

# portland model cities

CITY DEMONSTRATION AGENCY  
5329 N.E. UNION AVENUE  
PORTLAND, OREGON 97211  
288-6923

## ECONOMIC DEVELOPMENT AND TRANSPORTATION WORKING COMMITTEE WORKSHOP

Saturday, January 23, 1971

### A G E N D A

<u>Time</u>	<u>Activity</u>
3:30 - 3:40	1. General presentation of goals and objectives of Economic Development-Transportation Program Area - Frank Cox
3:40 - 3:50	2. Presentation of results of DMJM study - Arnold Cogan
3:50 - 4:00	3. Introduction to Contractor Management Project, goals and operation, etc. - George Christian, Harvey Lockett, Frank Cox
4:00 - 4:10	4. Introduction to Community Development Program, goals and operation, etc. - Frank Cox and Namon Scarborough
4:10 - 4:45	5. Question and answer period

**ECONOMIC DEVELOPMENT &  
TRANSPORTATION  
WORKING COMMITTEE**

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## Workshop Participants:

Within the Economic and Business Development Program category of the Model Cities Program are two (2) projects which are directed toward improving the economic situation of Model Neighborhood based enterprises and expanding the overall economic base of the Model Cities area. Attached are summaries of the Community Development Program and the Contractor Management Project for your information.

Sincerely,

A handwritten signature in cursive script that reads "Frank Cox".

Frank Cox  
Economic Development Specialist

Attachments

## Project Summary

### Community Development Program

The purpose of the Community Development Program is to deliver technical assistance, management counseling, and financial assistance to Model Neighborhood based businesses and attract new enterprise to the Model Neighborhood. The objective of the Program is to promote the overall economic development of the Model Neighborhood and adjacent areas by utilizing existing Model Neighborhood economic resources, entrepreneurial talent, and the financial-technical resources of the greater Portland economic community.

The Program will be operated by Metropolitan Economic Development Industrial Alliance, Inc., (MEDIA, Inc.) a private, non-profit local development corporation (LDC) licensed to participate in the full-range of Small Business Administration direct and guarantee loan programs. The Board of Directors of MEDIA, Inc., consists of nine (9) individuals selected by the Office of the Mayor, by the Citizens Planning Board, and by the Director of the Model Cities Program.

The Community Development Program's primary orientation is to obtain for MN entrepreneurs, consumers, and labor force participants, a more equitable share of opportunities and benefits through increased participation in the greater Portland economy. The program's goals will be achieved through:

1. Continuous economic planning resulting in the formulation of an overall economic development plan for the MN and adjacent areas.
2. Provision of management-technical assistance to MN entrepreneurs to increase the efficiency and expand the scale of area enterprise.
3. Lending of seed funds to MN concerns for use as either fixed or operating capital.
4. Promotion of the MN and convenient areas as locations for new job productive business enterprises.

## Project Summary

### Contractor Management Project

It has been recognized for some time that Portland's minority and other small, disadvantaged construction contractors have participated only peripherally in the construction industry. Minority contractors are often limited to small projects not requiring broad experience in contracting skills necessary for acquiring larger projects. Several basic problems contribute to the difficult status of this group of contractors. The interrelated problems of finance and bonding are perhaps the most serious. A cycle is established wherein disadvantaged contractors are unable to obtain larger bonded jobs because their lack of experience or a successful performance record make them unable to obtain bid, performance, or payment bonds. The high percentage of capital liquidity required by bonding companies makes it even more difficult for them to be bonded.

The contractor also needs capital liquidity for overhead and supply costs, particularly in the beginning stages of large contracts. Because of capital deficiency the disadvantaged contractor is precluded from participating in large projects since he can not meet operating expenses before the first payment is made.

A further related impediment to minority and other small disadvantaged contractors is restrictive hiring practices in the building trades. Without opportunities for entrance, progression from skilled craftsman to small contractor to general contractor obviously can not be followed. Minority persons have traditionally been limited to the most menial of construction jobs contributing to a negative image among the young for construction work which further restricts the number of entrants.

The general situation of the minority or other disadvantaged contractor then is a vicious cycle in which he is relegated to small contracts because he lacks capital and can not be bonded, he can not obtain surety bonding because he lacks capital and experience, he can not obtain sufficient capital and experience because he is unable to participate in large contracts, and his numbers are limited because of restrictive hiring practices.

The purpose of the Contractor Management Project is to fund a business manager and secretary to provide technical and management assistance to and obtain additional construction contracts and sub-contracts for Model Neighborhood based construction firms. The business manager will establish

training programs and seminars relating to industry bid practices and procedures, negotiate with bonding and insurance companies on behalf of Model Neighborhood based construction companies, and perform all other functions which will expand the efficiency and scale of operations of Model Neighborhood based construction firms.

Each Project function is directed toward solution of MN contractor operating problems: bonding, financing, training, and general company management. Of primary importance is the fact that the business manager will be available to individual participants to assist in bid preparation, contract bidding and negotiation, and a totally expanded marketing effort.

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## CITIZEN PARTICIPATION WORKSHOP

### Physical Environment & Housing Working Committee Session

#### A G E N D A

#### 2:45 - 3:05 Concept of the Working Committee

- Physical Program Objectives - Paul Forsander, Physical Program Specialist

The P. E. Working Committee and the Neighborhood Organizations  
Roles in the Physical Program - Mike Henniger, Planning Assistant

#### 3:05 - 3:15 How Projects are Developed - Paul Forsander

#### 3:15 - 3:30 The First-Action Year Program - The Working Committee Chairman

#### 3:30 - 4:15 Discussion of Projects by Operating Agency Personnel

- 3:30 The Model Cities Comprehensive Plan - Rod O'Hiser, Planning Commission
- 3:45 Neighborhood Planning - Chuck Olson, Portland Development Commission
- 4:00 Model Cities Relocation - Ernest Wiley, Portland Development Commission
- 4:15 Cascade Community Center - Bill Newborn, Portland Community College

#### 4:30 - 4:45 Question/Answer



PHYSICAL PROGRAM OBJECTIVES/STRATEGIES  
(This Material is taken from the 1968  
City Demonstration Project)

The overall Model Cities goal is to improve the quality of life in the Model Neighborhood. Because Model Cities is a short term (five years) program, the primary objective of the Physical Program is to set up on-going mechanisms for upgrading and renewing all aspects of the Model Neighborhood's physical environment. Since the resources available for physical improvement are limited, the Physical Program had to develop a five year plan to decide which physical problems were the most serious, and how the program should use its resources to attack those problems. In other words, by doing a five year plan, we merely went through a process of determining how we will work on problems. This process is planning.

The Model Cities planning process is based on the concept that citizens should be involved in determining the major issues that will shape their neighborhoods and affect their lives. During the Planning Year for Model Cities, citizens participated in this working committee to set the five year objectives and strategies for the program.

HOUSING OBJECTIVES  
(from 1968 City Comprehensive Development Program)

- OBJECTIVE 1: To provide and maintain a supply of decent housing to meet the needs of residents in the Model Cities area.
- OBJECTIVE 2: To assure that every citizen is decently housed according to his individual needs.

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- OBJECTIVE 3: To assure that there is not a tendency to transform of choice in the selection of housing areas in the city.
- OBJECTIVE 4: To increase home ownership in the Model Cities area.

### HOUSING STRATEGIES

- STRATEGY 1: Develop an adequate supply of standard housing:

Program Approaches

The areas in which the following program approaches are used will largely be determined through the neighborhood planning process as described in the Planning and Physical Environment Objectives and Strategies.

A. Maintenance

Preserve and improve the condition of standard single and multi-family housing by encouraging owner maintenance and clean-up programs and by developing an effective code enforcement program. Utilize FACE and other financing sources.

B. Rehabilitation

Rehabilitate substandard housing where economically feasible. Utilize Housing and Urban Development programs, the Neighborhood Development Program, and grants and loans from a seed money pool from the Model Cities Residential Development Program.

C. New Construction

Acquire vacant lots and land occupied by dilapidated structures for construction of new housing necessary to meet various needs of local residents. Utilize Neighborhood Development Program for financing land acquisition and all available public and private financing for construction.

D. Neighborhood Development Program

Utilize urban renewal programs to achieve housing goal by establishing a Neighborhood Development Program for the entire Model Cities area. (See Section 1.120, the Planning and Physical Environment component.)



E. Public Housing

Assist the Housing Authority of Portland in expanding its leasing program for existing housing and provide vacant lots for construction of needed new housing. Encourage modification of rental increase procedures based on increased renter income.

F. Residential Development Program (R.D.P.)

Study the means of organizing a citizen owned and controlled non-profit corporation to expedite new housing construction and rehabilitation. R.D.P. can be a significant vehicle for assuring maximum citizen participation in the economic and social benefits arising from the total Model Cities housing program.

STRATEGY 2: Assure that residents have resources available to them to acquire housing:

Program Approaches

A. Education and Counseling

Provide education and counseling services that will enable each citizen to make full use of financial, legal, and other resources available to him in obtaining decent housing. This is of particular importance to occupants of public housing.

B. Self Help

Develop efficient techniques for utilizing "sweat equity" financing programs and establish training classes in maintenance and rehabilitation construction.

C. Family Loan Fund

Establish a revolving fund for loans and grants to families needing emergency housing assistance. Provide loans, grants, and other financial assistance to residents otherwise unable to afford decent housing.

STRATEGY 3: Assure equal opportunity and freedom of choice in selection of housing

Program Approaches

A. Maximize access of black residents to housing throughout the metropolitan area. Develop and administer

programs to educate residents of the metropolitan area, to provide counseling services to residents desiring to move out of the Model Cities area, and to assist all citizens in obtaining full benefits of the state open housing legislation.

Because the state laws dealing with landlord and tenant favor the rights of the landlord, tenants find their best protection in the city's housing code.

STRATEGY 4: To increase home ownership by counseling and utilizing all Federal, state, local programs

Program Approaches

Increase home ownership by counseling residents on full use of available financing, by establishing condominium and cooperative ownership of multi-family units, and by making available HUD grants and loans to families of low and moderate income and by providing credit counseling services (FHA 237).

PHYSICAL PLANNING AND ENVIRONMENT OBJECTIVES  
(from 1968 City Comprehensive Demonstration Program)

OBJECTIVE 1: Public improvements: To provide facilities that meet the needs of Model Cities area citizens and that are at least equal in number and quality to those facilities serving other parts of the city.

OBJECTIVE 2: Private development: To create conditions that will result in a substantial upgrading of residential, commercial, and industrial properties in the Model Cities area

STRATEGIES

STRATEGY 1: Prepare a Model Cities Comprehensive Physical Development Plan to give both public and private improvements; and to coordinate neighborhood plans. The plan will include policy statements dealing with the development of the area and a physical plan which will show the pattern of land use,

the general location of major transportation routes (including public transit), and public facilities including schools, parks, and other service centers.

STRATEGY 2: Develop Neighborhood Organizations and provide them with technical assistance to prepare detailed neighborhood plans

These plans should include:

- A. Location, type, and density of housing.
- B. Location and general arrangement of commercial centers.
- C. Location of industrial uses, if any.
- D. Neighborhood street system.
- E. Precise location of public facilities.
- F. Prepare neighborhood development programs to accomplish all or part of the program approaches.

STRATEGY 3: Implement the Comprehensive and Neighborhood Plans

Action programs for physical environments, based on plans, should involve a variety of activities related to social and economic goals of the Model Cities area, including:

- A. Urban renewal programs for both residential and non-residential uses in all neighborhoods.
- B. Construction of necessary public facilities, including schools, parks, community and neighborhood centers, fire stations, etc.
- C. Carry out street and related utility improvements, including paving, curbs, sidewalks, tree planting, underground wiring, bus stop shelters, etc.
- D. If needed, carry out program of storm and sanitary sewer separation and aid families in financing improved garbage collection services.

The City and other public agencies should encourage the following:

- A. Review of all city codes related to physical planning and environment should be undertaken in light of Model Cities program needs, and changes made that relate to such review.

- B. Review of policies related to insurance and lending institutions in the Model Cities area, and enactment of legislation to insure more ready availability of such review.
- C. Urge State to undertake review of property tax relief and general tax reform with view toward problems and needs of Model Cities area residents.

## The Working Committee and Neighborhood Organizations Roles in the Physical Program

The planning role played by Neighborhood Organizations, Operating Agencies, the Physical Environment and Housing Working Committee, and the CDA has never been rigidly defined. There is good reason for this. Planning in Model Cities has as its most basic foundation a belief that local residents participation in the planning process is essential. By loosely defining the role of the various citizen participation groups, such as Neighborhood Organizations and the Working Committees, allowance is made for citizen input at each level.

The result is a flowing of information, goals and objectives, possible strategies, decisions and project description between the various groups and agencies. This process is illustrated graphically by the flow chart attached. This kind of circular exchange of input provides great flexibility in dealing with complex and detailed problems on the neighborhood level while ensuring that comprehensive area wide planning is not ignored. Thus the concept of citizen participation and input into all phases of the planning process is producing better plans for both the neighborhood and the city.

# THE FLOW OF INFORMATION-DECISIONS

