monitoring, interagency agreements state that only one jurisdiction will manage a project, and management responsibilities will alternate between jurisdictions.

CITY OF PORTLAND: CDBG, ESG, HOME AND HOPWA

BHCD provides monitoring for CDBG, ESG, HOME and HOWPA-funded projects. Monitoring activities may include program performance, fiscal accountability, and regulatory compliance and may involve internal file review and/or on-site reviews. An objective of all internal file reviews and on-site reviews is to ensure that the City will meet the goals and objectives set forth in the Consolidated Plan. Program Managers select the projects to be site-monitored for program performance and regulatory compliance based on completion of internal file reviews. Program Managers work with fiscal staff to determine which projects will also receive a fiscal review. Generally, projects which receive large amounts of City funding, projects which are administered by unsophisticated or inexperienced organizations, projects which appear to be having difficulties in meeting contract or program requirements, and projects which require more intensive technical assistance receive priority in establishing a monitoring schedule. Additionally, BHCD has a Compliance Officer to oversee development and administration of compliance systems, including monitoring and providing technical assistance to contract managers as needed.

Internal file review consists of completion of the Risk Assessment and Desk Monitoring checklists, as well as reviews of invoices and progress reports submitted, external audits, and other materials submitted by the contracting agency to determine that the project is on schedule, fiscally accountable, and complying with contractual requirements and regulations. On-site reviews can include any or all of the following: program file and systems review at the contractor

facility (e.g., income verification forms and process for collecting information); visiting sites where the activity is being carried out (e.g., a house under construction or the operation of a public service activity) or has been completed (in the case of property improvements); interviewing participants and clients as well as agency staff; and fiscal file and systems review.

HOME

All HOME projects are monitored by the City's subrecipients for compliance with all HOME requirements, e.g., long-term compliance with housing codes and affordability requirements. Monitoring is performed on a regular schedule at the intervals required by HOME regulations.

MULTNOMAH COUNTY

Multnomah County provides monitoring for CDBG projects that involves internal files review and on-site reviews to ensure that subrecipients comply with regulations governing their administrative, financial and programmatic operation and to ensure that the County achieves the goals and objectives of the Consolidated Plan.

Multnomah County, together with the City of Gresham, conducts an application workshop for prospective applicants at the beginning of the application period. Applicants are encouraged to meet with, and/or communicate with staff with any questions as they work through their application.

The County performs on-site monitoring of active CDBG-funded projects annually. Monitoring activities may include program performance, fiscal accountability and regulatory compliance. Effort is made to perform on-site reviews in conjunction with other funding agencies to avoid duplication and reduce burden on project sponsors. A letter is sent to the project manager summarizing the results and review and any follow-up action necessary.

Staff provides upfront guidance on projects involving contractors/subcontractors. Guidance and technical assistance is given on Davis-Bacon and other related compliance issues.

Public contracts for CDBG funds require that subrecipients submit quarterly activity reports on progress toward achieving contractual compliance.

Multnomah County has transferred the administration and monitoring of HOME projects to the City of Portland, the participating jurisdiction of the HOME consortium. HOME project applications are

reviewed in cooperation with other funding agencies to avoid duplication and reduce the burden on project sponsors.

CITY OF GRESHAM

Monitoring is an ongoing part of project management for the City of Gresham. The elements of Gresham's project management system include the following:

- The City provides a significant amount of information about relevant regulations in the funding application materials. While this information would not be sufficient for an applicant unfamiliar with the regulations, it does serve as a reminder to those who have some familiarity with CDBG and HOME funds of the program and other requirements that they will have to meet if funded.
- The City also conducts an application workshop for all prospective applicants at the beginning of the application period to familiarize the applicants with the regulations and requirements associated with the CDBG and HOME programs.
- Applicants are encouraged to meet with City staff to review the federal regulations and to answer any questions the applicants may have concerning the application process. This is an opportunity to assist applicants in shaping their projects in a manner that conforms to HUD guidelines.
- City staff reviews written applications to ensure general compliance with federal regulations at this initial stage in the application process.
- After extensive review by City staff, Community Development and Housing Committee (CDHC) members, and a Technical Advisory Group if an application is approved, Gresham staff informally assesses the background of the applicant and the complexity of the project and determines how best to proceed with formalizing a contractual agreement. If the applicant is receiving funds for a service or project that they have completed successfully in a previous year, staff may simply send out a renewal contract with instructions on how to process it. If it is a new project of some complexity with a new partner, then staff may prepare checklists and have multiple meetings to ensure that the project is developed appropriately. Gresham staff provides considerable "up front" guidance on Davis Bacon, Uniform Relocation Act, Lead Paint and other related compliance issues.

- All contracts include provisions for providing written reports to the City on a regular basis. The City reviews these reports as they arrive. If they are not arriving on the prescribed basis, the City will contact the partner and request that the reports be provided. Significant delays in reporting may result in the City delaying payment of invoices until the required reports are provided.

At least once during the year, the City sponsors an informal meeting for all public service and housing service providers to better coordinate services among agencies and to provide an informal forum for discussing any mutual interests or concerns. Typically, part of the meeting is spent discussing contractual requirements, such as potential revisions to the reporting forms. For all housing projects in which the City provides funding for construction, the City assigns a building inspector to monitor the progress of the project in the field and to review all invoices for payment. Community Revitalization staff continues to monitor progress as well. This provides an additional level of project oversight by an individual with construction knowledge.

The City of Gresham undertakes on-site monitoring of a sample of projects completed in a particular year. There are four parts to the review:

- Program compliance
- Project achievements
- Financial and grant management systems (by the City's financial staff)
- Regulatory compliance

A letter summarizing the results of the review and additional follow-up action, if any, is sent to the project manager.

Gresham uses the following guidelines to determine which projects shall be reviewed each year:

- Public facilities and housing: Each public facility or housing project must be selected for an on-site monitoring visit during the year it is completed.
- Ongoing public services: Successful ongoing public service projects that submit current reports should have at least one on-site monitoring visit every two years if they receive more than \$25,000 in CDBG funding, or at least one on-site monitoring visit every three years if they receive \$25,000 or less in funding.
- Innovative (one-time-only funding) public services: Each innovative public service project should have an on-site monitoring visit as it receives one-time-only funding.

- Ongoing housing programs: Successful ongoing housing rehab programs with budgets in excess of \$20,000 that submit current reports should have at least one on-site monitoring visit every two years.
- Homeownership: As the City of Gresham carefully reviews every file that comes in for a loan under this program, additional monitoring is not required, as it is provided on a loan-by-loan basis.

The City of Gresham has also initiated a process of monitoring HOME-funded projects on an ongoing basis. The City attempts to coordinate its review with other funding agencies so as to avoid duplication of effort and to reduce the burden on the project sponsor.