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CITY OF  
**PORTLAND, OREGON**  
PORTLAND HOUSING BUREAU

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DATE: April 30, 2010  
TO: PHB Staff  
COPY: Commissioner Nick Fish  
FROM: Margaret Van Vliet, Director  
SUBJECT: Status Report on Developing a PHB Equity Agenda

Development of an equity agenda is one of the single biggest priorities for the Portland Housing Bureau as we seek to increase our overall community impact and create home for Portlanders who are left out of private market options.

### **Why a focus on equity?**

We know without question that disparities persist in all measures of poverty and housing access. Communities of color are vastly over-represented in negative public institutions like the foster care and criminal justice systems, and are under-represented in employment, educational attainment and homeownership and housing stability.

Government policies dating back to the founding of the U.S. have systematically discriminated against non-whites in virtually every segment of society. And while local, state, and federal policies are less blatantly racist than they were historically, bias does remain – unintended though it may be – in many aspects of our public institutions.

PHB cannot on its own tackle the vast history and institutional and societal challenges that make it harder for communities of color to gain housing stability and the benefits of homeownership. But because housing plays such a central role in individuals' and families' abilities to thrive, it is imperative that PHB use its investments and its policy influence to intentionally reverse unhealthy trends that persist in the housing arena.

To that end, PHB staff and leadership have begun to consider establishment of goals, strategies, and supporting activities that could serve to re-direct funding sources and pursue specific equity-related outcomes through our contracting partners.

### **What we've done so far**

PHB's management team has devoted several hours to discussing the history of its predecessor organizations as they had worked to further economic prosperity, end chronic homelessness, close the minority homeownership gap, and generally expand the supply of affordable rental housing in Portland. In one half-day, facilitated retreat, these managers reviewed past efforts around equity, and discussed the variety of views and experiences

with the issue. They also brainstormed many goals and strategies they would like to see PHB pursue in connection with the emerging equity agenda and the new bureau generally.

Out of this work, efforts have been made to begin to sharpen some specific goals, and to examine strategies within our contracting and business relationships that could be employed to make better progress towards equitable housing investments. In the course of this work and discussions, the entire PHB staff has been engaged and invited to share their perspectives and ideas.

This work has been taking shape over approximately 90 days, and at this juncture, there is not clear consensus about what direction PHB should take next. Indeed, some important questions have emerged that require resolution and clarity from leadership. These questions include:

1. Can we set numeric goals for production within our program areas given our lack of confidence in existing baseline data to tell the complete story of people in poverty in our community, and some inconsistencies in our internal data about our past program outcomes?
2. Should our equity agenda focus on race and ethnicity, or should it address a broader array of under-served groups such as the disabled and the gay/lesbian/transgender communities?
3. What role – if any – should the city-directed Diversity Council play in shaping our equity agenda?
4. What role – if any – should the Executive Strategy Team play?
5. How do we want to state a definition of what we mean by “equity?”
6. At what point do we engage external partners in development of an equity agenda?
7. Which is more important to establish first: a measurable goal, or strategies for change?
8. How much change needs to take place within the next fiscal year? The next three and five years?
9. How will we know if we’re successful?
10. How will the community measure success?
11. Are we prepared to fund different groups, and to disappoint some long-time and powerful partners to achieve greater equity?

The nature of these questions indicates that PHB staff and management are taking the issue of creating an equity agenda very seriously. There is a genuine sense of opportunity within the organization that we can make inroads on the serious housing inequities that exist – and are getting in some ways worse – in Portland.

### **How to proceed**

As the director, I propose we take a few steps forward to begin to answer the identified questions, while leaving room for additional analysis to continue to inform our work. I want to underscore the need for solid data on measurable outcomes, as we take a closer look at examining the impact of our investments in the communities we serve.

First, I will convene a PHB council on diversity and equity that will report to me. This will be a small, cross-functional group of staff and managers who will take on development of a series of strategies, and be tasked with overseeing both cultural competence and diversity in the workplace, as well as development of goals and strategies for the investments we make in the community. Fairly quickly, this group will meet with a small

number of external partners to begin the process of seeking outside comment and perspective on the agenda development. Clearly, the group will need to coordinate with the Executive Strategy Team as it steers the PHB strategic planning process. I believe there is room for separate work groups and much coordination. In some respects, this new group will be on point for the short-term work of getting our equity agenda off the ground, and will help shape the overarching and defining agenda.

Second, I will assert that our focus for this agenda should be communities of color. I acknowledge that disparities exist among other communities of identity, particularly people with disabilities, seniors, LGBTQ, and other immigrant and refugee groups. We are working on focusing resources to further opportunities to address issues in housing access among *all people* living in poverty. However, adopting a special lens toward communities of color will help us sharpen our focus on bridging historic racial, ethnic and tribal gaps that continue in our communities today.

Third, I will charge the Executive Strategy Team and the program teams to use the Strategic Planning process to articulate clear goals and strategies to bring programs, outcome measures and PHB contracts into alignment with established and emerging equity goals. It only makes sense that the business and policy strategies that emerge from an intentional planning process incorporate a heavy emphasis on how our programs and business lines further or impede housing equity.

Fourth, I will establish two goals intended to advance the work “on the ground.” These aspirations do not constitute the “end goal” in our developing equity agenda. Rather, these goals serve as a starting point for our work moving forward. By establishing measurable outcomes, we are setting in motion a working process toward sharpening our focus on equitable programs and policies.

1. Construction projects financed by PHB will achieve 20% participation of M/W/ESB firms, with a particular focus on businesses owned by people of color.
  - a. 10-15% of direct construction costs (aka “hard costs”) will be allocated for work performed by minority-owned firms for PHB-sponsored project receiving more than \$200,000 and for PHB-owned construction contract greater than \$100,000.
  - b. Applies to both rehabilitation and new construction
  - c. Monitored in conjunction with City of Portland and PDC procurement processes
  - d. Additional goals for workforce participation to be established in next phase of equity agenda development
  - e. PHB will seek to increase technical and business support for minority contracting firms in the FY 2011-12 budget.
2. PHB’s contractors will increase by 50% the number of people of color assisted through both the Ending Homelessness Initiative and in all homeownership /Neighborhood Housing Programs in FY 2010-11.
  - a. Measured by the HMIS database and contract outcomes

- b. Includes all programs of EHI and the 10-Year Plan and for homeownership, all foreclosure, home repair and homebuyer programs
- c. May involve shifting resources to culturally-specific providers and amending some contract requirements

We have a great opportunity ahead of us to strengthen our work in helping families and individuals through the continuum of housing services. The directives outlined above are designed to help us get moving toward equitable outcomes, while we continue to engage both internal and external stakeholders in developing the bureau's longer-term equity agenda.

As you well know, we're beginning a strategic planning process that will engage the community and examine housing needs to address long-standing and emerging issues that require PHB's leadership and resources. An important component of this process is viewing our impact through an equity lens, as we work on enhancing our services and maximizing program outcomes by leveraging increasingly limited public funds.

I thank you all for your interest and engagement in the issues connected to equity and housing impact. I look forward to the continued bureau-wide discussions that will move us forward together.