

## IMPACT STATEMENT

**Legislation title:** Accept North/Northeast Neighborhood Housing Strategy

**Contact name:** Traci Manning, Director

**Contact phone:** 503.823.2380

**Presenter name:** Traci Manning, Director

### **Purpose of proposed legislation and background information:**

Mayor Hales with support of housing commissioner Dan Saltzman in March 2014 declared that \$20 million in Interstate Corridor Urban Renewal Area (ICURA) tax increment financing (TIF), should be focused on increasing the supply of affordable housing, in addition to the funds already dedicated to this purpose in the Affordable Housing Set-Aside. Council concurred in the approval of the 2014-15 budget.

The North/Northeast Neighborhood Housing Strategy (NNENHS) lays out a five year plan for investing those resources. Through the Strategy, PHB expects to help at least 200 homeowners stay in their homes. The Bureau also expects to build at least 100 new units and assist 40 families in purchasing homes. In addition, PHB plans to implement several policy and practice changes. These include a new policy which will give housing preference to families that previously lived in the area, but currently live elsewhere. The Bureau will also increase its goals for minority and women participation on its projects. The Bureau will also tackle a number of longer-term strategies.

### **Financial and budgetary impacts:**

The \$20M in ICURA TIF on which the NNENHS depends, had been identified in previous and current budget projections by the Portland Development Commission for use in its program and projects. Through Mayor Hales' action, these funds were made available to PHB and are in addition to the existing Affordable Housing Set-Aside. Because these funds were simply moved from PDC's budget to PHB's, no net change in the overall urban renewal area budget or forecast is expected.

Strategy implementation will be carried out through PHB's partners as well as in-house staff. Strategies in which partners will take the lead include: outreach and case management for individual homeowners, marketing and identification of potential homebuyers, development of multifamily rental buildings and homeownership units. PHB staff will lead and manage most of the Strategy's policy changes. They will also administer the Strategy's homeownership programs and manage and underwrite projects where new homes are developed or existing homes are rehabilitated. No change in PHB staffing is expected as a result of implementing the Strategy. Funding is part of the FY 2014-2015 Revised Budget and will also be part of the PHB FY 2015-2016 Requested Budget.

**Community impacts and community involvement:**

All households moving into rental units will earn 60% or less of median family income (MFI). All people receiving homeownership assistance will earn less than 80% MFI. The Strategy will include a particular focus on households and families that have lived in the area for many years or those who previously lived in the area who have moved out.

PHB could not have developed this Strategy without significant input from the community. To begin the Strategy development process, PHB asked a group of 9 prominent members of the community to provide advice on how to involve the community at large. This resulted in four forums held throughout the impacted geography and areas where the population had been displaced to at which over 450 people attended. In November, PHB published a summary of feedback received at the forums including nearly 350 separate ideas and suggestions. A number of additional comments were received through a dedicated email address or phone line for the project. On December 4, PHB sponsored a meeting of faith leaders from congregations serving residents in North/Northeast Portland; 15 attended. As the last public step in developing this Strategy, PHB asked a number of experts and community leaders to assist PHB staff in culling all the potential strategies. This group met on December 12<sup>th</sup>. Feedback about the process has been overwhelmingly positive with a number of people saying this has been one of the best of its kind they've experienced.

**Budgetary Impact Worksheet**

Does this action change appropriations?

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

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount