

SUBSTITUTE

1 8 7 9 7 3 As Amended

ORDINANCE NO.

*Extend the housing emergency declared by Ordinance 187371 to address increased homelessness, identify Council powers, specify one year duration, continue efforts to address housing affordability, and waive portions of the zoning code (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. Portland has grown by more than 80,000 people in 29,000 households since 2000, but housing supply has not come close to meeting the demand. The resulting low vacancy rates and price increases have been severe. Between 2006 and 2015 the Oregon Office of Economic Analysis estimated that the Portland housing market was under-built by approximately 23,000 units of housing - insufficient just to keep up with population growth.
2. Portland's continued population growth and ongoing economic recovery have had a significant impact on rental housing, resulting in a more than 30% increase in average rents over the last five years, consistently low vacancy rates between 2.6% and 3.2% over the last three years, and high occupancy rates above 96.5% for the last five years. As noted in the City's 2015 Report on the State of Housing in Portland, in the last year average rents across the City increased between 8-9%, or roughly \$100 per month. At the same time, low-wage workers have experienced a decrease in inflation-adjusted wages and a reduced ability to find adequate and affordable rental housing.
3. Despite the improving economy, a 2015 point-in-time count of homelessness in Portland and Multnomah County found that on any given night in Multnomah County, more than 1,887 people experience homelessness without even basic emergency shelter. They were found sleeping on the streets or in parks, cars, abandoned buildings, or other places not meant for human habitation.
4. More people are newly homeless - 33% of people who were unsheltered on the night of the 2015 point-in-time count reported being homeless for less than six months, a five percentage point increase over 2013. Moreover, the numbers of people using emergency shelter increased to 4,311 in FY 14-15 from 3,041 in FY13-14 – a 42% increase. In just the first three quarters of FY 2015-2016 that number jumped to over 5300. There continues to be an inadequate number of emergency shelters to accommodate the number of people experiencing homelessness.
5. These combined circumstances are contributing to significant human suffering, creating an immediate need to provide adequate, safe, and habitable shelters for persons experiencing homelessness, and to rapidly increase the supply of permanent affordable housing. The severe shortages of rental housing and shelter space arise from human-made events and circumstances, causing or threatening to cause human

suffering and contributing to a growing deterioration of public spaces throughout the City.

6. It is appropriate for the Council to declare a housing emergency to allow for temporary housing, emergency mass shelters and day storage units to serve the homeless, and to expedite the creation of affordable housing. The housing emergency has impacted areas throughout the entire City of Portland. Under state law, the Portland City Charter and Portland City Code, the Council has authority to declare a housing emergency for the purpose of addressing the shelter and housing needs of the homeless and those in jeopardy of becoming homeless, and protecting the public health, safety and welfare.
7. Areas throughout the City are experiencing significant numbers of homeless persons who are sleeping outdoors. These locations where outdoor sleeping occurs are without appropriate sanitation facilities or proper trash receptacles. These conditions pose potential health and safety threats for both the residents and the surrounding communities. Because the outdoor sleeping locations are makeshift, there are also no secure facilities for storage of personal items, creating additional hardships for the residents.
8. The City currently pays for on-going cleanup of outdoor sleeping locations occurring on City-owned public property. During the housing emergency to date the City has worked with public, private and non-profit entities to expand health and sanitation services to those sleeping outdoors. Because the crisis is ongoing, these efforts must be continued and expanded to address basic humanitarian needs at areas around the City with significant concentrations of homeless residents.
9. On October 7, 2015, the Council, through Ordinance 187371, declared a housing emergency for a period of one year.
10. As part of the housing emergency to date, the City has successfully piloted the siting of mobile day storage facilities that include portable toilets and sharps containers. These storage units reduce the potential threats to public health, decrease the personal safety issues for residents of outdoor sleeping locations, and reduce City expenses for cleanup. With the continued large numbers of unsheltered people living in the City, this service remains critical and should be expanded for at least another year.
11. Under the housing emergency to date, the City, in cooperation with Multnomah County, has addressed the impact of outdoor sleeping by expanding emergency shelter capacity and options, but given the anticipated continued pressure on the rental housing market, and associated challenges for low-income households to find and maintain housing, there remains an urgent need to continue shelter expansion and to transition temporary shelter capacity to permanent shelter capacity over the next year.

12. Under the housing emergency, the Government Accountability and Transparency Review (GATR) process was created to reduce the time and expense associated with the development of affordable housing. This is a joint effort of the bureaus of Housing, Planning and Sustainability, Transportation, and Development Services. Given the continued deficit of more than 20,000 units of housing affordable to our lowest-income households, sustaining this program is critical and preserving it for up to one year will expedite the construction of hundreds of new units of affordable housing that are slated for production during that period.
13. Under the housing emergency, the Council adopted Ordinance No. 187616 on March 9, 2016, and authorized design review and historic design review of certain defined affordable housing projects through a Type IIx procedure, rather than a Type III procedure, in compliance with requirements specified in that ordinance.
14. Consistent with the need to rapidly increase the supply of permanent affordable housing to address the housing emergency, on February 3, 2016 the Council adopted Resolution 37187 and expressed support for considering an inclusionary housing ordinance if the Oregon Legislature eliminated the statewide preemption of local inclusionary housing ordinances.
15. The 2016 Oregon Legislature passed Senate Bill 1533, which lifted the preemption of local inclusionary housing ordinances and authorized local governments to require that a certain portion of housing units within a multifamily structure are sold or rented as affordable housing.
16. The City's efforts to date have helped to ameliorate the housing emergency. Nonetheless, it is anticipated that the circumstances giving rise to the housing emergency will continue for a period of at least another year and it is necessary to continue efforts to address homelessness and increase the supply of affordable housing. Accordingly, the Council should extend the emergency declaration for a corresponding time period so that appropriate efforts can be continued.

NOW, THEREFORE, the Council directs:

- a. There continues to be a state of emergency presented by the homeless situation throughout the City of Portland, requiring extension of the housing emergency declared by Ordinance 187371 under Portland City Code Title 15 for the entire City. The provisions of PCC 15.04.040.B limiting the duration of the extension of a housing emergency are waived, and the housing emergency declared by Ordinance 187371 is hereby extended for one year, through October 6, 2017.
- b. The duration of the housing emergency shall be for a period of one year from the effective date of this ordinance, unless extended by the Council as provided in Portland City Code subsection 15.04.030.B, or terminated sooner by the Council as provided in Portland City Code subsection 15.04.030.G.

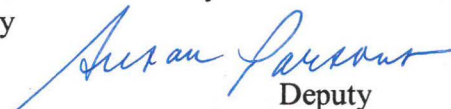
- c. For the duration of the housing emergency, the City may otherwise exercise such authority as is provided in Portland City Code Section 15.08.025.
- d. For the duration of the housing emergency, the Council waives all applicable provisions of Title 33, other than the temporary activities general regulations (Portland City Code Section 33.296.040), to allow the City to site up to five day storage units at various locations responding to homeless issues.
- e. The provisions of Ordinance No. 187616 authorizing a Type IIx rather than Type Type III design review and historic design review of certain defined affordable housing projects shall remain effective for the duration of the housing emergency.
- f. The Bureau of Planning and Sustainability (BPS), in coordination with the Bureau of Development Services (BDS) and the Portland Housing Bureau (PHB), is directed to develop a legislative proposal to amend Title 33 to implement a mandatory program for inclusionary housing that is consistent with Senate Bill 1533 (2016).
- g. BPS and the Planning and Sustainability Commission (PSC) are directed to forward to the Council the PSC's recommendation on the legislative proposal described in directive "f," regardless of whether the PSC's recommendation is favorable or unfavorable, no later than November 28, 2016. If the PSC concludes no action is appropriate or fails to take action on BPS's legislative proposal by November 29, 2016, Council will consider the proposal no later than December 8, 2016.
- h. The Director of the Joint Office of Homeless Services and the Director of the Portland Housing Bureau shall report every six months to the Council on the progress made to address the housing emergency, and discuss whether there is a further need for the emergency, while the emergency remains in effect.
- i. Unless superseded or amended by this ordinance, the provisions of Ordinance No. 187371 shall remain effective for the duration of the housing emergency.

Section 2. The Council declares that an emergency exists because any delay in acknowledging the ongoing homelessness crisis would be detrimental to the public welfare; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: SEP 07 2016

Mayor Charlie Hales
Prepared by: Chad Stover
Date Prepared: 08/18/2016

Mary Hull Caballero
Auditor of the City of Portland
By


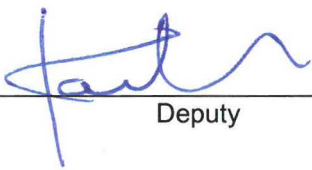

Deputy

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Agenda No.
ORDINANCE
Title

SUBSTITUTE**187973****As Amended**

*Extend the housing emergency declared by Ordinance 187371 to address increased homelessness, identify Council powers, specify one year duration, continue efforts to address housing affordability, and waive portions of the zoning code. (Ordinance)

INTRODUCED BY Commissioner/Auditor: Mayor Hales	CLERK USE: DATE FILED <u>AUG 30 2016</u>
COMMISSIONER APPROVAL 	Mary Hull Caballero Auditor of the City of Portland
Mayor—Finance and Administration - Hales	
Position 1/Utilities - Fritz	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Novick	
BUREAU APPROVAL Bureau: Mayor's Office	By:  Deputy
Prepared by: Chad Stover Date Prepared: 8/21/2016	ACTION TAKEN: AUG 31 2016 SUBSTITUTE PASSED TO SECOND READING SEP 07 2016 9:30 A.M.
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan	
Council Meeting Date 8/31/2016	

AGENDA		FOUR-FIFTHS AGENDA			COMMISSIONERS VOTED AS FOLLOWS:		
TIME CERTAIN <input checked="" type="checkbox"/> Start time: <u>2:00 pm</u> Total amount of time needed: <u>3 hour</u> (for presentation, testimony and discussion)						YEAS	NAYS
CONSENT <input type="checkbox"/>		1. Fritz			1. Fritz	<input checked="" type="checkbox"/>	
REGULAR <input type="checkbox"/> Total amount of time needed: (for presentation, testimony and discussion)		2. Fish			2. Fish	<input checked="" type="checkbox"/>	
		3. Saltzman			3. Saltzman	<input checked="" type="checkbox"/>	
		4. Novick			4. Novick	<input checked="" type="checkbox"/>	
		Hales			Hales	<input checked="" type="checkbox"/>	