

ONE YEAR ACTION PLAN

INTRODUCTION

THE CONSOLIDATED PLAN AND ANNUAL ACTION PLAN UPDATE

The *Consolidated Plan* (“*Plan*”) is a combined plan and application to the U.S. Department of Housing and Urban Development (HUD) for funds available to cities and counties under four formula grant programs. The statutes for the grant programs set forth three basic goals, each of which must *primarily benefit low- and very low-income persons* (people with incomes below 80 % of Median Family Income (MFI)):

- 1) *To provide decent housing*: First, the programs are to provide decent housing. Included within this broad goal are the following: assist homeless persons to obtain affordable housing; retain the affordable housing stock, increase the availability of permanent housing that is affordable to low-income Americans without discrimination; and increase supportive housing that includes structural features and services to enable persons with special needs to live in dignity.
- 2) *To provide a suitable living environment*: This includes programs aimed at improving the safety and livability of neighborhoods; increasing access to quality facilities and services; reducing the isolation of income groups within areas by de-concentrating low-income housing opportunities and revitalizing deteriorating neighborhoods; restoring and preserving natural and physical features of special value for historic, architectural, or aesthetic reasons; and conserving energy resources.
- 3) *To expand economic opportunities*: This goal includes creating jobs accessible to low- and very low-income persons; providing access to credit for community development that promotes long-term economic and social viability; and empowering low- and very low-income persons in federally assisted and public housing to achieve self-sufficiency.

The grant programs covered by the *Plan* include:

Community Development Block Grant (CDBG) Program. The Cities of Portland and Gresham, and Urban Multnomah County (the area of Multnomah County outside of the Portland and Gresham city limits) each receive CDBG funds which can be used for activities such as housing, public services, community facilities, public improvements, economic development, and community revitalization.

HOME Investment Partnership. The HOME program is authorized under Title II of the National Affordable Housing Act for the purposes of (1) expanding the supply of affordable housing for low- and very low-income families with an emphasis on rental housing; (2) building state and local nonprofit capacity to carry out affordable housing programs; and (3) providing coordinated assistance to participants in development of affordable low-income housing.

The Cities of Portland and Gresham and Multnomah County are partners in the HOME Consortium, with Portland designated as the lead jurisdiction.

Emergency Shelter Grant (ESG). The City of Portland is the only jurisdiction in the County that receives a direct award of ESG funds. Programs funded completely or in part by ESG money are part of the continuum of care system of homeless services. In accordance with the strategies adopted in the *Consolidated Plan 2000-2005*, Portland has used ESG dollars primarily to “operate facilities and appropriate housing options with supportive services that will meet the needs of homeless individuals and families.” ESG funds can be used for emergency shelter programs and other direct service programs for homeless people. The City and Multnomah County work together on planning and allocation decisions.

Housing Opportunities for People with AIDS (HOPWA). The City of Portland administers the HOPWA program for a six-county area: Multnomah, Washington, Clackamas, Clark, Columbia, and Yamhill. Portland works closely with the six counties in planning and allocation. HOPWA funds are targeted to low-income persons with HIV/AIDS and their families. Supportive services must be provided as part of any housing funded by HOPWA. HOPWA can fund supportive services but will be primarily targeted to housing capital and rental assistance funding.

The *Plan* replaces all former HUD planning and application requirements with a single submission. Every year, the consortium of jurisdictions that filed *the Consolidate Plan 2000-2005* must submit an *Action Plan* setting forth the activities to be undertaken in the next fiscal year. It must be submitted to HUD by May 15, 2004, to ensure that funds will be available by July 1, 2004, the start of the 2004-2005 fiscal year.

CITIZEN PARTICIPATION PLANS: REVISIONS

Consolidated Plan regulations require that recipients of federal funds follow a detailed citizen participation plan that address the following elements: participation; access to meetings; access to information; access to records; publication of the plan; public hearings; notice of hearings; citizen comments; technical assistance; and complaints and amendments.

The three jurisdictions have not revised their existing Citizen Participation Plans since the *Action Plan 2002-2003* was filed. The three plans are attached to the *Consolidated Plan 2000-2005* as Appendix B.

PLAN DEVELOPMENT PROCESS

LEAD AGENCY

The City of Portland's Bureau of Housing and Community Development (BHCD) administers funds from these federal grants (on behalf of the Consortium): HOME Investment Partnership Program (HOME), Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). BHCD is designated as the lead agency for the *Plan*. The Bureau of Housing and Community Development has delegated the coordination of the *Plan* process and countywide plan development to the Housing and Community Development Commission (HCDC) and its staff.

INTER-AGENCY AND JURISDICTIONAL CONSULTATION

The *Plan* development process for FY 2004-2005 carried out the inter-jurisdictional, cooperative venture begun during the initial stages of the Comprehensive Housing Affordability Strategy (CHAS) planning process. The cities of Portland and Gresham, along with the rest of Multnomah County, formalized their relationship by forming a HOME consortium in 1991. These jurisdictions committed to an ongoing planning effort by instituting a citizen body, the Housing and Community Development Commission (HCDC). This county-wide Commission recommends housing policy, advising the three jurisdictions on budget decisions affecting housing programs, ensuring the linkage of associated social services with these programs, and guiding and monitoring the updates of the *Plan*. HCDC acts as a focused public forum on all affordable-housing matters and advocates, when necessary, for low- and moderate-income residents of the County.

THE POLICY AND PLANNING FUNCTION OF HCDC

HCDC consists of 15 members, nine of whom are appointed by the City of Portland and three each by the City of Gresham and Multnomah County. This body is the inter-jurisdictional citizens' body that reviews and makes policy recommendations to the jurisdictions regarding housing and community development plans submitted to the Department of Housing and Urban Development. The principles, priorities, and strategies incorporated in the *Plan* form the basis for the final budget recommendations made to the three jurisdictions.

The staff for HCDC consists of an interagency team representing Portland's Bureaus of Housing and Community Development and Planning, the Housing Authority of Portland, Multnomah County's Office of School and Community Partnerships, Multnomah County's Housing Director, and Gresham's Community Development Department. In addition, extensive consultation has been undertaken with the State of Oregon Department of Housing and Community Services, Multnomah County's Department of County Human Services, social service agencies, and nonprofit housing organizations.

INSTITUTIONAL STRUCTURE FOR HOUSING AND SPECIAL NEEDS SERVICE DELIVERY

The responsibility for implementing the *Plan* will rest with Portland's Bureau of Housing and Community Development, Gresham's Community Development Department, Multnomah County's Community Development Program, and the Housing Authority of Portland. However, implementation cannot proceed without the involvement and support of several public and private agencies. The following list describes briefly the various institutions, businesses, and agencies responsible for the delivery of housing services in the region. Each description of a product and market segment is not intended to be a complete account of activities for each entity.

US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

Product: Program funds, loan guarantees
Market Segment: Low- and moderate-income housing and community development activities

CONVENTIONAL LENDERS

Product: Private and public/private partnership housing loans
Market Segment: All

ENTERPRISE FOUNDATION

Product: Technical assistance for neighborhood and nonprofit developers
Predevelopment loans
Market Segment: 80% to below 50% MFI

EQUITY INVESTORS

Product: Equity participation as owner or joint venture partner for housing developments
Tax credit investments
Market Segment: Market rate for equity investments
Low-income for tax-credit investment

FEDERAL HOME LOAN BANK

Product: Wholesale source of long-term credit for housing consumers
Market Segment: All

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC)/GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA)

Product: Conduit for single family and multi-family loans
Market Segment: Low- and moderate-income

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA)

Product: Loan purchases from conventional lenders
Credit enhancement for tax-exempt low-income housing bonds
Grants
Market Segment: Median-to-low income

FOR-PROFIT DEVELOPERS

Product: Most single- and multi-family housing developments
Market Segment: All, but primarily above 80% MFI.

GRESHAM COMMUNITY DEVELOPMENT DEPARTMENT

Product: Federal funds administrator for loans and grants
Market Segment: Very low-to-moderate income neighborhoods and individuals

GRESHAM COMMUNITY DEVELOPMENT AND HOUSING COMMITTEE (CDHC)

Product: Policy recommendations
Market Segment: Very low-, low-, and moderate-income households as established by the *Consolidated Plan*

HOUSING AND COMMUNITY DEVELOPMENT COMMISSION (HCDC)

Product: Policy recommendations
Market Segment: Very low-, low-, and moderate-income households as established by the *Consolidated Plan*

HOUSING AUTHORITY OF PORTLAND (HAP)

Product: Affordable housing in Multnomah County
Public Housing, Hope VI, and Section 8 programs
Bonding capacity
Market Segment: Very low- and low-income rental housing

METROPOLITAN SERVICE DISTRICT (METRO)

Product: Technical assistance for housing policy and planning
Market Segment: All incomes, with a special focus on affordable housing to households with income of 80% MFI and below

MULTNOMAH COUNTY DEPARTMENT OF COUNTY HUMAN SERVICES (DCHS)

Product: Administration of federal, state and local service funds, direct social service delivery, contact for social service delivery.
Market Segment: Supportive housing for low-income elderly, physically disabled, mentally ill and developmentally disabled.

MULTNOMAH COUNTY HOUSING PROGRAM

Product: Policy recommendations, Coordination of County housing programs, Housing development grants (Strategic Investment Program), and Sale/lease of surplus county properties for special needs and supportive special needs housing in Multnomah County.
Market Segment: Very low income (30% AMI and below) individuals and families with special needs.

MULTNOMAH COUNTY OFFICE OF SCHOOL AND COMMUNITY PARTNERSHIPS (OSCP)

Product: Administration of community development funds
Donation of tax-foreclosed properties
Social service delivery grants

Market Segment: Low-income and special needs rental housing; homeless family shelters and transitional housing

NEIGHBORHOOD PARTNERSHIP FUND

Product: Technical assistance to local nonprofit CDCs

Market Segment: 80% MFI and below

NETWORK FOR OREGON AFFORDABLE HOUSING (NOAH)

Product: Permanent financing through consortium of lenders

Market Segment: Low- and moderate-income rental

NONPROFIT DEVELOPERS (CDCs)

Product: Single- and multi-family housing (both owner and rental)

Market Segment: Primarily below 80% MFI.

PORTLAND BUREAU OF DEVELOPMENT SERVICES (BDS)

Product: Regulatory oversight of building, housing, and zoning codes

Market Segment: All

PORTLAND BUREAU OF HOUSING AND COMMUNITY DEVELOPMENT (BHCD)

Product: Contract administrator for federal loan and grant programs
Operating support to community nonprofit developers

Market Segment: Rental and homeownership in low- and moderate-income neighborhoods and community development activities

PORTLAND BUREAU OF PLANNING (BOP)

Product: Long range policy and Comprehensive Plan development
Neighborhood and community planning

Market Segment: All

PORTLAND DEVELOPMENT COMMISSION (PDC)

Product: Housing rehabilitation loans
Housing equity grants
Tax increment financing, urban renewal agency

Market Segment: Housing at all income levels; uses federal funds primarily to serve households below 80% MFI.

PORTLAND HOUSING CENTER

Product: Information, education, and counseling for housing consumers

Market Segment: Low- and moderate-income

OREGON CORPORATION FOR AFFORDABLE HOUSING (OCAH)

Product: Housing production support and technical assistance
 Capital generation for tax-credit purchase

Market Segment: Low-income

STATE OF OREGON HOUSING AND COMMUNITY SERVICES DEPARTMENT (HCS)

Product: Permanent financing through bonds
 Gap funding through the Housing Trust Fund
 Oregon and Federal Low-Income Tax Credits

Market Segment: Very low- and low-income rental and homeownership

PROCESS

In developing this Annual Update for the *Consolidated Plan*, information was gathered from a variety of sources. Opportunities for public testimony on housing and community development needs were offered at the February 2004 monthly HCDC meetings. The *Action Plan FY 2004-2005* was distributed for public comment on March 26, 2004 and was posted on the City of Portland's website at the same time. Copies were mailed to the City's reference librarians on March 26, 2004. Public comments on the *Action Plan FY 2004-2005* were accepted for more than 30 days, through May 5, 2004. The final public hearing on the *Action Plan FY 2004-2005* was held on May 5, 2004. At that hearing, HCDC recommended that the three jurisdictions approve this *Action Plan FY 2004-2005*.

CITY OF GRESHAM

The City of Gresham supports a Community Development and Housing Citizen Advisory Committee (CDHC) as a means of providing regular public input regarding Gresham's housing and community development programs and policies. The committee meets monthly except for July and August and all meetings are publicized and open to the public. Meeting agendas are available on the City's web site and are also routinely mailed to neighborhood organizations, including low and moderate-income areas of the city.

The City of Gresham conducts an open competitive project solicitation process to develop its annual Action Plan. The CDHC guides the selection of projects and provides substantive input into program design. The process begins in October or November with the CDHC recommending to City Council funding targets for public services, public facilities and housing consistent with the Plan. Council acts on this recommendation in November or December.

Gresham conducts an application workshop in January in conjunction with Multnomah County. The competitive process is advertised by a direct mailing to interested parties such as non-profits, neighborhood-based groups and others. The process is also advertised by a newspaper ad and posted at the Gresham libraries. Applicants are informed of program objectives, eligible project activities, rating criteria, and opportunities for input. In January 2003, the application workshop was delayed until January 12 due to weather conditions, and applicants had 21 days to complete the applications, as they were due February 2. Staff is available to assist and answer questions during that application period.

Staff reviews applications for threshold eligibility. Written applications are reviewed and scored by CDHC members and a panel of people with specialized expertise or knowledge in relevant fields. CDHC holds public hearings to receive testimony on the applications. Public notices announcing the hearings and describing the potential projects are issued and published in the *Gresham Outlook*. The CDHC reviews summaries of the testimony, ratings and rankings to make its final recommendation to Council. In May, the City Council conducts a duly advertised public hearing and adopts an *Action Plan*.

Several public hearings occur as part of this process. In October 2003, the CDHC conducted a public hearing on last year's performance and potential ideas for future use of funds. In March 2004, the CDHC held a public hearing to obtain testimony on potential projects. In May 2004, Gresham City Council held a public hearing on the final *Action Plan FY 2004-2005*. HCDC held a public hearing in March 2004 on the draft *Action Plan FY 2004-2005*, including Gresham's section.

MULTNOMAH COUNTY

Multnomah County supports an advisory committee composed of official representatives from the participating consortium jurisdictions: Fairview, Maywood Park, Troutdale, Wood Village and Lake Oswego. This advisory committee oversees the policies and project selection of CDBG and HOME funded projects. This Policy Advisory Board (PAB) meets at strategic times throughout the year, and all meetings are publicized and open to the public.

Multnomah County conducts an open competitive project solicitation process to develop its *Action Plan*. In partnership with the City of Gresham, an application workshop was held in January. The competitive process was advertised by a direct mailing to interested parties such as nonprofits, neighborhood-based groups, and others. The process was also advertised by a newspaper ad and was posted at area libraries. Applicants were informed of program objectives, timelines, eligible project activities, rating criteria and opportunities for input. Applicants had approximately four weeks to complete the applications. Staff was available to assist and answer questions during that period.

Staff reviewed applications for threshold eligibility, as described in the application packet. County staff reviewed and rated written applications. The PAB reviewed the staff recommendations and produced a final list of recommended CDBG/HOME projects. The PAB held public hearings to receive testimony on the applications. Public notices announcing the hearings and describing the potential projects were issued.

The Board of County Commissioners holds a final public hearing and then adopts the Annual *Action Plan*. It is then submitted to HUD 45 days before the start of the new program year.

The Multnomah County Housing Program - working with other local jurisdictions - catalyzes, coordinates and issues periodic RFP's for special needs housing development by independent developers and developer-providers utilizing surplus lands and/or Strategic Investment Program Community Housing funds. The process is open and competitive. Applications are written and reviewed by both County and partnering agency staff.

CHANGES TO THE FIVE YEAR CONSOLIDATED PLAN

GENERAL CHANGES

There were no general changes to the Consortium's Five Year Strategic Plan.

MULTNOMAH COUNTY CHANGES

There were no changes to the Multnomah County Five Year Strategic Plan.

GRESHAM CHANGES

The City of Gresham has no formal amendments to the Consolidated Plan. However, a copy of a recently released Statistical Profile of Poverty in Gresham, produced by the Community Development and Housing Committee, is appended to this document as an addition to the Consolidated Plan to enrich the data in the Comprehensive Plan with more recent descriptive information about people experiencing economic poverty in Gresham from the 2000 Census.

Gresham notes the November 2003 voter approval of the Urban Renewal Plan for Rockwood-West Gresham, which includes a neighborhood with a high concentration of low and low-moderate income persons. The twenty-year plan provides a bond cap of up to \$92 million to finance physical improvements to the district. By City statute, Gresham City Council serves as the Gresham Redevelopment Commission.

PORTLAND CHANGES

The City of Portland Bureau of Housing and Community Development is completing a new strategic planning process. The new BHCD strategic plan will be described in detail in the Consolidated Plan 2005-2010. The plan contains a new mission: [m]ake Portland a more livable city for all by bringing low-income people and community resources together. The plan also contains three new strategic objectives: (1) End the institution of homelessness; (2) Increase the range of housing opportunities for low-income people; and (3) Expand opportunities for low-income residents to improve their economic condition. Significant budget changes relating to the new plan will be phased in beginning in the 2005-2006 Action Plan.

HOUSING MARKET ANALYSIS: 2004 UPDATE

OVERVIEW

The recent national recession and the weak recovery has been felt most acutely here in the Pacific Northwest. For a number of months, the Portland-Vancouver metropolitan area posted the highest unemployment rate among metropolitan areas in the nation, and both Oregon and Washington have generally led the nation in unemployment with little substantial relief in sight. The Portland metro area ended 2003 down 12,5000 jobs from 2002, a decline of 1.3 percent. Hardest hit industries included manufacturing, professional and business services, construction and trade, transportation, and utilities. Employment losses in high-technology industries accounted for nearly 50 percent of the loss in the manufacturing sector during the period.

Due in part to continued population growth, education and health services bucked the downward trend, adding 2,200 jobs in 2003. Overall job losses in 2003 were milder than in 2002. The metro area ended 2003 with a revised unemployment rate of 8.5%, down from the year-ago rate of 9 percent.

Despite a slow economy, the Portland metro area continues to attract inward migration, which has kept housing demand strong. Based on data from the Realtors Multiple Listing Service from January through November 2003, there was a 10.8 percent increase in pending sales and a 13.1 percent increase in closed sales compared to the same period in 2002. The median sales price in the first half of 2003 was \$180,000, up 5.3 percent from a year earlier. New listings in Clark County were almost as strong as Portland's, with a 13.1 increase in May 2003 over May 2002. In the same period, pending sales soared 27.7 percent.

Except for a blip in tax credit funded apartment projects, building permits for both single-family and multi-family units have declined from the high levels of the 1990s and the supply of recently built apartments has created a buyer's market in the western suburbs. In contrast, the market for apartment and condominiums remains tight within Portland's Central City and nearby neighborhoods.

In spite of the slow economic recovery expected for Oregon and the Portland region, long term assessments by local economists are optimistic about the potential for continued economic growth in the future. The attempt by the Governor and a Statehouse to create bi-partisan solutions to our current funding and tax problems offers some hope for beneficial structural reforms.

HIGHLIGHTS OF THE 2003 CHAS DATA:

The U.S. Department of Housing and Urban Development (HUD) has requested that the U.S. Census Bureau tabulate Census 2000 data to create variables that will not be available through standard Census products. These "special tabulation" data, also known as the Comprehensive Housing Affordability Strategy (CHAS) data, are needed to assist local government with housing planning as part of their Consolidated Planning process. An initial draft of the data has been made available to jurisdictions for their review and comment.

The majority of Portland's low-income households are single member households. To qualify as low-income, a single member household needs to have a gross income of less than \$23,050 per year. Other family types that dominate the low-income population are elderly households and small households with two to four members.

Seventy-two percent of low-income households rent their housing. Twenty-eight percent of low-income households are homeowners. Over half of Portland's low-income homeowners are elderly.

Regardless of whether they are renters or homeowners, households earning less than 30 percent of median income who pay more than 50 percent of their income for rent can be considered "at risk of homelessness." It is for these households that unanticipated medical expenses, the loss of a job, house repairs, etc, can make the difference between making a mortgage or rent payment or not. Historically, elderly households have had the lowest cost burden of any type of household in Portland. This is no longer true. Today Portland's small population of large related households has the lowest cost burden of any household type. Thirty-nine percent of Portland's low-income large households are at risk of homelessness as compared to 68 percent of Portland's low-income elderly households. Seventy-four percent of Portland's small households are at risk of homelessness. Sixty-seven percent of Portland's low-income single households are at risk of homelessness.

Seventy-seven percent of Portland's low-income households are white. Ten percent of Portland's low-income households are African American and 5 percent of Portland's low-income households are Hispanic. Most of Portland's low-income Hispanic and African American households are family households.

Eighty percent of Portland's low-income African American population rents housing. Eighty-six percent of Portland's low-income Hispanic population rents housing.

In contrast to Portland's low-income Hispanic and African-American households, most of Portland's low-income white households are single member households. Sixty-eight percent of Portland's low-income white population rent housing.

FAMILY TYPE

TABLE 1: LOW INCOME FAMILY TYPES: PORTLAND 2000

Family Type	Low Income Households (<=50% MFI)	Other Households (>=50% MFI)	Total Households	Percent of Cohort that is Low-Income	Percent of Total Households that are Low-Income
Elderly One and Two Member Households	15,264	24,988	40,252	38%	7%
Small Related Households (Two to Four Members)	13,142	70,118	83,260	16%	6%
Large Related Households (Five or More Members)	3,771	12,223	15,994	24%	2%
All Other Households (Single Members)*	22,248	56,483	78,731	28%	10%

Source: HUD 2003 CHAS Data

TENURE

TABLE 2: LOW INCOME RENTERS: PORTLAND 2000

Family Type	Low Income Households (<=50% MFI)	Other Households (>=50% MFI)	Total Households	Percent of Cohort that is Low-Income	Percent of Total Households that are Low-Income
Elderly One and Two Member Households	15,264	24,988	40,252	38%	7%
Small Related Households (Two to Four Members)	13,142	70,118	83,260	16%	6%
Large Related Households (Five or More Members)	3,771	12,223	15,994	24%	2%
All Other Households (Single Members)*	22,248	56,483	78,731	28%	10%

Source: HUD 2003 CHAS Data

TABLE 3: LOW INCOME HOMEOWNERS: PORTLAND 2000

Family Type	Low Income Owner Households (<=50% MFI)	Other Owner Households (>=50% MFI)	Total Owner Households	Percent of Cohort that is Low-Income
Elderly One and Two Member Households	7,880	20,688	28,568	28%
Small Related Households (Two to Four Members)	3,150	52,210	55,360	6%
Large Related Households (Five or More Members)	1,248	8,993	10,241	12%
All Other Households (Single Members)	3,133	24,630	27,763	11%
Total	15,411	106,521	121,932	

Source: HUD 2003 CHAS Data

HOUSING COST BURDEN

TABLE 4: HOUSEHOLDS AT RISK OF HOMELESSNESS: PORTLAND 2000

Family Type	Very-Low Income Renters at Risk of Homelessness	Very-Low Income Homeowners at Risk of Homelessness	Total	Percent of Total Households that are Low-Income
Elderly One and Two Member Households	6,410 <i>42%</i>	3,940 <i>50%</i>	10,350	7%
Small Related Households (Two to Four Members)	7,490 <i>57%</i>	2,300 <i>73%</i>	9,790	6%
Large Related Households (Five or More Members)	791 <i>21%</i>	711 <i>57%</i>	1,502	2%
All Other Households (Single Members)*	12,681 <i>57%</i>	2,193 <i>70%</i>	14,874	10%

Source: HUD 2003 CHAS Data

RACE

TABLE 5: LOW INCOME AFRICAN-AMERICAN HOUSEHOLDS: PORTLAND 2000

Family Type	Low Income Households (<=50% MFI)	Other Households (>=50% MFI)	Total Households	Percent of Cohort that is Low-Income	Percent of Total Black Households that are Low-Income
Elderly One and Two Member Households	996	757	1,753	57%	8%
Family Households	2,782	4,112	6,894	40%	23%
All Other Households (Single Members)*	1,574	1,811	3,385	46%	13%
	5,352	6,680	12,032		

TABLE 6: LOW INCOME HISPANIC HOUSEHOLDS: PORTLAND 2000

Family Type	Low Income Households (<=50% MFI)	Other Households (>=50% MFI)	Total Households	Percent of Cohort that is Low-Income	Percent of Total Hispanic Households that are Low-Income
Elderly One and Two Member Households	95	256	351	27%	1%
Family Households	1,610	3,900	5,510	29%	19%
All Other Households (Single Members)*	831	1,764	2,595	32%	10%
	2,536	5,920	8,456		

Source: HUD 2003 CHAS Data

TABLE 7: LOW INCOME WHITE HOUSEHOLDS: PORTLAND 2000

Family Type	Low Income Households (<=50% MFI)	Other Households (>=50% MFI)	Total Households	Percent of Cohort that is Low-Income	Percent of Total White Households that are Low-Income
Elderly One and Two Member Households	13,972	23,627	37,599	37%	8%
Family Households	10,121	66,455	76,576	13%	6%
All Other Households (Single Members)*	17,743	49,875	67,618	26%	10%
	41,836	139,957	181,793		

Source: HUD 2003 CHAS Data

HOMEOWNERSHIP TRENDS FOR ETHNIC MINORITIES:

According to the Brookings Institution recent report *Portland In Focus: A Profile from Census 2000* homeownership rose in Portland during the 1990s for only some groups, and housing costs increased substantially for renters. “Portland experienced a considerable rise in its homeownership rate during the 1990s, and 56 percent of its residents owned their own home in 2000. Gains among the city’s white and Asian households drove these increases, however. The homeownership rate for blacks remained the same, and that for Hispanics dropped, perhaps owing to recent immigration. At the same time, in-migration to Portland and rising household incomes in the 1990s produced a rapid run-up in rents. Median rental costs increased 19 percent between 1990 and 2000.”

TABLE 8: YEAR 2000 HOMEOWNERSHIP RATES BY ETHNIC GROUPS IN MULTNOMAH COUNTY

Ethnic Group	Homeownership Rate
Total	56.9%
White	59.8%
Native American	35.5%
African American	38.0%
Asian	58.0%
Hispanic	28.5%

Source: 2000 Census

HIGHLIGHTS OF THE REGIONAL HOUSING MARKETS

According to the Realtors Multiple Listing newsletter, the median sales price of single-family homes in the Portland metro area for the summer of 2003 was \$180,000. Within regional submarkets West Portland had the area's highest median home sales price, \$255,000, while North Portland prices were the lowest at a \$146,000 median. The three areas with highest appreciation were West Portland, where prices are 9.4 percent higher in the summer of 2003 than in the year prior to that time; Southeast Portland, which experienced 7.9 percent appreciation; and North Portland, which logged 6.4 percent appreciation.

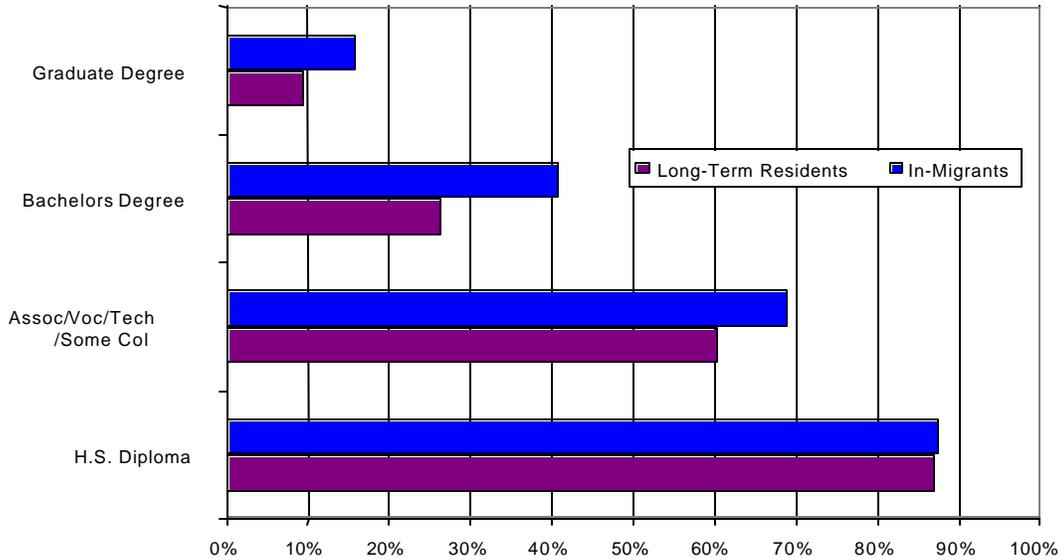
A bright spot in the local economy continues to be the strength of residential construction and home purchasing aided by the low interest rates. These rates affected by the decisions of the Federal Reserve Board, continue to stay at or below 6.0 percent for fixed rate, 30 year mortgages.

However, these favorable housing market conditions do not help a family whose members are unemployed. Subsequently, the local region has seen a dramatic increase in families and individuals seeking assistance from local food banks. The federal government has extended unemployment benefits for those who remain jobless.

Regionally, the buyers' market also applies to rentals particularly in the overbuilt Washington County area. However, demand remains strong for close in apartments and affordable rentals in East Portland and Gresham. The level of new construction activity has declined dramatically everywhere in the region and absorption of online units has occurred. However, major new assisted and market rate projects will go on the market in the West End of Downtown Portland and the Pearl District remains an active market for new construction.

An encouraging trend in the current economy is the region's continuing attraction to younger and well-educated households. Despite the recession, this trend appears to be holding into the current year. Below, is a table showing the relative education levels of newcomers to Multnomah County compared with those who lived here prior to 1995.

TABLE 9: EDUCATIONAL ATTAINMENT OF MULTNOMAH COUNTY LONG-TERM RESIDENTS



American Community Survey. "In-migrant" = moved to County in last 5 years.

AND IN-MIGRANTS

ADOPTION OF THE REGIONAL AFFORDABLE HOUSING STRATEGY

A significant development in the regional arena of planning and growth management was the adoption of the Regional Affordable Housing Strategy (RAHS) in January 2001. The RAHS represents several years work by Metro and local jurisdictions, including Multnomah County, Portland and Gresham, to come to terms with the disparities in the regional housing market and the differing levels of public response to long held goals of equal housing opportunity in the region. The RAHS establishes voluntary goals and does not provide funding to implement the goals. The impact of the RAHS remains to be seen but there is evidence of increased investigation by many communities into strategies that can bring about a greater range of affordability within local communities.

The year 2003 marked the second reporting period for local jurisdictions to document progress made in furthering affordable housing opportunities. Metro is currently tallying the results of the second round of reporting by local jurisdictions on progress made in accepting the voluntary affordability goals and any policies and regulatory or funding tools considered, adopted, or rejected by local governments.

Metro is planning to convene a new regional work group in the Fall of 2004 to examine the regional progress towards meeting the RAHS.

IMPACT OF STATE SUPREME COURT DECISION ON TAX INCREMENT FINANCING

On December 20, 2001, the Oregon Supreme Court reversed an Oregon Tax Court decision regarding how urban renewal taxes are categorized under the property tax limitations passed by Oregon voters in the 1990s. The Supreme Court ruled in the *Shilo Inn* case that the method of calculating available tax increment revenue on assessed value relied on by the Portland Development Commission and other redevelopment agencies across the state was unconstitutional. This ruling could have had a dramatic effect on the ability of Portland and other cities to use tax increment financing as an effective housing and community development tool. The negotiated settlement of the case was approved by the Tax Court in 2003. The overall impact of the *Shilo Inn* decision is to reduce the revenues available for investment in urban renewal districts.

ENERGY CRISIS

Low-income households in the Portland area have been dramatically affected by some of the highest utility rates in the Northwest. Home heating oil prices have increased modestly, but gasoline prices have risen dramatically. The bankruptcy of Portland General Electric's parent company, Enron, has produced no firm buyers for the utility at this writing, although several potential buyers have declared interest. The Bonneville Power Administration announced a wholesale price increase beginning in October 2003, that has had significant impacts on low-income households that reside in Public Utility Districts. Low-income households that live in utility areas served by Portland General Electric, PacifiCorp, Northwest Natural Gas, and Avista Gas) can seek energy assistance and weatherization funds from public purpose funds maintained by these utilities. However, due to the struggling economy and high unemployment, these funds are oversubscribed. There is a continuing need for public education on energy efficiency and conservation options.

SOURCES

Commercial Real Estate Market Report, Portland Metropolitan, Second quarter, 2001, Norris, Beggs & Simpson
U.S. Housing Market Condition, Second Quarter 2002: Regional Activity, Portland-Vancouver, Oregon-Washington, November 25, 2002
Portland Metro Labor Trends, State of Oregon Employment Department, January 2002
The Millette Risk Report, Fall/Winter 2002
New Economy Observatory, PSU Institute for Metropolitan Studies, October 2001
Real Estate Report for Metropolitan Portland, Oregon, Neal Higgins, Autumn 2002
Market Action, Realtors Multiple Listing Service, June 2002
Metroscope, PSU Institute for Metropolitan Studies, Winter 2002

ANNUAL PLAN RESOURCES

RESOURCES

TABLE 10. ESTIMATED RESOURCES (CONSORTIUM WIDE) 2003-04

Resources	Portland	Gresham	Multnomah County	Total
HOME				
* Entitlement	\$4,005,507	\$659,633	\$185,287	\$4,850,427
* Program Income	250,000	60,000	0	310,000
* ADDI	570,733	0	0	570,733
* Carry Over	0	19,400	0	19,400
CDBG	0	0	0	0
* Entitlement	12,105,000	1,067,000	360,000	13,532,000
* Program Income	2,150,000	20,000	30,000	2,200,000
* PLPA	0	0	0	0
* Carry Over	1,720,000	75,000	0	1,795,000
Emergency Shelter Grant	452,707	0	0	452,707
HOPWA (6 county metro area) ¹	1,006,000	0	0	1,006,000
EDI	0	0	0	0
*Regional Housing Affordability Pilot Program ²				
Lead Based Paint Grant	0	0	0	0
* Carry Over	12,934	0	0	12,934
Housing Counseling	0	0	0	0
CSH Grant	314,889	0	0	314,889
TOPS Grant	0	0	0	0
Youthbuild	0	0	0	0
* Carry Over	400,000	0	0	400,000
McKinney Homeless Assistance	5,049,613	0	0	5,049,613
Housing Authority of Portland	0	0	0	0
* Section 8	0	0	49,460,519	49,460,519
* Public Housing Operating Grant	0	0	6,785,712	6,785,712

¹ HOPWA funds are administered by the City of Portland on behalf of the seven-county Portland EMA.

² This Economic Development Initiative grant is for the Portland-Vancouver Regional Housing Affordability Pilot Program. The funds are administered by the City of Portland on behalf of the following entitlement jurisdictions (Cities of Portland, Beaverton, Hillsboro, Gresham, and Vancouver, WA, and Counties of Multnomah, Clackamas, Washington and Clark, WA, and the local Public Housing Authorities; Multnomah, Washington, Clackamas and Clark (Vancouver, WA)).

Resources	Portland	Gresham	Multnomah County	Total
* Public Housing Capital Grant	0	0	4,681,549	4,681,549
* Public Housing Tenant Rents	0	0	4,447,568	4,447,568
* Drug Elimination	0	0	0	0
Congregate Supportive Housing	0	0	487,726	487,726
EDSS Supportive Services	0	0	45,000	45,000
Apprenticeship Programs	0	0	144,000	144,000
ROSS-Homeownership Program (GOALS)	0	0	687,868	687,868
* Service Coordinators	0	0	215,642	215,642
ROSS Neighborhood Networks	0	0	83,312	83,312
Other Local	0	0	0	0
* General Fund	2,673,779	13,385	0	2,687,164
General Fund Special Appropriations	0	0	0	0
Tax Foreclosed Properties	0	0	500,000	500,000
Brownfield Showcase Carryover	0	0	0	0
Brownfields	0	0	0	0
Water Bureau Lead Abatement	0	0	0	0
* Housing Investment Fund	492,716	0	0	492,716
* PILOT	334,820	0	0	334,820
* Strategic Investment Program.	0	0	500,000	500,000
* Tax Increment Funds	0	0	0	0
TOTAL	\$31,538,698	\$1,914,418	\$68,614,183	\$102,067,299

EMERGENCY SHELTER GRANT (ESG) MATCH

The City of Portland will more than match the 2004 ESG award of Four Hundred Fifty Two, Seven Hundred and Seven Dollars (\$452,707). In FY 2003-04, the City put a minimum of \$800,000 in CDBG funds for homeless programs receiving ESG, and an additional \$623,000 in the other homeless programs in the system. Further, the City contributed \$1.5 million dollars of General Fund into the homeless services system, including operating support for shelters and transitional housing.

HOME INVESTMENT PARTNERSHIP PROGRAM

HOME Match

The Portland HOME Consortium expects the match obligation generated by its proposed use of funds to be approximately \$ 1,000,000. Key resources which will be used to meet match requirements include grant funds from the State Housing Trust Fund, the value of below-market private financing under the Oregon Affordable Housing Tax Credit Program, the value of donated property and donated labor, property tax abatement in distressed neighborhoods, local funding allocated to support HOME-assisted projects and property tax exemption for low-

income housing owned by charitable nonprofits, and building permit fee waivers. The Consortium has successfully met and exceeded match obligation in prior years from these sources and anticipates sufficient carry-over match to meet its obligation.

The HOME Program has successfully leveraged both public and private resources for affordable housing. Many projects have received funding from State, County, and other City sources. The jurisdiction also used HOME funds in combination with Low Income Housing Tax Credit (LIHTC) to attract private equity to projects. In addition, most projects, except those serving the lowest income populations, have been able to use private debt as a funding source.

ACTIVITIES TO BE UNDERTAKEN

In 1991, the Cities of Portland and Gresham and Urban Multnomah County formed a Consortium. The first Comprehensive Housing Affordability Strategy (CHAS) was developed on a countywide basis. As part of that process, and after extensive citizen involvement, the jurisdictions adopted certain principles and priorities. In December 1993, HCDC further defined the CHAS priorities and strategies. These principles and priorities were reaffirmed in the *Consolidated Plan 1995-1999*, and modified in May 1997 and April 1998. As part of developing the *Consolidated Plan 2000-2005*, HCDC reviewed and revised the principles and fine-tuned the priorities. In 2001, HCDC added specific references to farm workers as a special needs population; clarified that preservation of housing stock includes addressing any lead-based paint hazards; and established that revitalizing severely distressed public housing is a local priority. HCDC decided not to make any changes for FY 2004-05.

PRINCIPLE I

Priorities should focus on developing and preserving housing for those with the greatest needs.

- Those with the greatest need include people who are homeless, living in dangerous environments, or in substandard housing that violates safety codes.
- Those with the greatest need also include people who have historically had limited access to housing and those particularly vulnerable to housing loss. Among these are very low-income single parents, youth, people leaving foster care, the elderly, and members of racial/ethnic/cultural minorities, refugees, farmworkers, and persons who have mental or physical disabilities.

PRINCIPLE II

Both public and private resources are required to meet community housing needs.

- Public housing resources should be directed to housing for those with the greatest need.
- Public moneys may also be used to stimulate private investment and fill affordability gaps.

- Participation of the philanthropic sector in public-private partnerships should be encouraged.
- Market-driven private financing should be the primary source for meeting all other housing needs.

PRINCIPLE III

There should be a direct relationship between the amount of public investment and the number of units affordable for a minimum of sixty (60) years.

- Maximizing the number of unit years of affordability is an important use of public investment.
- As a condition of receiving public investment, designated affordable units should remain affordable for a minimum of 60 years.
- The number of rental units designated to remain affordable should be balanced with the subsidy to the project, so that programs are marketable to private for-profit and nonprofit developers.
- Preference should go to programs that increase or preserve the affordable housing inventory, rather than programs that subsidize ongoing costs.
- Sufficient public resources should be invested to assure that affordable housing is designed, constructed, managed, and maintained so that it will be an asset to the community over the long term.

PRINCIPLE IV

The goals of public investment in non-housing community development (“community development”) should be economic vitality; safe and stable neighborhoods; thriving families; and access to opportunity for all residents.

- Public investment in community development at the neighborhood level should focus on neighborhoods that have not shared in the recent economic expansion, and on residents who have faced or are facing involuntary displacement as a result of neighborhood revitalization.
- Public investment in community development should focus on removing barriers to employment, retaining jobs in neighborhoods, and providing adults and youth with access to opportunities to earn at least a living wage.
- Public investment in community development should support the goal of having essential goods and services available for low-income people in their local communities.

- Public investment in community development should support asset-building programs to build the wealth of low- and very low-income residents (household income 0-60% MFI).

PRINCIPLE V

To make the best use of existing affordable housing resources, a continuum of services must be available to assist individuals and families in locating, obtaining, and maintaining decent stable affordable housing.

- Persons with the greatest need should receive supportive services that will enable them to stay in housing.
- Supportive services should be designed to promote the greatest degree of economic independence and self-sufficiency appropriate for the individual.
- Services for locating, obtaining, and maintaining decent, stable, affordable housing should be readily available.

PRIORITY 1

Programs to provide affordable rental housing for *homeless* individuals and families, *very low-income* (0-50 % Median Family Income (MFI)) households, and households suffering under an extreme rent-burden (paying more than 50 percent of their income for housing). This priority includes housing for low-income persons with special needs, such as people with mental and physical disabilities, people with AIDS, the elderly, and farmworkers. Preference should be given to programs that include housing for *extremely low-income* (0-30% MFI) households, and/or address the need for units with at least three (3) bedrooms.

PRIORITY 2

Programs focused on:

- (1) maintaining and preserving housing stock for *low-income* people (up to 80% MFI), including addressing any lead-based paint hazards;
- (2) stabilizing low-income neighborhoods using housing and community development tools;
- (3) providing services to assist *low-income* (up to 80% MFI) individuals and families in locating, obtaining, and maintaining housing;
- (4) providing supportive services, such as housing-related case management, job training, child care, education, etc., for those *very low-income* (up to 60% MFI) individuals with the greatest need; and
- (5) providing services to assist *very low-income* (up to 60% MF) adults and youth with access to opportunities to earn at least a living wage and to build wealth;

(6) revitalizing severely distressed public housing.

PRIORITY 3

Programs to assist *low-income, first-time homebuyers* (up to 80% MFI). These programs should focus on innovative types of housing and lower-income populations unable to access the market. Homebuyer programs also should be targeted as an important community development tool to reinvest in and/or stabilize neighborhoods. Public funding of these programs should leverage private funds. Homeownership programs should include a mechanism for recapture and/or retention of the public investment.

THE HOME CONSORTIUM: HOUSING ACTIVITIES

Since the jurisdictions are a consortium only for purposes of the HOME grant, this section shall be limited to activities to be carried out with HOME funds.

The Portland HOME Consortium will use the FY 2003-2004 HOME Investment Partnership allocation of \$4,868,221 to expand and improve the supply of affordable housing to low- and moderate-income families in accordance with the priorities adopted by HCDC. An agreed-upon formula is used to set aside HOME funds for each Consortium member and to determine equitable contributions for tenant-based rental assistance administrative costs, CHDO operating support and general HOME administration. When the opportunity arises, the Consortium will collaborate on joint projects and system wide programs.

- 1. Tenant-based Rental Assistance.** The three jurisdictions will allocate \$246,162 in program funding and \$62,434 in administrative costs for a tenant-based rental assistance program to assist approximately 130 new households. The goal is to use modest amounts of rental assistance to assist households transitioning from homelessness to permanent housing and to prevent homelessness by providing short term assistance to households facing eviction. Forms of assistance would include security deposits, assistance with first and last months' rent, and short term rent subsidies coupled with case management and housing planning assistance. Assistance may also be provided to households in rental projects being rehabilitated under the HOME Program.
- 2. Community Housing Development Organizations (CHDOs)**
 - a. CHDO Projects.** The Consortium will work closely with CHDOs and have set aside \$583,774, 15 percent of the Consortium's HOME program allocation, for CHDO projects. CHDOs will be involved in a number of rental production and rental rehabilitation projects in addition to special needs housing projects and potentially projects benefiting first time homebuyers. CHDOs will be eligible to participate in projects in addition to those in the set-aside and are expected to be active partners in many HOME funded projects.
 - b. Operating Support.** The HOME budget to provide operating support to CHDOs is \$243,411, five percent of the total grant amount. We have developed a system to distribute this grant funding on a competitive proposal basis through the Portland Neighborhood Development Support Collaborative.
- 3. Program Administration.** The Consortium has budgeted approximately \$424,387 for program administration. This category will include administrative costs of managing the HOME program. It also includes some program delivery costs for the consortium members and the tenant-based rental assistance program.

4. New Construction

Approximately 80 percent of HOME funds available for production will involve new construction. New construction will be used to meet the needs of large family housing, special needs housing, and development on in-fill sites.

5. Rehabilitation

The approximately 20 percent of the funds available for production will involve moderate or substantial rehabilitation. These projects will assist CHDOs, non-profit and for profit developers improve rental housing for low- and moderate-income households including identifying and reducing lead-based paint hazards.

6. Refinancing Existing Debt

The Consortium may use HOME funds during FY 2003-2004 to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds. The City of Portland is currently completing Community Asset Management (CAM) guidelines. This CAM process has resulted in the City's adoption of refinancing guidelines. These guidelines comply with the requirements of 24 CFR 92.206(b) for refinancing funded by HOME funds. The adopted HOME specific guidelines for refinance related to rehabilitation appear under the program-specific submission section of this Plan.

CITY OF PORTLAND ACTIVITIES

A list of the activities within Program Areas that the City's Bureau of Housing and Community Development will fund during the next fiscal year 2004-2005. Financing for these activities is provided not only with federal funds (HOME, CDBG and HOPWA), but other funding sources. The City of Portland will not be allocating funding to the Housing Investment Fund for FY 2004-05 and will therefore not produce affordable housing at a level sufficient to sustain the level of productivity achieved from 1996-2001. Thus, we expect housing production to decline. New construction will probably be limited to special needs housing, housing for large families, and housing in Urban Renewal Districts (URDs), where Tax Increment Financing is available.

1. Housing Program Area

The Housing Program area includes both capital for housing development as well as social services related to housing. The major focus of the program area is on development of housing opportunities affordable to low-income households, expansion of housing opportunities for special needs populations, and activities that help to promote housing stability for target populations: homebuyer programs, homeowner repair, rental rehabilitation and production, identifying and reducing lead-based paint hazards, and special needs housing. Housing services programs include information and referral, education, fair housing and housing counseling services for low- and moderate-income households, and weatherization programs.

Housing programs respond to the housing needs of low-income individuals and families. They are also key components of targeted neighborhood improvement strategies. Individual programs may be designed to respond to one or both of these needs. Several factors guide the implementation of housing programs as outlined below.

Lead-Based Paint

All housing programs will continue to be affected by the lead-based paint regulations imposed by HUD effective April 10, 2001. While we do not know the specifics of each project, it is expected that these regulations will have an impact on housing production because the cost per unit will increase.

The City of Portland continues to implement a \$3 million dollar HUD lead-Based Paint Hazard Control grant that provides lead hazard reduction in Clark, Clackamas, Multnomah and Washington counties. It is anticipated that these resources will reduce lead hazards in homes of over 300 low-income households, and protecting over 600 children from exposure to harmful lead paint and dust.

Community Asset Management

The Community Asset Management Report, adopted by the Council in February 2001, directs the City to implement efforts to insure that rental housing assisted with public funding provide a stable, durable inventory of housing for the 60-year period of affordability. This involves on-going development and monitoring of the PDC portfolio management system, restructuring older projects that previously received public funding, new policies and guidelines for project origination, and capacity building of project sponsors in asset management. The City of Portland anticipates potential commitments to restructuring the finances of existing projects to total \$2.962 million in FY 04-05. Additionally, BHCD anticipates allocating approximately \$504,093 to support the PDC Asset Management and Loan Servicing programs.

Market Forces

In the Portland metropolitan area, vacancies are in the 8 percent range, reflecting much of the rental housing market across the county. Vacancies are expected to remain in this range over the next 12 to 18 months due to the slow economy and several large rental complexes under construction in Hillsboro, Gresham, and Fairview (US Housing Market Conditions, February 2004).

The high vacancy rates across the metropolitan area adversely impacts subsidized affordable housing projects, particularly units targeted to serve households with incomes at 60 percent Median Family Income (MFI). Currently in North Portland and in neighborhoods east of 82nd Avenue, "market rents" are at levels affordable to households with incomes between 50 percent and 60 percent MFI. Hence, the subsidized projects with rents scheduled to serve the 50% to 60% income range are not directly competing with market rate properties and experience the same vacancy rates and rental income losses.

Housing Resource Shifts

Resources to provide affordable housing are shifting. From 1996-2001, the Portland City Council allocated approximately \$35 million in City general fund to the Housing Investment Fund (HIF) to support the development of affordable housing. This HIF funding has been allocated and the result has been almost 2000 new affordable housing units brought into the marketplace. While this has been a valuable resource, there are no expectations that City Council will make any new or future HIF allocations.

Designated Areas for Special Activities by a Community-Based Development Organization

CDBG funds may be used for new construction activities only under certain circumstances:

- The activity must be carried out by a Community Based Development Organization (CBDO); and
- The activity must be within a geographic area designated in comprehensive plans, ordinances or other City-adopted documents where a neighborhood revitalization project includes activities of sufficient size and scope to have an impact on the decline of a geographic location.

The Bureau and Housing and Community Development annually certifies nonprofit organizations as CBDOS based on guidelines established by HUD.

The City is defining the geographical areas designated for special activities by CBDOS to include the City's urban renewal areas, the Enterprise Community, and neighborhoods designated as Low-Mod Income Neighborhood revitalization project activities of sufficient size and scope to have an impact on the decline of those areas.

A map illustrating the designated areas appears on p. 33.

The City's urban renewal areas, and the Enterprise Community and the Low-Mod Income Neighborhoods all exhibit the following factors:

- Deterioration, inadequate or improper facilities an area of the city that are detrimental to the safety, health and welfare of the community; or
- Unsafe or abandoned structures, including but not limited to a significant number of vacant or abandoned single or multi-family residential units; or
- Buildings or structures which are unfit or unsafe to occupy because of a combination of physical deterioration, dilapidation, and obsolescence; or
- Dislocation, deterioration or disuse of property resulting from faulty planning; or
- A prevalence of depreciated values, impaired investments and social and economic mal-adjustments; or
- A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare; or
- Any combination of these or similar factors.

The City organizes various responses to ameliorate these factors including designating an urban renewal area, determining a target area for economic development and enhancement, designating "distressed areas" for tax abatements, and working with HUD to define and implement plans in Portland's Enterprise Community area. The City dedicates tax increment funds, general funds, bond funds, lost revenue, federal funds and undertakes resources development tasks in a strategic, planned and organized effort to focus resources to these areas. Typically, the neighborhood revitalization project includes activities of appropriate size and scope to have an impact on the decline of the geographic location. Funds are generally dedicated to housing development and renovation, providing affordable rental housing and home ownership opportunities, street and sidewalk improvements, commercial and economic development, small business development, storefront renovations, acquisition of underutilized

properties for redevelopment, transportation improvements, utility improvements, and/or other services to support local residents and businesses.

Since the City applies numerous factors to determine geographic areas for targeted neighborhood revitalization efforts and since the City works to have a strategic, planned and organized effort to focus resources to these areas, it is appropriate to aggregate existing neighborhood reinvestment goals and objectives for the purposes of designating geographic areas for CBDO special activities. Therefore, the map designating areas for CBDO special activities includes the established neighborhood revitalization activities of:

- 1) Existing Urban Renewal districts as adopted by City Council; and
- 2) Additional block areas adjacent to an Urban Renewal district where the neighborhood revitalization efforts of the urban renewal will have an impact; and
- 3) Neighborhood areas associated with and tangential to the Bureau of Housing and Community Development's Target Area Program; and
- 4) The Federally designated Enterprise Community area.
- 5) Neighborhoods designated as Low-Mod Income Neighborhoods based on the 2000 Census data.

The attached map shows the aggregation of these four areas as "Designated Geographic Areas for Special Activities by Community-Based Development Organizations":

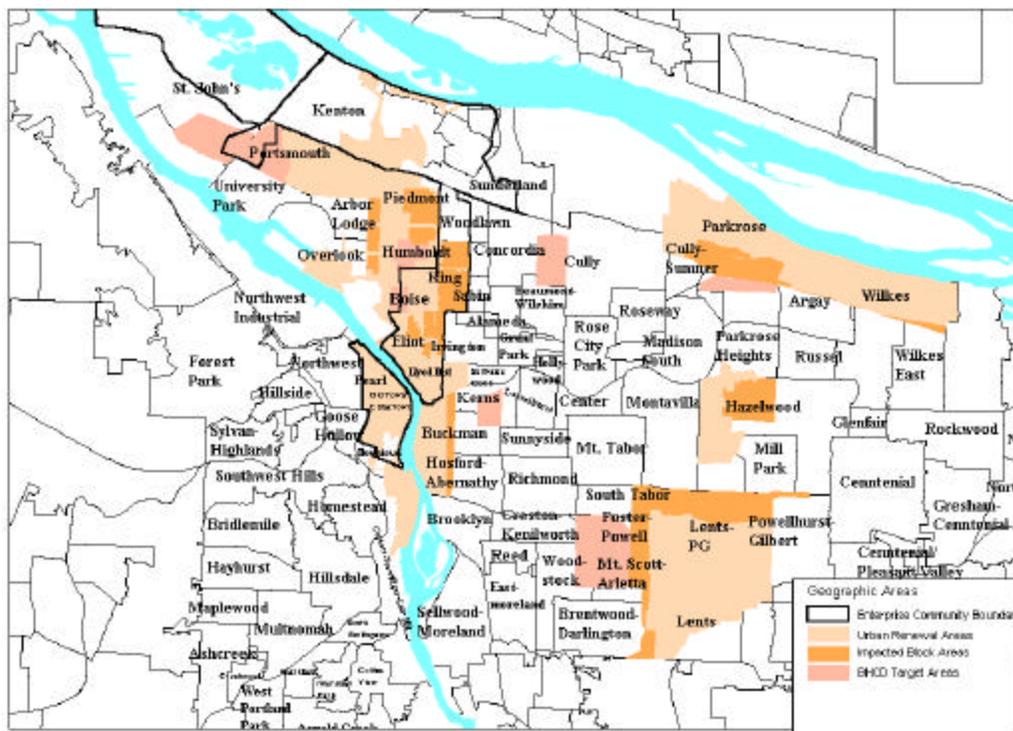
- Airport Way Urban Renewal Area as adopted by City Council and additional areas south to both sides of NE Sandy Boulevard.
- The Parkrose Target Area east and west between I-205 and both sides of NE 122nd Avenue; north and south between both sides of NE Sandy Boulevard and both sides of NE Prescott Street.
- Central Eastside Urban Renewal Area as adopted by City Council and additional areas in the Hosford-Abernathy, Buckman and Kerns neighborhoods east to both sides of SE 12th Avenue from both sides of SE Powell to Interstate 84.
- The Kerns Target Area east and west between both sides of 29th Avenue and both sides of 12th Avenue; north and south between both sides of NE Sandy Boulevard and both sides of SE Stark Street.
- Downtown Waterfront Urban Renewal Area as adopted by City Council.
- Gateway Urban Renewal Area as adopted by City Council and additional areas in the Hazelwood neighborhood east to both sides of SE 122nd Avenue and south to both sides of Burnside Street.
- Interstate Urban Renewal Area as adopted by City Council and additional areas in the Humboldt and Piedmont neighborhoods north to both sides of Columbia Boulevard between both sides of N. Albina and both sides of Martin Luther King Jr. Blvd., and in the Overlook and Arbor Lodge neighborhoods west to both sides of N. Denver between both sides of N. Prescott Street and both sides of N. Lombard Street.
- Foster-Powell Target Area neighborhood north and south between both sides of Powell Boulevard and both sides of SE Woodstock, and east and west between both sides of SE 76th Avenue and both sides of SE 52nd Avenue.
- North Macadam Urban Renewal Area as adopted by City Council.
- Oregon Convention Center Urban Renewal Area as adopted by City Council and additional areas in the Irvington neighborhood east to both sides of NE 7th Avenue between both sides of NE Rafael Street to both sides of NE Fremont Street, in the Sabin,

King and Humboldt neighborhoods east to both sides of NE 15th Avenue between both sides of NE Fremont Street and both sides of NE Killingsworth Street.

- River District Urban Renewal Area as adopted by City Council.
- South Park Blocks Area as adopted by City Council.
- South Waterfront Urban Renewal Area as adopted by City Council.
- Cully – Concordia 42nd Avenue Target Area north and south between both sides of NE Holman and both sides of NE Prescott, and east and west between both sides of NE 37th Avenue and both sides of NE 47th Avenue.
- The Portland Enterprise Community area as adopted by City Council and the U.S. Department of Housing and Urban Development, including portions of the St. Johns and Portsmouth Target Area neighborhoods; in St Johns north and south between both sides of N. Ivanhoe Street and both sides of N. Fessenden Street, east and west between both sides of N. St. Louis Avenue and the Burlington Northern rail road tracks; and in Portsmouth neighborhood blocks included in the Interstate Urban Renewal Area.
- Lents Town Center Urban Renewal Area as adopted by City Council and additional areas in the Lents and Powellhurst-Gilbert neighborhoods north to both sides of SE Division Street between both sides of SE 122nd Avenue and both sides of SE 72nd Avenue; and one block north and south paralleling both sides of SE Division street up to both sides of SE136th Ave.

The list of designated areas will be renewed annually in the context of adopting a new Action Plan.

Designated Geographic Areas for Special Activities by a Community-Based Development Organization



Housing Programs

Rental Housing

Portland will use HOME and CDBG to support activities to develop and operate affordable rental housing, including acquisition, refinancing, rehabilitation, new construction, preservation, and asset management. Activities that support rental housing are performed by a number of different organizations that provide necessary functions across the delivery system.

Rental Housing Development RFP: \$250,000 of CDBG and \$1,750,000 of HOME funds totaling \$2,000,000 will be allocated through a competitive RFP process. Funds will be used as financial capital to support the acquisition and rehab or new construction of rental housing projects. Targeted goals related to federal funding have been established by HCDC and adopted by the Portland City Council.

Preservation: \$2,000,000 of CDBG funds and \$963,000 of HOME funds will be used to refinance and rehabilitate, and redevelop the Clara Vista project increasing the number of bedrooms to appropriately house low-income families.

Enterprise Foundation Pre-development Loan Fund Administration: \$70,000 in CDBG funds will be allocated to staffing activities at the Enterprise Foundation Portland office to support the administration of the Enterprise Pre-development Loan Fund, a pool of private resources used to assist nonprofit affordable housing development with acquisition, pre-development and/or short-term bridge financing in CDBG-eligible projects.

Special Needs Housing Siting – Office of Neighborhood Involvement (ONI): \$25,984 in CDBG funds will be allocated to staffing activities at the City's ONI to work directly with neighborhood residents in the siting of special needs housing.

Housing Development Center (HDC): \$129,603 in CDBG funds will be allocated to staffing activities at HDC to provide professional services to nonprofit housing development organizations to develop affordable housing projects and manage affordable housing portfolios. Additionally, HDC staff provide technical expert input in the development and refinement of City housing policy, asset management, and program evaluation.

CDC Capacity Building: \$511,478 of CDBG funds and \$199,678 of HOME funds will be allocated to support staffing activities at nonprofit community development organizations to undertake new housing development, acquisition and/or rehabilitation activities, and asset management activities. Together with other private funds from the Enterprise Foundation and the Neighborhood Partnership Fund, allocations to individual organizations will be awarded on a competitive basis based on project pipeline and portfolio activity and demonstrated capacity to develop, own and manage affordable housing. CDBG funding will only be used to support CDBG-eligible activities. HOME funding will only be used to support staff activities of certified Community Housing Development Organizations (CHDOs).

Home Owner Programs

Portland will use HOME and CDBG to support potential first-time, low-income homebuyers. Activities that support homebuyer programs are performed by a number of different organizations that provide necessary functions across the delivery system.

Homebuyer Financial Assistance: Approximately \$246,000 will be allocated to provide financial assistance to lower income homebuyers. \$246,000 will assist between 5 and 25 households, depending on household income and amount of assistance provided to each household.

Homebuyer Fairs: To further fair housing objectives and address the gap in minority homeownership rates, approximately \$24,000 will be allocated to three different homebuyer fairs to provide access, opportunity and education to minority and/or low-income potential home buyers: \$8,000 for the African American Homebuyer Fair; \$8,000 for the Asian Homebuyer Fair; and \$8,000 for the Latino Homebuyer Fair.

Portland Community Land Trust (PCLT): \$103,937 will be allocated to support the Portland Community Land Trust homebuyer assistance and acquisition activities. Under the land trust model, homebuyers will take title of the improvement while the nonprofit land trust will take title of the land. The homebuyer and the land trust enter into a 99-year lease agreement that provides the homebuyer long-term and fair rights to occupy the land. In return for that occupancy, security and essential buy down of the initial home buying cost, the homebuyer agrees that if/when they decide to sell the home that it will be sold to another lower income household at an affordable price. In FY 2004/05 PCLT will assist between 8 and 15 households become new homebuyers, depending on additional resources allocated to home buyer financial assistance.

Portland Housing Center (PHC): \$107,242 will be allocated to PHC to provide approximately 700 lower income households with homebuyer counseling and/or education.

Single-Family Homeowner Rehab

The portfolio of contracts with organizations that undertake single-family homeowner rehab activities will be divided into two parts in FY2004-05. During the first six-months, the organizations will be awarded one-half of their previous annual amount. Also during this time, BHCD will initiate a planning process to create better services and/or products and to develop a well coordinate delivery system. It is anticipated that the result of the planning process will be 1) a description of services and/or products that accurately and appropriately serve homeowners with incomes below 50% MFI, and 2) a description of the elements and roles within a well coordinate delivery system. These descriptions will be the basis of an RFP process that will be run in the Fall. New funding awards will be made and contracts will begin January 1, 2005.

Portland Development Commission (PDC) Homeowner Rehab Program, July – December funding: \$457,500 for financial assistance and \$305,835 for staffing will be allocated to provide financial assistance for the rehabilitation of homes owned by low-income households. Loans are offered to households below 50% MFI city-wide, and to households below 80% MFI in targeted neighborhoods.

Mini Housing Rehab programs, July – December: Funding will be allocated among seven community-based “mini-housing rehab” programs to provide in-home repairs and upgrades for low-income homeowners: \$36,378 for the Portland Policy Bureau Home Security Program; \$70,158 for the Senior Job Center; \$54,567 for the Community Energy Project; \$36,378 for Reach CDC Community Builders; \$15,591 for Christmas In April; \$77,953 for Unlimited Choices; and \$20,788 for the Northeast Workforce Center.

Housing Services

The City offers a variety of housing services to assist low and moderate-income households secure and maintain affordable housing. Programs are organized under two categories: housing counseling and fair housing, and minor repair programs. Housing counseling and fair housing includes services to assist renters and new homebuyers. Detailed information about funded activities and anticipated outcomes for these services can be found in the Fair Housing section of this *Action Plan*.

Housing Connections (formerly Portland Area Housing Clearinghouse)

The City of Portland has used CDBG, HOME, EDI, a grant from the Technology Opportunities Program of the U.S. Department of Commerce, and in-kind City resources to create Housing Connections, a comprehensive housing information clearinghouse. The first component of Housing Connections, the Housing Locator was launched in May 2002. To date, more than 49,000 affordable housing units are represented in the system and over 296,000 searches for housing have been conducted on the site. This project is a successful example of the City working with its regional partners to create and implement a regional solution to address an issue that does not stop at the City's boundaries, limited access to affordable housing. One of the City's partners, the Housing Authority of Portland (HAP) has been designated to provide phone access to Housing Connections information and supported self-help computer stations for the public to access Housing Connections.

Staff will continue to work on developing the next components of Housing Connections. FY 2004-2005 outcomes for this project include:

- The Housing Services Locator will be implemented. This tool allows users to search for housing services that address a variety of housing barriers and issues.
- The On-line Single Rental Application will be implemented. This tool will allow renters to apply to multiple properties with the submission of one electronic form, and optimally, one application fee.
- The client information database to be used by local agencies will be planned and implemented in coordination with the HUD-mandated Homeless Management Information System (HMIS).

Economic Opportunity

The Economic Opportunity program area is new, a blend of two previous program areas: economic development and youth involvement and employment. The goal of this program area is to increase the incomes or assets of low-income adults and youth. The Economic Opportunity Program envisions funding strategies that focus on workforce development, entrepreneurship, and equity building to increase the income/assets of low-income youth and adults, and to increase job placement and retention for young adults.

FY 2004-05 is a transition year for these programs as BHCD begins implementation of its new strategic plan. During this year, approximately 60% of the CDBG funds BHCD allocates to the Economic Opportunity objective will be allocated through a Request for Proposal process. The Bureau seeks community development, public and private sector applicants with workforce development, entrepreneurship, and equity building strategies to increase the incomes/assets of their target populations. An advisory committee will review submittals and make recommendations to the Bureau and City Council.

Over the following two fiscal years, all remaining funds within this program area – both CDBG and General Fund - will be awarded by an RFP process, again focused on the common objective of increased incomes and assets.

Two types of financial awards are available through the RFP: one-time planning grants of up to \$50,000, and implementation grants of \$50,000-\$200,000 for multiple years. BHCD anticipates awarding a maximum of five planning grants and six to fifteen implementation grants. The specific number of beneficiaries will not be known until proposals are submitted and awards made; BHCD is anticipating a minimum of 200 low-income residents benefiting via the FY 2004-05 RFP. BHCD anticipates making award announcements by June 1, 2003 for FY 04-05 contracts. BHCD will issue a public notice and amend its Consolidated Plan prior to entering into any contracts with RFP awardees.

Almost all of the program funds in the FY 03-04 community economic development budget are included in the FY 04-05 RFP process; existing contractors will apply for continued funding along with potential new contractors. The only on-going activity will be the NE Commercial District Initiative, which assists the graduated Mississippi, Humboldt, and Alberta Target Areas, as well as MLK, with promotional activities to keep these areas healthy.

Currently funded workforce development, youth employment and involvement, and brownfield programs will receive continuing allocations in FY 2004-05, but have to apply for funding in FY 2005-06.

In workforce development, CDBG resources currently support the following activities at SE Works through worksystems inc.:

- Job training, support services, placement, retention and advancement assistance for adults. Because of the recession, service goals have been significantly exceeded for the last three years; the overuse of the service reduces the degree of individualized service can be given to each client. Additionally, SE Works has had its funding allocation from wsi reduced due to population shifts. Thus, even though an appropriate service goal with current funding would be 1,500, current patterns suggest it will be around 2,500.

The Youth Employment and Involvement Programs within the Economic Opportunity program area emphasize education, employment, and leadership skill development for low-income young people in the Portland area. Services fall into two distinct categories:

- Placement and Support programs, projected to serve 611 youth in FY 2004-2005, operate year-round and provide young people with pre-employment training, career exploration assistance, and support in acquiring and retaining an unsubsidized job. Success is measured by the number of young people acquiring and retaining employment for at least 90 days. The three contractors responsible for delivering these services are funded primarily with City General Funds.

Programs include the Youth Employment and Empowerment Program (YEEP) as well as the Youth Employment Institute's Youth Employment Partnership and Outside In's Youth Employment Program.

- Comprehensive Education, Employment, and Leadership Programs, projected to serve over 200 youth in FY 2004-2005, provide experientially based employment, education, and training opportunities during both summer and year-round programs. The aim of these services is to assist youth in achieving educational, vocational, and life-skills goals. Success is measured by the number of youth who make academic gains, transition to employment or continuing education, and master life skills. Two contractors— one funded with City General Funds, the other with YouthBuild funds— provide these year round services while Worksystems inc. receives City General Funds to support four programs with strong summer components and school year supports.

These year-round programs include Open Meadow Learning Center's CRUE program and Portland YouthBuilders. worksystems programs include IRCO Ready, the Youth Employment Institute's START program, Open Meadow Learning Center Summer CRUE, and the Oregon Council for Hispanic Advancement's Projecto Conexion program.

The primary goal of the City's Brownfield Redevelopment program is to stimulate the redevelopment of contaminated commercial or industrial sites in low-income communities. Utilizing City and EPA funds, the City anticipates five contaminated sites will receive thorough assessments of their environmental problems.

Other Activities

These activities represent programs that do not currently fit under one of the three Strategic Directions but will be continued. Over time these programs will either be phased out or will be redirected to more closely fit into one or more of the Strategic Directions.

- a. The **Community Initiatives Small Grant Program** makes small one-time-only grants to community based organizations to provide services that benefit persons who are low income or are members of a underserved population or community. Projects are chosen through a Request for Proposal (RFP) process twice each year, using a citizen committee to make project-funding recommendations. Activities funded in previous years range from youth education and enrichment activities to community based planning to domestic violence prevention. Each project identifies one or more performance measures that will be tracked but these measures cannot be aggregated due to the wide variety of projects funded. Overall program performance measures for Community Initiatives are: leverage of other resources (match) – currently at 198% of grant funds; project success rate – currently at 89%; and funding to organizations not previously funded by BHCD – currently at 45%.

- b. The **Community Partnership Initiatives Program** provides multi-year assistance to underserved populations and communities to support outreach, leadership development, community based planning, and project implementation. Currently the Program is working with the Latino Network to develop leadership and address issues specifically affecting the Latino Community and low income communities of East Portland. BHCD funds are used primarily to hire part-time staff assistance and administrative support for the projects.
- c. Neighborhood Revitalization Strategy for Designated Enterprise Community

BHCD's Strategic Plan alters BHCD's historic emphasis on geographically based revitalization activities. Thus, FY 2004-2005 is the start of a transition as the City reduces its CDBG support for past revitalization efforts in order to increase its support for people based activities. The focus on revitalization activities, then, is reduced support but not elimination. Though fewer CDBG funds will be allocated for revitalization activities, other City and PDC programs will continue at past levels.

- The *Neighborhood Revitalization Strategy* historically focused on the redevelopment of commercial nodes that had seen disinvestment for most of the 1980s and 1990s. These areas are characterized by blight, poorly maintained and underutilized buildings, and inadequate infrastructure. The City anticipates supporting the following projects during FY 2004-2005 to facilitate redevelopment activities.
- *Brownfield Redevelopment*: A continued effort to redevelop commercial and industrial sites that are idle due to actual or perceived contamination. EPA funds, EDI-108, BEDI, urban renewal funds, and the CDBG float are possible funding sources. However, rather than housing the Brownfield Showcase Program within the Bureau of Housing and Community Development, the Strategic Plan suggests the Program be transferred to another bureau within the City.
- *Urban Renewal*: Capital expenditures along MLK Jr. Blvd. and the N. Interstate Urban Renewal Area will continue to fund housing, economic development, and public facility projects. These capital projects are in addition to continuing programs for smaller storefront facades, and business loans.
- *Implementation of Visioning Projects* on Vancouver-Williams, Fremont-MLK, and MLK-Alberta-Killingsworth: Implementation of comprehensive community efforts that identify the communities' desired future for these three areas will continue, mostly funded by Urban Renewal programs..
- *Anti-Displacement Initiatives*: Efforts to limit involuntary displacement. Due to rising property values, many long-term residents and merchants have been or are potentially facing displacement. The City and PDC have committed to undertake a variety of initiatives to limit involuntary displacement.
- *N. Interstate MAX Line*: Development of a light rail line along N. Interstate.

- *Streetscape Improvements on MLK, N. Interstate, Killingsworth, and Alberta*: Continued improvements along these streets will continue.
- Continuation of a *NE Marketing Strategy* to keep Mississippi, Humboldt, Alberta and MLK commercial areas vital via community events will continue, but at a reduced level of funding.

Float

CDBG float is a method to assist in financing projects by providing short-term loans interest-free or at favorable interest rates. Loans are for a maximum of 30 months.

Float loans are available when all of the City's CDBG resources are not needed in the year for which they are budgeted. Federal funds drawn in the year in which they are budgeted but not actually spent in that year can be used on a short-term basis until they are needed for the projects for which they were budgeted.

When float repayments are received, the repayments of principal and interest are considered program income. The program income is used to fund the projects for which the funds were originally budgeted. Any excess is used to fund other projects included in the *One-Year Action Plan*.

The City may, from time to time, and subject to availability of resources, use the float-financing tool for projects. The projects may be public facilities or improvements, acquisitions, rehabilitation, and/or construction. The City will select projects based upon whether the project furthers the principles and priorities expressed in the *Consolidated Plan* and the City's strategic directions.

At such time as the City decides to use the float-financing tool, it will prepare a *Consolidated Plan* amendment and publish it for public comment. The notice will include the name of the float, the intended recipient, the loan amount, the term (not to exceed 30 months), the anticipated program income over the term of the loan, and the form of security for the loan. A copy of the Amendment will be filed with HUD within a reasonable period following its adoption.

Although there've been discussions and explorations into three potential projects, none look viable at this time. Thus, no new float loans are currently planned for FY 2004-2005 at this time.

The City currently has no float loans outstanding. If the City desires to make a float loan, BHCD will summarize it in the form set at **Table 11**.

TABLE 11: OUTSTANDING FLOAT 2003-04

Name of Float Loan:	Project One	Project Two
Recipient of Float Loan:		
Loan Amount:		
Term of Loan:		
Action Plan Describing Use of Funds:		
Date of Amendment to Action Plan:		
Anticipated Program Income over Term of Loan:		
Form of Security:		
Additional Information:		

EDI/108

The City’s ability to provide loans under the approved Section 108 Loan Guarantee and related Economic Development Initiative Grant concluded in September, 2003. This program was originally approved by HUD in 1998 with a total of \$8,000,000 in loan funds and \$2,250,000 in grant funds. The grant funds were blended with the loan funds to improve the interest rates or other terms of the loans provided to borrowers. Loans under this program supported commercial revitalization projects in the Enterprise Community which resulted in the creation or retention of jobs available to low and moderate individuals.

The City added the Portland Saturday Market under the umbrella of its existing Section 108 Loan Guarantee program. This allowed the City to use the EDI grant to pay interest on the Portland Saturday Market obligation guaranteed under 24 CFR Section 570.703(C). Such assistance is consistent with furthering the City’s efforts to carry out economic development activities in support of the City’s overall Enterprise Community and Neighborhood Revitalization strategies.

Though the City’s original 108 loan authority of \$8,000,000 has terminated, the City may seek new 108 authority for two specific N/NE projects, and access available EDI funds from its “common reserve pool” to make these projects more economically feasible. These two projects had applied for funds prior to September, 2003, but their loans were not completed because they had failed to meet either their pre-leasing or financing conditions of approval.

The two projects are:

- Heritage Project: NE MLK Jr. Blvd. and Shaver. This is a rehabilitation and expansion project of the abandoned Weimer Furniture Building that would result in a total of 23,677 sq. ft. for commercial activities. A loan of \$2,200,000 was sought. The total construction project is estimated to cost \$3,500,000.
- Knauls Business Center (OAME II) : NE Williams and Shaver. This is a new construction project of 49,550 sq. ft., with 10,050 sq. ft. for retail, 34,500 sq. ft. for offices, and 4,000 sq. ft. for conference rooms. The total construction budget is \$8,000,000, with \$3,000,000 sought from an EDI/108 loan.

The City also received a new Section 108 loan guarantee of \$11,457,000 to support the HOPE VI redevelopment project at Columbia Villa. This funding was used for eligible costs related to the redevelopment such as public improvements and demolition. This funding is part of a \$146.5 million project to redevelop Columbia Villa into New Columbia. The City intends to repay the loan from future CDBG allocations (up to \$3.5 million dollars), city capital improvement resources, and tax increment funding from the Interstate Corridor Urban Renewal Area.

This application was independent of the City's other Section 108 loan obligations.

MULTNOMAH COUNTY ACTIVITIES

Multnomah County funds a limited range of housing and community development activities with federal Community Development Block Grant and HOME funds. Though funds available for Program Year 2004-05 have declined due to a reduced CDBG grant, HOME funding available for project allocation remains steady. Both sources of funding are channeled into five program categories.

1. Neighborhood Revitalization

The neighborhood revitalization area includes projects that meet infrastructure needs such as community facilities, street reconstruction, drainage and flood improvements, park acquisition and structure construction, historic preservation, and handicapped access improvements. It is intended that these projects provide for long-term improvements over the course of several years. Individual projects are small but collectively they provide substantial improvements to low and moderate-income neighborhoods. Project sponsors are made aware of the requirement to complete funded projects that within the year have been awarded. For Program Year 2004/05 approximately \$129,769 is available.

2. Housing

The housing program area includes both construction of new housing for special needs populations and rehabilitation work for income eligible persons.

In Program Year 2004/05 approximately \$185,287 is available from the HOME funding source. Though the program requirements differ, new housing construction, rehabilitated housing accessibility improvements, and housing repairs can be provided through one or both of the grant sources. An important federal requirement is the inclusion of actions to deal with lead based paint in all construction projects. This requirement will likely increase the cost of construction activity in many homes or residential facilities built before 1978.

3. Public Services

Public services is the smallest of the program categories to receive funding and is limited by federal regulation at funding not to exceed 15 per cent of CDBG grant funds plus program income. For Program Year 2004/05 this translates to approximately \$58,500. Local program policy states that the emphasis in public services must be on housing related services; fair housing services are specifically targeted. In addition, transitional housing services are critical for homeless populations seeking stability.

4. Administration

General program oversight, environmental reviews, support of the Housing and Community Development Commission, and support for Portland's HOME administrative costs will command not more than 20 per cent of grant and program income. Administrative costs and planning costs should not exceed \$78,000 in CDBG and approximately \$TBD for the HOME grant.

5. Monitoring and Technical Assistance

Technical assistance for and monitoring of subgrantees is an important part of the success of Multnomah County’s community development program. In a collaborative effort, the City of Gresham and Multnomah County have partnered to start off the new program year with a joint CDBG/HOME application workshop. Staff also works together to offer applicants technical assistance during the development of applications and subsequently works together to evaluate these applications and link funding where possible. Because on-site monitoring is recognized as critical to the completion of successful, compliant projects, Multnomah County undertakes on-site monitoring of projects during the program year. Program areas monitored include project eligibility, financial and grant management systems, regulatory compliance, and project accomplishments.

**TABLE 12. COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
HOME INVESTMENT PARTNERSHIP PROGRAM
2004-2005 CDBG / HOME RECOMMENDED ACTIVITIES**

NEIGHBORHOOD REVITALIZATION:	\$129,769
Project One	
Project Two	
Project Three	
Project Four	
Contingency	
PUBLIC SERVICES:	58,500
Housing Assistance Project, Legal Aid Services of Oregon	
Fair Housing Project, Legal Aid Services of Oregon	
Fair Housing Enforcement, Fair Housing Council of Oregon	
Transitional Housing Program, Human Solutions, Inc.	
HOUSING – HOME:	TBD
Project One	
CONTINGENCY	TBD
Support for public facilities projects	
GENERAL ADMINISTRATION:	
Program Administration	78,000
Housing and Community Development Commission	7,891

Total CDBG Resources:

2003-04 CDBG Grant	360,000
Program Income	30,000

Total HOME Resources after set-asides funded:

CITY OF GRESHAM ACTIVITIES

Annually the City of Gresham publicly solicits applications for activities to be undertaken using available CDBG and HOME funds. In November, Gresham City Council, through a recommendation of the Community Development and Housing Committee, established eligible activities and set funding targets, subject to funding availability. A workshop was held in January (January 12, 2004), and applications were due on February 2, 2004. The Community Development and Housing Committee and a Technical Assistance Panel reviewed the applications. The CDHC held public hearings in March (March 3 and 4, 2004) and made a recommendation to Council based on an evaluation of the written applications and the information garnered at the public hearing. Gresham City Council conducts a public hearing in May (May 4, 2004) and makes the final determination by approving submission of a final Action Plan to HUD.

The CDHC and City Council proposed the following allocation targets:

- **Housing:** \$1,089,000 in CDBG and HOME funds combined, 60% of total budget. Eligible activities include construction of new special needs housing, acquisition and rehab of existing rental housing, rehab of existing housing, construction of mixed-income housing in sections of the city which do not currently have a high concentration of rental housing, continuation of Tenant Based Rental Assistance through HAP and CHDO operating support.
- **Public Facilities:** \$286,000 in CDBG funds, 16% of total budget. This includes Phase 2 funding for construction of a Head Start facility and other eligible public facilities.
- **Public Services:** \$156,000 in CDBG funds, 9% of total budget. The City is accepting new applications for “ongoing public services” as well as other public services.
- **Administration:** \$274,000 in CDBG and HOME funds combined, 15% of total budget. Funds will be provided to support Gresham’s share of HCDC costs and Portland’s HOME administration costs, and Gresham’s administration costs.

The following are the project descriptions for the CDBG grant program for FY 2004-05:

SOS, City of Gresham - Provision of 0% deferred payment loan to approximately five low/mod income Gresham property owners to pay for private plumbing costs necessary to connect their homes to the public sanitary sewer as mandated by the State of Oregon. Location: Citywide. Recommended Amount: \$5,250

Adapt-A-Home Rehab, Unlimited Choices, Inc. - Removal of barriers to create accessible housing for approximately 45 low-income Gresham households with physical disabilities without regard to age. Location: Citywide. Recommended amount: \$90,000

Rental Assistance, Housing Authority of Portland - Provision of administrative costs for one-time housing assistance (such as deposits) or an on-going (up to 24 months) rent supplement to homeless & at-risk-of-homeless Gresham families & individuals. Serves approximately 45 households/117 individuals. Grant funds would pay for administration. Location: Citywide. Recommended amount: \$8,627

Gresham Homeownership Program, City of Gresham/Community Vision - Buyer-Initiated SAM – Provision of Shared Appreciation Mortgage to approximately 3 qualified first-time homebuyers with incomes below 80% MFI purchasing a home. Location: Citywide. Recommended amount: \$70,477

Mend-A-Home, Unlimited Choices, Inc. – Provision of emergency home repair to approximately 20 low income & very low -income owner occupied homes in Gresham. Assistance may be provided as a deferred payment loan. Location: Citywide. Recommended amount: \$80,000

Pat Pfeifer Park Improvements, City of Gresham – Provision of extending the major pathway (improving circulation), add additional trees and irrigation; resurface and stripe existing asphalt for recreational games, add a swing set to the playground and create a pedestrian entrance. Park located at NE 172nd at Flanders serving the Rockwood low/mod income neighborhood. Approximately 1,119 low-income households utilize the park. Location: Census Tract 96.04. Recommended Amount: \$245,000

Vance Park, City of Gresham. – Provision of a play structure, drinking fountain and site amenities to an underdeveloped park serving the low income neighborhood. Will serve children from lowest income census tracts in Gresham. Location: Census Tract 98.01. Recommended Amount: \$ 36,302

Couch Street, City of Gresham - Reconstruction of substandard Couch Street from 172nd east approximately 230 feet, including paving and addition of curb, gutter, trees and a sidewalk on south side. Serves low-mod area, including adjacent Coburn Woods, an apartment complex for very low income persons with psychiatric disabilities. Location: Census Tract 96.06. Recommended Amount: \$54,000

Multi-Services Center, Human Solutions, Inc. – Provision of funds to acquire office space for a Region 6 Multi-Service Center in the Rockwood Area of Gresham, where Human Solutions and partner agencies will provide case management, energy assistance, skill building, information and referral and other services. Persons served in the Multi-Service Center will include the elderly, small and large families, victims of domestic violence, youth, the homeless and immigrants. All will be very low income families and individuals. Location: Rockwood Area. Recommended Amount: \$157,000

Fair Housing Assistance, Legal Aid Services of Oregon - Provision of paralegal & attorney assistance to approximately 35 low income individuals from Gresham with housing discrimination complaints. Assistance includes in-depth interview, investigation, referral & individual representation. Location: Citywide. Recommended Amount: \$5,398

Transitional Housing, Human Solutions, Inc. - Project provides approximately 60 unit months of transitional housing for approximately 60 extremely low income Gresham homeless residents including 3 units at Willow Tree Inn & 2 private market units. Human Solutions will work with HAP to find replacement units during Willow Tree construction. CDBG funds pay for property management & administration. Location: Citywide. Recommended Amount: \$37,614

El Programa Hispano, Catholic Community Services – Provision of bilingual/bicultural case management services & new outreach & education services to assist approximately 980 low income Latinos who live in the City of Gresham. Location: Citywide. Recommended Amount: \$36,000

Early Childhood Program, Multnomah Education Service District – Provision of in-home services up to 20 low income Gresham families (75 individuals) with children aged birth through five who have developmental delays and disabilities so that the families can overcome self-sufficiency barriers and participate in early childhood services on a regular basis. Location: Citywide. Recommended Amount: \$15,000

Easy Access, Human Solutions, Inc. - Project will help approximately 3,041 low-income Gresham residents access social and housing services available in East Multnomah County and countywide by providing a staffed information and referral office in Gresham. Location: Citywide. Recommended Amount: \$25,000

Job Skills, El Programa Hispano - Provision of job skills training to approximately 200 low-income Gresham residents, including monolingual Spanish speaking people. Curriculum to include pre-employment workshops and more in-depth classes in approximately 4 specific skill areas. Location: Citywide. Recommended Amount: \$15,000

Views, Cascadia Behavioral Healthcare, Inc. - Provision of peer counseling and support group services to approximately 20 low-income elderly clients in Gresham in need of mental health or addiction services. Location: Citywide. Recommended Amount: \$20,000

Housing Connections, City of Portland – Provision of an online housing locator serving the Portland Metro-area where users can search for specialized housing by affordability, accessibility

and specific geographic location. Funding for operations of the site would be utilized to continue operation of the renter access phone line and outreach specific to Gresham. The site went live in May of 2002 and operations are planned to continue throughout Fiscal Year 2004-2005.

Location: Citywide. Recommended Amount: \$7,000

Renter Stability, Community Alliance of Tenants - Provision of information on landlord tenant law, rights & responsibilities & suggestions on how to maintain professional rental practices to tenants and social service agency staff in Gresham in coordination with the Fair Housing Council of Oregon. Location: City Wide. Recommended amount: \$5,000

Administration, City of Gresham/City of Portland – Funds would be used for staff costs and would also be used to prepare a Consolidated Plan Update and support the countywide Housing and Community Development Commission. Funded award: \$221,400

The following are the project descriptions for the HOME grant program for FY 2004-05:

CHDO Operating, Human Solutions, Inc. – Provision of operating support for Human Solutions, a Community Housing Development Organization (CHDO), to develop affordable housing, provide asset management oversight to existing low-income housing projects, preserve housing for low-income families, and prevent homelessness in the City of Gresham. Location: Citywide. Recommended Amount: \$25,000

West Gresham Apartments, Cascadia Behavioral Healthcare, Inc. - Development of a 27-unit apartment complex housing extremely low-income individuals with a severe and persistent mental illness to be located at 172nd and Burnside. 24 one-bedroom units, 2 two-bedroom units, and a resident manager. CDBG funds used for site acquisition and off site improvements. Recommended amount: \$100,000

Habitat 197th, Mt. Hood Habitat for Humanity - Acquisition of one acre site on SE 197th for construction of 24 condominiums for sale to households with incomes below 50% MFI. 11 homes are HOME-assisted. Sweat equity project. Location: 197th between Stark and Burnside. Recommended amount: \$300,000

CHDO Pre-Development Loan, Human Solutions, Inc. - Provision of a pre-development loan to complete due diligence and obtain an option to acquire an existing rental housing complex in Gresham, preferable in the Rockwood area. Activities will include architectural feasibility pest and dry rot inspection, lead-based paint survey, federally-required tenant survey, and environmental study. Any option to purchase will be conditioned on successful application(s) for acquisition and rehabilitation fund in 2005 from the City, State and private lenders. Location: not known. Recommended Amount: \$50,000

Gresham Homeownership Program, City of Gresham/Community Vision - Buyer-Initiated Model – Provision of eight Shared Appreciation Mortgages to qualified first-time homebuyers purchasing homes. Location: Citywide. Recommended Amount: \$70,732

Rental Assistance, Housing Authority of Portland - Provision of one-time housing assistance (such as deposits) or an on-going (up to 24 months) rent supplement to homeless & at-risk-of-homeless Gresham families & individuals. Serves 45 households/117 individuals. Location: Citywide. Recommended Amount: \$34,014

Administration, City of Gresham/City of Portland – Funds would be used for staff costs and contracts to administer the HOME program and to manage projects. Recommended Amount: \$65,966

GEOGRAPHIC DISTRIBUTION

HOME

The HOME Investment Fund is divided among the jurisdictions in proportion to the low-income population within each jurisdiction.

Gresham

Only one part of a program is targeted geographically in Gresham: the Developer-Initiated Shared Appreciation Mortgage program is targeted to the Rockwood area. Instead of targeting resources geographically, the City of Gresham generally makes its resources available citywide for income-qualifying households and income-qualifying projects (with the Developer-Initiated SAM as the only exception.) A map of the qualifying area for the Developer-Initiated SAM is attached.

The Developer-Initiated SAM is targeted to Rockwood to encourage the development of new, affordable owner-occupied housing in a neighborhood with a high concentration of rental housing. The Rockwood area also has a high concentration of minority residents; thus, the only geographically targeted program is targeted to assist an area with a high concentration of minority residents.

Multnomah County

Projects have historically been located in both the incorporated and unincorporated areas of the Urban County. Partnerships with other jurisdictions have resulted in some project locations being outside the Urban County footprint but mandated to serve a proportionate number of eligible County residents.

Portland

The City of Portland's homeownership program, administered through the Portland Housing Center and the Portland Community Land Trust, is a city-wide program.

CDBG

Portland

The City of Portland has targeted community development assistance geographically since the beginning of the program in 1974. The targeting strategy concentrates community development efforts in specific low/mod areas, to maximize the impact of the assistance on the areas. After each census, the City determines which neighborhoods meet the federal guidelines for low/moderate income neighborhoods. In the early years of community development, the City developed a plan to move through the eligible areas, beginning in North Portland. Through the 1970s the City provided major infrastructure improvements to low/moderate-income North Portland neighborhoods. These areas were then “graduated” out of the program and the focus shifted to inner Northeast and Southeast. Through the 1980s, the bulk of community development services were provided in these areas.

Major sections of Multnomah County, east of Portland, were annexed to the City during the 1980s. These areas were not served by the City’s community development program because of the focus in inner Northeast and Southeast. In the mid and late 1980s, major planning and capital development projects were carried out in Northeast and Southeast as a preparation for transitioning into the newly annexed areas.

In the early 1990s, the City began to move into outer Southeast Portland neighborhoods through its contribution to the development of the Outer Southeast Community Plan. During the 1990s, it also became clear that adequate funds were not available to make significant long-term changes in all of the City’s low/moderate-income neighborhoods. Significant efforts continued in inner Northeast, as this area continues to have the highest concentration of low-income persons in the City.

In 1994, the City’s Community Development Plan identified the need for an even more targeted approach to providing community development services. It also called for an integrated approach, addressing a range of needs rather than dealing with one problem at a time. The Plan recognized that quickly creating visible improvements would best stimulate private investment and build community momentum for continued positive change. A program to provide multi-year intensive assistance to a few neighborhoods at a time was developed. These efforts continued through the 1990s, and a total of 16 neighborhoods have received assistance through these efforts.

In 2000, changing conditions required the City to again review its community development focus and begin to shift from place-based to people-based emphases. Therefore, rather than focusing on additional low/moderate-income neighborhoods, recent efforts have focused primarily on low-income populations, such as immigrant communities. Geographically focused work will continue in East Portland, as this area has not previously been served by community development efforts of the City.

In the course of its strategic planning process, BHCD has been discussing what community development means in a regional economy where neighborhood improvements often lead to

economic displacement of the low-income residents who were the intended beneficiaries of the improvement.

Gresham

Only one part of a program is targeted geographically in Gresham: the Developer-Initiated Shared Appreciation Mortgage program is targeted to the Rockwood area. Instead of targeting resources geographically, the City of Gresham generally makes its resources available citywide for income-qualifying households and income-qualifying projects (with the Developer-Initiated SAM as the only exception.) A map of the qualifying area of the Developer-initiated SAM is attached.

The Developer-Initiated SAM is targeted to Rockwood to encourage the development of new, affordable owner-occupied housing in a neighborhood with a high concentration of rental housing. The Rockwood area also has a high concentration of minority residents; thus, the only geographically targeted program is targeted to assist an area with a high concentration of minority residents.

Multnomah County

Multnomah County continues to focus its community development and housing funding in its consortium partner cities of Fairview, Maywood Park, Troutdale and Wood Village. The cities of Fairview and Wood Village will continue to attract the majority of public works projects, as they are survey qualified "target areas." Housing development projects may be located in adjacent entitlement areas as long as benefit to County residents can clearly be demonstrated. Public service projects by application will serve only Multnomah County residents.

Because of the annexations in East County and elsewhere in the 1980's, Multnomah County's urban entitlement area has been sharply reduced; reduced annual grants since these annexations reflect this. However, due to specific language in the CDBG regulations, Multnomah County will continue to receive CDBG entitlement funding as long as the program receives congressional allocations.

Over the past many years, Multnomah County has allocated funding for critical public works needs in Fairview and Wood Village. The City of Fairview has had long standing flooding problems in its core area; installation of culverts and other drainage construction has sharply reduced the damage done by flooding and insured resident safety. Collapsing deteriorated sanitary sewer lines have been replaced in the Original Village in the City of Wood Village. The replaced old concrete sewer lines have provided for a safe and sanitary community.

Limited CDBG/HOME funding has meant that Multnomah County's program has been unable to fund large or innovative projects. Therefore, a key factor to successful community development and housing efforts has been the result of partnering with the entitlement cities of Portland and Gresham. The County renews its resolve to continue these necessary and cooperative relationships.

CONTINUUM OF CARE FOR HOMELESS PEOPLE

ACTIVITIES

The following describes activities to be funded with HOME, Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), and some other locally controlled funds. Multnomah County uses other sources of funds to fund activities, all of which may not be cited below. ESG funds are allocated in concert with the allocation of CDBG funds.

Addressing Emergency and Transitional Housing Needs of Homeless People

Individuals

Portland will continue to fund:

- two shelters for single adult men (Glisan Street and Clark Center)
- a night shelter for single women (Harbor Light)
- expanded winter shelter for men and women (Harbor Light)
- Jean's Place which provides both shelter and transitional housing for women,
- the Bridgeview program for persons who are chronically mentally ill, and
- alcohol/drug free transitional housing at the Estate and Danmoore.

In addition to case management services in the Glisan and Clark Center, the system provides the following specialized assistance:

- Employment Services
- Mental Health Services Liaison

Outcomes Include:

- *2,500 individuals will receive shelter annually at facilities that provide clean and sober environments and link individuals to other needed services.*
- *700 individuals will receive emergency winter shelter.*
- *1500 individuals from shelters will be evaluated for employment or disability income annually*
- *400 individuals of those will be linked to jobs*
- *Fifty percent of job placements will result in sustained employment 6-12 months following placement*

- *1000 individuals from shelters will be evaluated for the need for alcohol and drug treatment annually*
- *500 individuals from shelters will be linked to alcohol and drug treatment*
- *480 individuals in transitional housing will be linked to alcohol and drug treatment annually*
- *170 individuals will receive housing/shelter linked to mental health services*
- *300 individuals will receive street outreach services linked to mental health*

In addition to the outcomes listed above, in 2003-2004, as a result of a year long planning process, the providers in the Singles System implemented shared outcomes in their contracts.

This bold approach encourages collaboration and accountability. While each program is diverse, there are similarities, and each program contributes to the overall goal of ending people's homelessness.

Shared Outcomes for the Homeless Single Adult System

Total Served – 5,455 (excludes Community Service Center, which will serve 5,000)
Housing Placements – 1,820
Eviction Prevention – 430

Total number of people served by the system who will not be homeless – 2,250
Housing Retention –
 6 months – 65%
 12 months – 55%

Families

Multnomah County will continue to coordinate funding services for homeless families through the School Age Policy Framework contractors and other community based service providers, including:

- Shelter for 41 families during the winter months (at Salvation Army Door of Hope and YWCA SafeHaven³)
- Motel vouchers that are accessed thorough 40 agencies to shelter for 37 families point in time 365 days a year
- Day shelter during the winter months offering recreation and social programs, case management services, linkages with resources and two meals daily.

³ The Metro East Portland InterFaith Hospitality shelter , sponsored by Peace Church of the Brethren and other churches and religious groups, was forced to close in Spring 2003 for lack of funds.

- Sixty-four project based transitional housing units at the Willow Tree Inn, Richmond Place, Sunrise Place and Turning Point.
- Scattered site transitional housing for 84 homeless families at any point in time.
- Scattered site transitional housing units for 21 pregnant or parenting teen mothers through the HomeSafe, Supportive Housing Program
- Supportive Services and financial assistance to stabilize housing for 42 families through agencies serving culturally specific populations.

Shared Outcomes for the Homeless Families System

*110 families (300 individuals) will receive emergency shelter services in the winter months.
400 families (1,215 individuals) annually will receive a motel voucher for up to 30 days*

Helping Homeless Individuals and Families Make the Transition to Permanent Housing and Independent Living

- 925 individuals in shelters will move into transitional and permanent housing annually
- 455 individuals in transitional housing will move into stable housing annually
- 875 individuals not in shelters but who are homeless or losing their housing within one week will receive assistance to obtain or stabilize housing
- Sixty-five percent of housing placements/interventions with single individuals will result in housing stability 6-12 months following placement
- Seventy percent of homeless family households that obtain permanent housing at exit will remain in permanent housing at six-month follow-up.
- Sixty-five percent of homeless family households enrolled in program will obtain permanent housing by exit.
- Sixty-three percent of homeless family participants will complete goals they established in their case plans by exit from program.
- Eighty percent of homeless family households enrolled in program will receive entitlement benefits during their enrollment in the project
- Fifty percent of homeless family participants will increase their income by exit from program.

*emergency shelter.
200 families (540 individuals) will receive transitional housing and supportive services annually.*

Youth

Multnomah County will continue to coordinate funding and services for homeless youth through community-based service providers, including:

- Two shelters for homeless youth, **including emergency shelter with 30 safe exit, overnight drop-in spaces that can be accessed for up to a period of 8 days, and 30 short-term shelter beds available to youth for up to four months**

- Motel vouchers are accessed for youth **with medical issues** and need a quiet place to rest other than a shelter bed
- **Forty-three** facility based transitional housing beds located at Outside-In and New Avenues for Youth
- Five group living beds at Janus Youth
- **Twelve** scattered site transitional and/or permanent housing units
- County-funded day services offering life skills, meals, health services, A & D groups, Mental Health counseling, recreation, art programs **and education and employment focused activities**; additionally, partnerships with DePaul Treatment Programs and Cascadia Behavioral Healthcare add value for youth who need more intensive services related to drug/alcohol use and mental health
- 24-hour access to Screening, Referral and Assessment
- Service Coordination/Case Management

Outcomes Include:

- *1000 youth per year will access the system through the Access and Reception Center, and will receive screening, referral and basic needs (meals, medical, clothing, showers, laundry)*
- *750 youth per year will receive individual needs assessment and be referred to appropriate services both outside and within the continuum of homeless youth services*
- *500 youth will be housed in crisis shelter*
- *250 youth will be housed in short term shelter*
- *350 youth each year will receive intensive service coordination (case management)*
- *At least 75 unduplicated youth will be served in transitional and independent housing 65% of youth exiting from housing will transition to safe, stable housing*

Domestic Violence

The Multnomah County Domestic Violence Coordinator's Office administers specific HUD grants to provide housing and supportive services to victims of domestic violence. This Office works in cooperation with other government programs to provide comprehensive community information and education that will lead to the reduction of domestic violence, which has been repeatedly identified as a primary cause of homelessness among women and children. The office works closely with the Governor, legislators, local government, and community partners to create and implement legislation; policies, procedures and local government funding that will assist in reducing domestic violence and the subsequent homelessness it causes.

Multnomah County will continue to fund housing and other domestic violence intervention services for the survivors of domestic violence and their families. Presently included in this funding are Bradley-Angle House, Raphael House, the Salvation Army West Women's and Children's Shelter, the YWCA Yolanda House Shelter, Volunteers of America Family Center

(VOA), Ecumenical Ministries Russian Oregon Social Services programs, International Refugee Center of Oregon Asian Center, Native American Youth Association Family Healing Circle, Oregon Human Development Corporation, and Catholic Charities to provide intervention services emergency and transitional shelter, culturally specific, and other services for survivors of domestic violence. Services include:

- Four emergency shelters serving 440 women and 350 children funded by Multnomah County
 1. West Women: Nine beds for singles – three units for families
 2. Bradley-Angle House: Four beds for singles – nine beds for families
 3. Raphael House: Two beds for singles - ten units for families
 4. Yolanda House: Nineteen beds for singles or families
- Emergency vouchers and rent assistance for victims of domestic violence through Multnomah County Clearing House serving approximately 100 women and their families each year
- Five Additional shelter beds available funded through faith based organizations
 1. Shepherds Door – 96 beds
 2. My Fathers House – 5 families
 3. Door of Hope – 35 families/households
- Facility-Based Transitional Housing offering 61 units to serve approximately 100 families and singles each year
 1. Andrea Lee – nine units for families
 2. Raphael House – 9 units for families
 3. West Women’s Shelter – 20 single beds and 9 family units (three flex units that can be used for singles, and three two-family units.)
- Scattered site transitional housing serving culturally specific populations serving 10 single women and 60 women with children annually
 1. Bradley-Angle House – Eastern European and African American
 2. VOA – Latina
 3. Catholic Charities – Latina
- Culturally specific programs offered at various agencies to approximately 500 women each year offering rental assistance, case management and short term intervention services to prevent homelessness because of domestic violence.
- Portland Women’s Crisis Line providing referrals and transportation for approximately 5200 women
- Advocacy, prevention, legal representation, educational presentations and programs for children

Out of Shelter Crisis Intervention Services-

- Provides housing/rent assistance and case management for approximately 50 women and their children annually.

- Provides DV emergency crisis intervention for an additional 100 women annually which includes crisis management which enables them to remain housed in their existing housing situation.

Outcomes Include:

- *650 women and their children will receive shelter and transitional housing annually through Multnomah County funds*
- *An additional 6000 women and children are served through other domestic violence services.*
- *2500 community citizens will be educated/informed concerning domestic violence and the need for social change*
- *1,500 children will be educated that violence/hitting is not a option*
- *20,000 women or family members will receive referrals or assistance as a result of central access at PWCL and emergency intervention at VOA-Home Free programs.*
- *500 women of color will receive assistance through the culturally specific programs*

Emergency Vouchers

Portland, Gresham and Multnomah County will continue to provide funds for emergency housing vouchers for individuals and other households in need. These vouchers are administered through Multnomah County's Clearinghouse.

Prevention of Homelessness**Individuals and Families**

All three jurisdictions will continue to fund rent assistance and assistance with move-in costs to households at risk of losing their permanent housing and to homeless households to facilitate their accessing and stabilizing in permanent housing. The jurisdictions each allocate HOME funds for the rent assistance program operated by the Housing Authority of Portland (HAP). Portland also uses Payment In Lieu Of Taxes (PILOT) funds for a program operated by Multnomah County. Multnomah County Office of School and Community Partnerships (OSCP) uses FEMA, HUD Supportive Housing Program, State and County general funds for emergency housing vouchers, transitional housing and rent assistance.

Portland will contract with the Northwest Pilot Project for prevention/stabilization services for seniors. Homeless prevention will also be done at the Glisan Street Community Service Center.

Youth

Many times, youth that run away from home benefit from a combination of counseling and short respite away from home. The Homeless Youth Continuum has developed partnership agreements with agencies serving runaway youth, in a strong effort to prevent this population from becoming acclimated to street life unnecessarily.

New Avenues for Youth (NAFY) has developed a unique partnership with the police and juvenile justice. Youth who are taken into custody by police for low-level misdemeanors and status offenses are brought to the NAFY Reception Center for screening and referral. Many of these youth are runaways and are at risk of becoming homeless. These youth receive linkage and access to services that prevent homelessness.

Janus Youth operates a program specifically targeting runaways. Programming includes shelter for up to 14 days and family counseling. The Access and Assessment Center has implemented policy which diverts youth who have a viable home from entering into the continuum of homeless services.

Domestic Violence

Services to domestic violence survivors include support groups, outreach services through partnership with Portland Police Bureau Domestic Violence Unit, walk-in assistance, safety planning, and advocacy or legal assistance in obtaining restraining orders. These services can assist the victim to remain in their existing stable housing situation. Ongoing case management is offered to survivors as well as education and advocacy working with other agencies or programs that can assist in housing stabilization, such as the Department of Human Services (DHS) Self-Sufficiency (public assistance, rent/moving assistance). These support systems work towards stabilizing women and their families in their permanent housing situation.

MCKINNEY HOMELESS ASSISTANCE

Two competitive federal McKinney programs, Shelter Plus Care and the Supportive Housing Program, provide almost \$5,000,000 annually to projects serving homeless people within Portland/Multnomah County. The funding commitment from HUD varies from one to five years. At the end of the grant award, project sponsors may reapply. Last year this community submitted a request to HUD for \$4.5 million, focusing on requests to renew all existing projects as well as new permanent housing proposals. Seven renewal projects were awarded \$4,001,751 and a new Shelter Plus Care program for homeless mentally ill individuals was funded for \$517,860. The new permanent housing was possible because HUD provided a \$500,000 bonus for new permanent housing for disabled homeless households.

This year, for 2005, HUD is continuing to implement some of the changes initiated last year. To meet HUD's goal of getting communities closer to its pro-rata share, Portland/Gresham/Multnomah County Continuum of Care will be renewing all projects for one year. The process for prioritizing renewing projects will continue to be based in outcomes, and will set the stage for future ranking whereby our CoC may not be able to renew all projects. HUD continues to fund Shelter Plus Care separately from the Supportive Housing Program, easing some of the funding burden on Supportive Housing Program projects. If HUD is once again provides a bonus to all communities that apply for a new permanent housing program for

disabled people as the top priority, Portland/Multnomah County will apply for the additional \$500,000 - \$750,000 in a much needed area of permanent supportive housing.

Continuing this year, there is an increased emphasis on housing, which rewards communities with projects that have a greater focus on housing than services. Portland /Gresham/ Multnomah County has historically had a stronger focus on services. While we have been able to meet the threshold for housing projects for the past two years, as we renew all projects for one year only, we will be further challenged by dependency on McKinney resources for supportive services.

It is also important to mention that while our annual use of Supportive Housing Program funds is \$4.5 million, HUD indicates we can expect an annual award for the Supportive Housing Program of approximately \$3.4 million. This has not yet posed a problem because of the length of time of current awards. However, the number of years for each project has been shortened so that we can continue to fund as many projects as possible, and this is creating a potential problem for our community. This year it will cost approximately \$5.4 million dollars to renew all Supportive Housing projects expiring in 2004 for two years. Therefore, we will be able to renew some for two years and some for one year. In 2004, the cost of renewing all Supportive Housing projects that expire in 2005 for one year will likely be equal to our *pro rata* need. In 2005, as we complete the application for 2006, this community will likely have insufficient funds to address its renewal need.

In light of all this information, the Advisory Committee on Homeless Issues (ACHI), a committee of the Housing and Community Development Commission (HCDC), decided to rank as the highest priority a new permanent housing proposal that will not impact our renewal burden, ranked as second highest facilities serving homeless people that need renewal funding (because of the sizable investment this community has made in these facilities) and used performance outcomes and other information to rank the rest of the renewal projects. The final project, Shelter Plus Care rent assistance, is funded through this application process but non-competitively from a different funding stream.

In 2003, Portland and Multnomah County convened a Citizen's Commission on Homelessness to develop a 10-year plan to end the institution of homelessness. The CCEH expects to have a draft plan in Fall 2004. The CCEH is supported by a Coordinating Committee, and a number of work groups. ACHI has been disbanded and its functions distributed among the CCEH, the Coordinating Committee, and the work groups. The ACHI functions regarding the Continuum of Care have been assumed by the McKinney Work Group. That group will continue to focus on performance measures for next year and also will work to address the fact that Portland/Gresham/Multnomah County McKinney projects have a significant focus on services. This reduces our scoring ability, since the Administration would prefer that HUD primarily fund housing.

This year's funding option is found in Table 1. It includes one new permanent housing project, eight renewal supportive housing projects, and a Shelter Plus Care project. The total request is for \$5.98 million dollars.

The application was submitted to HUD by July 11.

TABLE 13: MCKINNEY PROJECTS EXPIRING IN YEAR 2004
 (Consolidated Application to HUD for Homeless Assistance)

(1) Applicant	(2) Project Sponsor and Project Name	(3) Numeric Priority	(4) Requested Project Amount	(5) Term of Project	(6) Program and Component/Type				
					SHP new	SHP renew	S+C new	S+C renew	SRO new
Housing Authority of Portland	Cascadia Behavioral Healthcare, Cascade AIDS Project, Human Solutions, Inc.	1	\$745,740	5 (yrs)			TRA		
Salvation Army	West Women's Facility	2	\$251,538	2 (yrs)		TH			
City of Portland	Pathways/Singles Leasing II	3	\$237,332	2 (yrs)		TH			
Multnomah County	Domestic Violence Leasing/Services II	4	\$209,538	2 (yrs)		TH			
Central City Concern	Sunrise Place	5	\$209,544	2 (yrs)		TH			
Multnomah County	Domestic Violence Leasing/Services I	6	\$599,114	2 (yrs)		TH			
Multnomah County	Home Safe	7	\$272,554	1 (yr)		TH			
Central City Concern	Alcohol and Drug Free Housing	8	\$162,866	1 (yr)		TH			
Bradley-Angle House	Andrea Lee	9	\$71,273	1 (yr)		TH			
Raphael House	Raphael House	10	\$49,014	1 (yr)		TH			
Multnomah County	Horizons Family Leasing/Services	11	\$338,746	1 (yr)		TH			
Multnomah County	Turning Point	12	\$276,846	1 (yr)		TH			
City of Portland	HMIS	13	\$482,731	2 (yrs)	HMIS				
Cascadia Behavioral Healthcare, Inc.	Royal Palm	14	\$698,395	1 (yr)		IH			
Housing Authority of Portland	Insights, Transition Projects, Inc.	15	\$260,700	5 (yrs)			TRA		
Housing Authority of Portland	Cascadia Behavioral Healthcare, Cascade AIDS Project, Human Solutions, Inc.	16	\$708,240	5 (yrs)			TRA		
Housing Authority of Portland	Veteran's Administration, Cascadia Behavioral Healthcare	N/A	\$411,732	1 (yr)				TRA	
Total Requested Amount:			\$5,985,903						

NEEDS AND GAPS ANALYSIS

Process for Completing Housing Gaps Analysis and Homeless Population/Subpopulations Charts

We included four important steps in the Housing Gaps Analysis and Homeless Population/Subpopulations Charts. The first step in this process was the compilation of an accurate inventory of existing housing programs: the number of beds/units, the population served, the sponsor, program type (i.e. emergency, transitional), and location. This provided the basic inventory. The second tool is the *One Night Shelter Count* of all who are sheltered on a single night, November 22, 2002. All providers report on number sheltered and the number who requested services, and who could not be served on that particular day (“turnaways”). The third very important tool was a week-long (February 25 to March 3, 2002) shelter and transitional housing count done by almost all agencies that participate in the One-Night Shelter Count. While the total numbers could not be used for the point in time data for the gaps analysis, information about subpopulations and the supportive services needed enhanced critical pieces of the analysis.

The fourth tool was a “street” count conducted on May 23, 2003, which documented 1,571 different persons sleeping outside or in a vehicle. Based on the number of “street” families served during the year by JOIN, an estimate was made that 162 of these 1,571 were members of a family group. To reduce possible duplication of singles who may have been counted as either sheltered or “turned away” in the one night count in November, the count was reduced by 340—the number of low-barrier beds provided primarily by missions, some publicly funded, including 200 winter shelter beds and 140 year round beds. By totaling the unduplicated number of unsheltered persons found in the street count with the turn-away enumeration from the One-Night Shelter Count, we count 1,222 single individuals and 257 persons in families sleeping outside, in vehicles, or other inhabitable places at one point in time (1,479 total).

The following describes how the Gaps Analysis was completed:

Beds

- **The Current Inventory** was obtained from the inventory of existing shelter and housing providers with minor adjustments made from data from the November 22, 2002, “One Night Shelter Count”.
- **The Unmet Need** was derived primarily from the “turnaways” reported on November 22, data from the week survey (2002), and the documented number of persons unsheltered on May 23, 2003.

The following are the estimates of unmet need for subgroups at one point in time:

- **1,055 Individuals.** This includes 67 survivors of domestic violence, 42 youth, and 946 other singles.

- **509 Persons in Families with Children.** This includes 69 members in families dealing with domestic violence, 48 youth families, and 392 in other homeless families.

HOMELESS SUBPOPULATIONS

- **Current Inventory.** The one-week survey of providers provided the primary data for this section.
- **Estimated Need: Services and Subpopulations.** The percentage of individuals or households receiving services was used to estimate the number of those needing services. Subpopulation information also was estimated this way.
 - **Substance Abusers, mentally ill, and dually-diagnosed.** The weeklong survey found that 47% of homeless individuals currently receiving shelter/housing are substance abusers, 22% have a dual diagnosis, and 33% are seriously mentally ill. (These categories are not mutually exclusive.) Data from providers indicate that percentages are much lower for adults in families with children: Substance abusers range from 9% of those served in the “family system” to 34% in the “domestic violence system”; providers in the family system reported no seriously mentally ill persons, while domestic violence providers reported 13%; those with a dual diagnoses ranged from 5% of those served in the “family system” to 11% in the “domestic violence system.
 - **Persons with HIV/AIDs.** Information obtained from the one-week survey of providers was supplemented with data on homeless persons served by Cascade Aids Project. Combining the two pieces of data, it is estimated that 6% of homeless single individuals and 4% of persons in families with children are affected with HIV/AIDs.

TABLE 14: NEEDS AND GAPS ANALYSIS FOR 2003-2004

4. Continuum of Care: Housing Gaps Analysis Chart

		Current Inventory in 2003	Under Development in 2003	Unmet Need/ Gap
Individuals				
Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter	661	0	331
	Transitional Housing	670	120	91
	Permanent Supportive Housing	775	60	629
	Total	2,106	180	1,055

Persons in Families With Children

Beds	Emergency Shelter	259	14	113
	Transitional Housing	810	0	234
	Permanent Supportive Housing	241	0	159
	Total	1,310	14	509

Continuum of Care: Homeless Population and Subpopulations Chart

PART 1: HOMELESS POPULATION	SHELTERED		UNSHELTERED	TOTAL
	EMERGENCY	TRANSITIONAL		
Example:	75 (A)	125 (A)	105 (N)	305
1. Homeless Individuals	684 (N)	700 (N)	1,222 (N)	2,606
2. Homeless Families with Children	83 (N)	389 (N)	95 (N)	567
2a. Persons in Homeless Families with Children	283 (N)	870 (N)	257 (N)	1,410
Total (lines 1 + 2a)	967	1,570	1,479	4,016
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total
1. Chronically Homeless	420 (E)		1,100 (E)	1,520
2. Seriously Mentally Ill	458 (N)			
3. Chronic Substance Abuse	749 (N)			
4. Veterans	182 (N)			
5. Persons with HIV/AIDS	144 (N)			
6. Victims of Domestic Violence	280 (N)			
7. Youth	159 (N)			

HOUSING AND HOMELESS NEEDS ASSESSMENT: 2003 UPDATE

NEED FOR LOW-INCOME RENTER HOUSING ASSISTANCE

HOUSING NEEDS FOR LOW-INCOME RENTERS

Since 1998, the National Low Income Housing Coalition (NLIHC) has been issuing updates of their report: *Out of Reach at What Cost?*⁴ Using the NLIHC methodology⁵ to gauge the ability of low-income households to rent at prevailing Fair Market Rents (FMR) established by HUD, the Coalition published the following findings for the Portland-Vancouver metro area:

- In the Portland-Vancouver Metropolitan Statistical Area (MSA) in 2003, the FMR for a two-bedroom unit was \$795.
- The generally accepted standard of affordability endorsed by HUD is that a unit is considered affordable if the cost of rent and utilities totals no more than 30 percent of the renter's income.
- The estimated renter household median income is lower than the area median family income. In 2003, the estimated renter household income for the Portland-Vancouver MSA was \$36,183 annually, compared with a median income for a family of four of \$65,800.
- Using the estimated rental household median income, the monthly wage for a renter household was \$3,015. An affordable unit should cost no more than 30 percent of that (\$905). Of all the renter households, 43% cannot afford the two-bedroom FMR.
- In the Portland-Vancouver MSA, a worker earning the Oregon minimum wage (\$6.90 per hour) has to work 89 hours per week in order to afford a two-bedroom unit at the area's FMR.
- The Housing Wage in the Portland-Vancouver MSA is **\$15.29**. This is the amount a full time (40 hours per week) worker must earn per hour in order to afford a two-bedroom unit at the area's FMR. This is 222 percent of the minimum wage (\$6.90 per hour). Between 2002 and 2003 the two bedroom housing wage increased by 3.11 percent.

In short, the NLIHC Report finds an affordability gap for renters whose income is roughly 88% or less of the 2003 estimated median family income. These renters are unable to afford a two-bedroom apartment at the prevailing FMR of \$795.

⁴ National Low Income Housing Coalition. *Out of Reach, Rental Housing at What Cost?*, 2003.

⁵ The methodology is described at the NLIHC web site:
<http://www.nlihc.org/oor2002/index.hlm>.

The next two summary tables are from the NLIHC Report:

TABLE 15. ESTIMATED AFFORDABILITY OF FMR IN PORTLAND-VANCOUVER MSA, 2003.

Income Needed to Afford FMR					
Amount			Percent of 2003 MFI for a Household of 4		
Zero Bedrooms	One Bedroom	Two Bedrooms	Zero Bedrooms	One Bedroom	Two Bedrooms
\$20,960	\$25,760	\$31,800	32%	39%	67%

Source: Out of Reach, Rental Housing at What Cost?, National Low Income Housing Coalition, 2003.

TABLE 16. ESTIMATED WAGE NEEDED TO AFFORD FMRS IN PORTLAND-VANCOUVER MSA, 2003.

Housing Wage						Work Hours per Week Necessary to Afford a Unit If Person Earns Oregon Minimum Wage	
Hourly Wage Needed to Afford (40 hrs./wk.)			As % of Minimum Wage (OR=\$6.90)				
Zero Bedroom FMR	One Bedroom FMR	Two Bedroom FMR	Zero Bedroom FMR	One Bedroom FMR	Two Bedroom FMR	One Bedroom FMR	Two Bedroom FMR
\$10.08	\$12.38	\$15.29	146	179	222	72	89

Source: Out of Reach, Rental Housing at What Cost?, National Low Income Housing Coalition, 2003.

WAITING LIST FOR SECTION 8 RENTAL ASSISTANCE AND PUBLIC HOUSING

Currently the Housing Authority of Portland's (HAP) Section 8 Program provides monthly housing assistance to just over 7,800 households, 7,080 of which are households using tenant-based vouchers. The balance is made up of the following: 562 SRO/Mod Rehab vouchers, and 195 Project-Based Assistance certificates. There are also 2,300 public housing units. With these approximately 10,150 units, HAP serves about 33,000 individuals.

The waiting lists for these two programs provide some indication of the need for affordable housing for low-income households. As detailed below, some 10,692 households are on waiting lists for HAP's rent-assistance housing programs.

TENANT BASED SECTION 8

On March 1st 2004, HAP had 7,378 households on its Section 8 waiting list for tenant-based vouchers. (2.5% of those currently on the wait list are homeless – in shelters or living on the street.) The Section 8 waiting list was opened for one week in October 2002, and has been closed since.

Between zero and 100 vouchers are available each month. Recipients are selected by a lottery, so that the date a household entered the queue does not determine whether they will receive a voucher. HAP estimates that it will not accept new applications until 2006. HAP will work to exhaust the current list first; no new applicant will receive a voucher until every household on the waiting list has pulled from the list.

PROJECT BASED SECTION 8

With one exception, HAP does not maintain Section 8 wait lists for SRO units. These lists are maintained as site-base waiting lists by the agencies actually managing and operating the Single Room Occupancy hotels. The exception, the Jefferson West Apartments, has a waiting list of 1,189 names.

PUBLIC HOUSING

As of March 1, 2004 there were 2,125 households on HAP's Public Housing waiting list. An additional 243 applicant households were being processed, but not yet housed. HAP began accepting applications for the new Severe Housing Needs priority on February 2, 2004. HAP stopped accepting applications under the old "special needs" priority system on August 1, 2002. This closure was a bridge to implementation of HAP's new priority system, which is planned to begin in late 2003 after all remaining "special needs" applicants have been housed or determined ineligible. The regular waiting list is still open for applicants who will be processed in order of date and time of application.

Households that moved into Public Housing during the 4th quarter of 2003 waited an average of 683 days for housing. The average was 533 days for those in "special needs" high priority groups 1-3; it was 990 days for those in lower priority groups 4-5. Forty-three households from groups 1-3 were housed in the 4th quarter, while only 21 (same number as previous year) were housed from groups 4-5 (mostly graduates of the Ready to Rent program).

HAP experienced a significant slowing of regular waiting list activity from March through early October 2003 while available Public Housing units were reserved for some of the 380 families relocating from Columbia Villa due to HOPE VI reconstruction.

ADDRESSING THE SPECIAL NEEDS OF PERSONS WHO ARE NOT HOMELESS

NON-HOMELESS PERSONS WITH SPECIAL NEEDS

Many persons in each of the special needs categories, regardless of the specific "special" need, share certain characteristics. Many have permanent conditions that affect their self-care capacity and often limit their mobility. Large numbers are extremely low-income individuals. Due to poverty and disability, individuals without a strong support system are extremely vulnerable to homelessness and some to institutionalization. Many with special need require support services to both access and maintain housing.

NUMBER OF PERSONS WITH DISABILITIES

According to the 2001 American Community Survey, nine percent (56,093) of the total population of Multnomah County are people between 16 to 64 years of age who have a significant physical or mental disability. These disabilities fall in six categories:

- | | |
|--|--------|
| • Sensory disability | 10,252 |
| • Physical disability | 26,703 |
| • Mental disability | 19,704 |
| • Disability makes it difficult for person to care for self | 6,401 |
| • Disability makes it difficult for person to go outside alone | 15,135 |
| • Disability prevents person from working | 28,670 |

Some people have multiple disabilities. Since the term "disabilities" does not have a clear universal definition, there are people with disabilities not represented in these figures. Children under 16 years of age, and seniors aged 65 and older, are also not included.

POVERTY: INCOME AND HOUSING COSTS

Unless they have another source of income, most individuals with a disability rely on support from programs administered by the Social Security Administration, such as Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI). According to the Social Security demographic information, there are approximately 15,272 recipients in Multnomah County, an increase of 5.3% over 2002 estimates.

Currently the SSI benefit is \$552 monthly (\$6,624 annually) or just over 14% of Median Family Income for a household of one. The SSDI benefit, based on previous earnings, is higher at \$9,600, but is significantly under 30% of Median Family Income in February 2004 for a household of one, \$14,250.

Throughout this plan, we measure affordability the same way HUD does, as housing and utilities that together cost no more than 30% of a household’s income. Affordable rent for a person receiving SSI is approximately \$166 per month. Given that the fair market rent for a studio unit in the Portland-Vancouver MSA is \$524, a renter with a disability who is unable to secure a Section 8 voucher or other subsidized housing can expect to have to pay to over 90% of his or her income on housing.

Rent as a Percentage of Income

Rent and Utility Levels	Monthly Rent for Studio Units	Rent as % of SSI Income (\$552)
Affordable Rent	\$166	30%
Fair Market Rent	\$524	92%

Source: HUD approved Fair Market Rents (FMR), effective 9/30/2002. FMR includes cost of utilities

NUMBERS SERVED BY MULTNOMAH COUNTY AGING AND DISABILITY SERVICES (ADS)

In 2001-2002, Multnomah County’s Department of County Human Services, Division of Aging and Disability Services served over 35,000 different persons. Of these, 10,231 received supportive care services in their home, community, or nursing home; 21,892 were eligible for, and received financial assistance, food stamps, and Oregon Health Plan coverage; and 2,950 received only food stamps. During the same year, 1,740 elderly persons were served in the Older American Act/Oregon Project Independence program.

Approximately 14,000 elderly persons were served in the Medicaid program, including 6,200 who did not require service assistance and 7,800 who required assistance at home or in licensed care including nursing homes, assisted living facilities, adult foster homes, and residential care facilities.

These numbers are likely to be much smaller during 2003-2004. State budget shortfalls at the end of the 2001-2003 biennium resulted in sharp cuts during the last half of FY 2002-2003. Projected state budget shortfalls for FY 2003-2004 are expected to lead to more restrictive eligibility criteria, an additional reduction in the number of people served, greater contraction of the number and size of programs, and further limitations on the types of services available

HOUSING CHALLENGES FOR SENIORS IN MULTNOMAH COUNTY

Resources or housing situations that seniors live in include houses, mobile home courts, apartments, and licensed options. Many seniors received a fixed income. If seniors live in their own home, they may be “overhoused” (e.g., living alone in a three-bedroom home) and require assistance to remain in the house due to the cost of repairs and their decreasing ability to maintain the property.

Over half of older Oregon renters spend over 35 percent of their income on rent, usually in an apartment. This places these seniors in the position of having to choose between food, utility bills, and, in some cases, medications. In fiscal year 2003, the choice issue became more evident with increases in rent, utility costs, prescription costs, and medical costs.

SUBSIDIZED HOUSING FOR THE ELDERLY

In Multnomah County, there are approximately 1,365 subsidized housing units designated for persons 62 and older, and approximately 2,273 units designated for either the elderly or persons with disabilities. Since 1992, approximately 250 subsidized units for seniors have been lost. An elderly person may be on the waiting list for public housing for up to 2 years. Many of the HUD Section 8 buildings for seniors report waits of 1½ to 3 years.

It is clear from the length of the waiting lists that the development of new subsidized units has not kept pace with need. Most recent “affordable housing” developments that seniors may access have been financed with tax credits or bonds. Due to these funding sources, the rents often are set at a level affordable to households with incomes at 50 or 60 percent of the area’s median. The monthly rents for units in these buildings range from \$450 to \$675, amounts not affordable to an individual receiving SSI (\$553), or to most individuals who receive no more than \$800 in benefits from Social Security or from Social Security Disability Insurance (SSDI).

Multnomah County provides limited funds for rent assistance for clients served by ADS. These funds enabled a total of 500 ADS clients to obtain permanent housing with a success rate of 90 permanently housed in the three-month and six-month outcome reports. Of the 359 assisted, 160 were 60 and older; 199 were at risk of homelessness and 23 were homeless.

MOBILE HOME COURTS

Many seniors choose housing in mobile home courts as an affordable option when they retire and move from the family home. Multnomah County currently has 91 mobile home courts. These courts contain 5,094 spaces, many of which are occupied by seniors. Rent increases and stringent upkeep requirements are common. Many seniors in the courts own older homes that are not marketable, leaving the seniors with no choice but to remain and pay the higher rent. A senior whose care needs or other circumstances dictate a move will often lose equity in the home, and must continue paying rent while trying to sell the home.

CARE CHALLENGES

The number of persons with physical limitations increases steadily with age. As the number of “old, old” seniors increases, the need for in-home or other services increases as well. Many seniors prefer to stay in their own home rather than moving to a licensed facility. The provision of supportive services, such as housekeeping or personal care, is funded by Medicaid or through Oregon Project Independence. The funding for these programs is at risk due to state budget shortfalls. The state may not be able to provide sufficient local “match” for federal medicaid dollars.

Lack of sufficient, efficient, qualified, and cost effective provision of those services continues to be a barrier. One program that has been very effective in service provision is the HUD and Medicaid funded Congregate Housing Service Program in four buildings owned and operated by the Housing Authority of Portland. This program serves 120 seniors and persons with disabilities, enabling them to live in their own units. The funding for this program is at risk due to state budget shortfalls.

At times, services in the home cannot meet senior needs and the best option may be to move to licensed care. The types of licensed care and number of units/beds and ADC clients served in these facilities are shown in the table below.

Within the category of Residential Care Facilities (RCF) there is some specialization including Mental Health Enhanced Care (15), AIDS care (12), Alzheimer’s care (318), and alcohol and drug/mental health (85). The funding for many of these facilities is at risk due to state budget shortfalls.

TABLE 17. LICENSED RESIDENTIAL CARE BEDS IN MULTNOMAH COUNTY – FEBRUARY 2003

Licensed Options	Number of Units/beds	ADS Senior Clients in Facility	ADS Clients with Disability in Facility
Assisted Living Facilities (ALF)--apartments with care provided		335	65
Residential Care Facilities(RCF)—units that may be shared with care provided	1495	315	132
Adult Foster Homes (AFH)--residential homes with 5 or less residents with care provided	2595	1037	343
Nursing Homes (NH)--Licensed nursing care provided including some skilled care	4400	1081	210

Source: Multnomah County Aging and Disability Services Division.

PEOPLE WITH PHYSICAL DISABILITIES

THE ROLE OF MULTNOMAH COUNTY AGING AND DISABILITY SERVICE (ADS)

In 1997, the State of Oregon's Senior and Disabled Services Division (SDSD) transferred to Multnomah County Aging and Disability Service (ADS) the responsibility for case management, food stamp, and Medicaid services for people with disabilities up to 64 years of age. In 2001-2002, ADS served close to 21,000 people with disabilities aged 18-64, which is about 29% percent of the total population with disabilities aged 18-64 in the County. Within this population there are physical, mental, and developmental disabilities, and many people with multiple disabilities.

Through the community-based care system 3,202 clients received case managed care services in their home. In 2003, there were 19,813 clients with disabilities out in the community receiving Services that included financial assistance, food stamps, Oregon Health Plan, and Medicaid. Approximately 2100 of these clients also received services from Multnomah County's Development Disabilities Division, and 8,000 received services from Multnomah County's Mental Health Division.

HOUSING CHALLENGES FOR THE DISABLED

The majority of ADS clients with disabilities have incomes less than 30 percent of the MFI. The principal income supports for persons with disabilities, Supplemental Security Income and Social Security Disability Insurance, actually leave most clients well under the federal poverty standard. This results in many clients paying more than of 50 % of their income for rent, and some paying as high as 85-90% in non-SRO, fair market housing. The restricted availability of rental units in this income range is also compounded by the lack of accessibility in rental housing generally. Low income clients with significant mobility restrictions are left with virtually no options in affordable, fair market housing, and must rely on a limited supply of public units which may take several years to obtain. Clients in this situation often forced to live in substandard housing, or housing severely inadequate to their needs and ultimately may lose the ability to maintain independent housing altogether.

Recent reductions in the State's Medicaid budget have also significantly affected housing outcomes in the disability population. Many clients must now choose between paying the rent and paying an increasing share of their own medical care. In particular, the elimination of prescription assistance through the Medically Needy Spend-down program, has created substantial housing insecurity among clients with even moderate prescription costs.

Programs

There are several initiatives in the Portland area aimed at assisting low-income people and/or people with disabilities that make affordable and accessible community housing a reality for this population.

1. Unlimited Choices, makes physical accessibility improvements for elderly and people with a disability so they can remain in their homes. All three jurisdictions help fund these modifications.
2. The Housing Authority of Portland administers the Section 8 voucher program. People with a disability were designated to receive 295 of these. In low-rent public housing there are a total of 2733 units. 27% of public housing residents and 19% of Section 8 participants are persons with disabilities.
3. HUD's 811 Housing Program for people with disabilities is intended to ensure that no resident pays more than 30 percent of household income for rent. In the County, there are 22 such projects, providing 305 subsidized units. The most recent of these is Pine Point. This fully-occupied project includes two onsite caregiver apartments, a job training and abilities center, and full accessibility.
4. There are 64 buildings in the County with project-based Section 8 assistance. Seven percent of the units are for physical disabilities. Of this 7 percent, approximately 2 percent are for people with vision impairments and 5 percent for those with other disabilities.
5. Medicaid has continued to support the Congregate Housing Service Program (CHSP) which provides meals and services to people with disabilities in four buildings who need assistance to remain in their apartments. In one building, HAP partners with ADS to operate a shared attendant project. Six residents receive caregiver services by a provider who lives in the building.
6. ADS continues to administer an Emergency Housing Assistance fund to help persons with disabilities maintain their housing, or to secure housing if homeless. In 2003, 349 households received assistance from the fund. Access to the fund has also been expanded to include rental assistance in transitional housing placements, moving clients with poor rent to income ratios from fair market housing into subsidized units, and helping clients with increased medical needs secure more appropriate housing. ADS has also augmented its housing program with other emergency assistance programs which target the medical costs of clients impacted by Medicaid service reductions. It is hoped that by providing supplemental assistance for prescriptions and durable medical equipment, housing outcome will improve by lessening the financial burden associated with the reduced level of Medicaid services.

ADS is also participating in the Severe Housing Need Referral program administered by the Housing Authority of Portland. This program significantly reduces the waiting time necessary to access public housing for disabled clients who are homeless, or who are paying 85% or more of their income in their current housing.

Even with these successful efforts, there are fewer than 1,400 federally subsidized units for people with disabilities. As of March 1, 2004, over 2,200 one-person households were on the waiting list for the Housing Authority of Portland's low-rent public housing. Many of these

people are disabled. Three out of four people with a disability are not in subsidized housing although their income would qualify them.

PERSONS WITH SEVERE AND PERSISTENT PSYCHIATRIC DISABILITIES

In any year, about one in five adults experience a mental health problem that impairs functioning. Over a lifetime, about one in fourteen adults become disabled by a serious mental illness such as schizophrenia, manic depression or major depression. Today, medications and other treatments are available that effectively control the symptoms of most mental illnesses. In Oregon, about 60,000 people are disabled by severe and persistent mental illness. Most live successfully in the community. Some require support in their living situation that ranges from weekly assistance with independent living tasks to 24-hour residential treatment facility services.

Up to 15,398 persons with severe and persistent mental illness are estimated to reside in Multnomah County. Of these, 11,571 (75%) received services in 2001-2002. Most of these individuals have extremely low incomes and can't afford to acquire housing at market rates. An estimated 8,678 adults receiving public mental health services need a rent subsidy in order to afford community housing. About 3,251 Multnomah County residents with mental illness need a service-enriched housing program. Service-enriched housing includes a range of options from affordable, independent apartments with support services provided by mental health workers based off-site to 24-hour supervised "group home" settings. It is estimated that such accommodations are available for only 1,151 (35%) of the Multnomah County residents needing them.⁶

NEEDS AND GAPS FOR PEOPLE WITH MENTAL ILLNESS

Like other members of the general population, most chronically mentally ill adults meet—or could meet—their residential needs in totally independent settings.

In most cases, the extreme poverty of this sub-population forces them to live in substandard conditions or to depend on rent subsidies. Estimates are that 75 percent or 7,823 mentally ill adults receiving services in Multnomah County need a rent subsidy.⁷ Nearly 3,000 of these need a specialized housing program.

The mental health system has no one body which is responsible for the delivery of either residential or treatment services. Roles are shared with the State, Multnomah County, and a

⁶ Data sources: Tables produced by the Office of Mental Health and Addiction Services (OMHAS), Health Services, Oregon Department of Human Services titled "Mental Health Services: Total Number of Adults Served and Residents by Housing Type (Data from Fall 2000 MH Housing Survey, OMHAS)" and "Housing Needs Data for Persons with Psychiatric Disabilities (Prepared 9/02)".

⁷ Data on need are from the State of Oregon Office of Mental Health Services, September 1999.

number of community sub-contractors. Since early 1999, State and County service providers have met to review the mental health delivery system. To date, the group has identified gaps within the current system that warrant further examination and collaboration aimed at resolution. Especially notable are:

- Significant loss of low income/affordable housing within the County.
- "Cost shifting" among State and County agencies competing for limited service dollars.
- The difficulties of housing and serving persons with a psychiatric disability who
 - are aged 18-25
 - abuse substances
 - have a developmental disability
 - are involved in the criminal justice system
 - are physically compromised.

Service gaps continue to widen as persons are discharged from an overcrowded State hospital and Acute Care system and forced to move into a community where mental health services have been pared back and providers are ill-prepared to meet their specific needs.

PERSONS WITH DEVELOPMENTAL DISABILITY

Persons with developmental disabilities include those with mental retardation, autism, cerebral palsy, epilepsy, other neurologically handicapping conditions attained before the age of 22. The estimated total number of persons in Multnomah County with a developmental disability is 19,250 (3 percent of the total population). To qualify for state-funded services, persons with a developmental disability must have a composite I.Q. score of 69 or less.

The Multnomah County Department of County Human Services, Developmental Disabilities Services (DCHS/DDS) provides case management for approximately 3,400 persons of all ages, approximately 1000 are adults with unmet housing needs. Of the 3,400 served by the County:

- Eight hundred and sixty (860) are adults in some type of supported or structured living situation, ranging from semi-independent living to group homes or adult foster care.
- More than five hundred (592) are high school transition students (ages 15 through 22) in a variety of family type supports.
- One thousand one hundred eighty four (1,184) are children. This is a mixed group with many living at home. DDS targets support to the enrolled child within the family when appropriate.
- Approximately 1000 are adults with unmet housing needs. Of these 1000, it is estimated that 500 are under housed adults who are dependent on informal support and subsistence from neighbors, friends, or family. Many of the remaining 500 are in dire need of adaptable housing units and assisted living services.

EMERGENCY SERVICES FOR DDS

Most emergency housing crises (other than state diversion funded persons) are handled with limited funds available through Clearinghouse (motel vouchers/rent assistance) operated by Multnomah County Office of School and Community Partnerships. The Housing Authority of Portland priority housing program has not been available for 2 years. However, DDS is one of the agencies accessing HAP's Severe Housing Program for Project Based Housing February 2004 through April 2004 for clients needing all but 2 bedroom apartments.

DDS also continues to utilize the RASP (transitional housing), Shelter + Care for DD adults and their families, and Horizon's Skill Training for single, homeless clients.

Since many individuals with developmental disabilities are nonverbal, unable to read, or have other communication disorders, case managers contact other service providers on behalf of clients or their families. Case managers typically handle a caseload of 90+ clients at any one time.

Services for developmentally disabled persons provided through Multnomah County Developmental Disabilities Services include case management, referrals, and other activities that help those with developmental disabilities access numerous community resources and also find affordable housing which meets safety, transportation, and adaptation needs. It is possible that further state budget cuts will change the program to crisis services only.

DDS has a number of families who are not documented with a DD eligible, documented child. Housing crises develop for the family due to fluctuating income and most programs like HUD, HAP, etc. are of little benefit due to subsidy assistance not available to undocumented families.

DDS as one of the agencies participated in the development of the HCDC Special Needs Committee Report. Staff from DDS, as well as other Divisions of DCHS, participate in committees to implement the plan as well as committees implementing the plan to end homelessness in Multnomah County.

THOSE NOT SERVED BY MULTNOMAH COUNTY

The estimated 16,250 other persons with a developmental disability are either served by a mix of Aging and Disabled Services, the ARC of Multnomah County, the Independent Living Center, a variety of other agencies and non-profits, or are not receiving services by choice, or lack of information, advocacy, or resources.

ADDITIONAL SERVICES

As funding is available over the next few years, Multnomah's Department of County Human Services/ Developmental Disabilities Services (DCHS/DDS) will be working with three new brokerage agencies to serve individuals to serve individuals with developmental disabilities. Brokerages will provide support services to assist adults with developmental disabilities to remain in their own or their family's home. The services include brokering for the receipt of funds and employment of client directed staff to provide in-home care, employment, or

community participation services. DDS will be operating a brokerage, all three will provide housing resources as well as community-based services. DDS will provide eligibility determination, client Medicaid service plan approval, and monitoring agency for all adults regardless of brokerage assignment.

PERSONS IN RECOVERY

The substance abusing population has a high risk of homelessness due to the progression of their addictions and unstable behaviors. Often the precipitating factor in homelessness for this population is a substance abuse episode leading to eviction from housing or being asked to leave a family situation.

Because of the nature of chemical dependency, jobs, driver's licenses, house payments, marriages, nuclear families, child support payments, credit cards, and family relationships are increasingly vulnerable. Eventually chemical dependency, if not successfully treated, can result in a loss of these connections resulting in an inability to maintain housing, the family system and other serious health and social problems.

The availability of an accessible continuum of care is the cornerstone of effective recovery for persons with substance abuse. The three elements of the continuum of care are:

- accessible, culturally-specific treatment and aftercare coupled with adequate health, mental health, employment, and other wrap around services;
- affordable, appropriate alcohol-free and drug-free supportive housing; and
- meaningful employment.

NEED FOR PERMANENT SUPPORTIVE HOUSING FOR PERSONS IN RECOVERY

As individuals and families progress in their recovery and treatment, the need for supportive housing continues for most people. Long periods of stable supportive housing have a positive effect on individual recovery efforts well past the time of active participation in outpatient treatment. The need for a permanent supportive living environment may continue indefinitely for some individuals. Multnomah County conservatively needs at least 500 additional family units and 2,000 additional units of housing for single adults to have a continuum of recovery that is accessible and effective. Among the most critical needs is housing that is supportive of recovery and treatment. The lack of affordable housing impacts both treatment and recovery.

The need for supportive housing that is drug and alcohol free is most acute for homeless and low-income persons and families if treatment for these individuals is to be effective and lasting. It is estimated that approximately 70 percent of homeless single adults and 50 percent of the homeless families need alcohol and drug treatment with associated recovery services. Based on the current numbers of homeless people, a minimum of 752 homeless individuals and 231 homeless families are in need of affordable alcohol and drug free housing as part of the continuum of recovery services.

Between 1993-1994 and 1997-1998, the number of treatment episodes attributed to “homeless” adult clients increased from 2,050 to 3,003 (50 percent). In 1999-2000, the number of treatment episodes jumped 20 percent to 3,698. Supportive housing which is alcohol and drug free is essential if these individuals and families are to transition from homelessness to self-sufficiency.

Twenty-four to thirty months is the average length of time needed for homeless people who are chemically dependent to attain self-sufficiency. This means that stock of affordable alcohol and drug-free housing will have to be far larger than the number of households entering treatment each year to allow for the 2½ year initial recovery period needed for self-sufficiency.

- **Treatment.** It is estimated that a portion of clients served in residential treatment could function in intensive outpatient services if appropriate drug-free housing options were available and could be coupled with the outpatient treatment. By providing more drug-free housing options, residential treatment stays could be shortened and more persons served. The need for alcohol and drug free housing to reduce the length of stay in residential treatment and as an alternative to residential treatment for some clients is estimated to be in excess of 150 units.
- **Recovery.** The need for alcohol and drug free housing options crosses all populations. For long-term recovery to be successful, appropriate housing at several points in the continuum must be available. The service gap is especially critical for persons and families with multiple service needs. The more service needs that are present in a household (e.g., alcohol and drug, physical or mental health disabilities, AIDS and related diseases, domestic violence), the more critical the need for safe, affordable, and stable housing.

The housing needed for both treatment and recovery requires a range of management and supportive services from a high level of on-site management (for treatment and early recovery) to self-management in permanent housing (such as Oxford houses).

INVENTORY OF ALCOHOL/DRUG FREE HOUSING

The alcohol/drug free housing system currently includes:

- 423 permanent housing units for single men and women and 32 Oxford houses;
- 84 units of permanent housing for families and two Oxford houses;
- 398 transitional housing units for singles; and
- 60 transitional units for families.

ADULTS WHO ARE COMMUNITY JUSTICE CLIENTS

The Department of Community Justice (DCJ) Division, Multnomah County is responsible for the supervision of over 10,000 adult offenders sentenced to probation or released from custody on post-prison supervision and who are returning to live in Multnomah County. The ultimate objectives the Department strives to achieve, when supervising male and female offenders on

parole or probation, is to protect public safety, hold adult offenders accountable in fair ways, and reduce recidivism by addressing and working to change criminogenic behaviors.

Those On Post-Prison Supervision or Parole

A total of 300 inmates are released monthly to Multnomah County, including 100 clients (on average) from state prisons, 150 per month from county jail, and 60 who complete residential alcohol and drug treatment. Of those 300 inmates, roughly 200 will need assistance with housing on a monthly basis. Currently, 200 transitional (thirty days to nine months) beds are available. However, only half of individuals in transitional housing will find longer term or permanent housing. That leaves (on average) 85 beds to meet the needs of approximately 200 people per month. In addition, an average of 150 offenders are served each month for non-housing services including emergency case management, transportation, clothing vouchers, referrals to community resources and DHS (food stamps and OHP).

- The cost to maintain an offender at the Portland Justice Center is \$105 per day.
- The cost to maintain an offender in the State prison system is \$62.24 per day.
- The cost to live in a studio or Single Room Occupancy unit is \$10 per day.

Needs/Barriers

The State and County have allocated limited funds to help offender's transition into permanent housing.

The following are the chief barriers that offenders face:

- 75 to 80 percent use or have used an illegal substance (data from random drug tests)
- Lack of education and job skills
- A criminal record
- Mental Health Issues
- Physical and Developmental Disabilities
- Many offenders are unable to maintain employment due to the lack of safe and secure housing.

Criminal history in itself is a key barrier for offenders accessing safe, secure, and affordable housing. Even if an ex-offender has the ability to pay rent, a tenant background check by the landlord often screens out the ex-offender. Additionally, without the benefit of transitional housing and supportive services (i.e., parole office, case manager), it is almost impossible for an offender to work on obtaining the necessary credit and rent payment history necessary to live independently and maintain permanent housing.

These individuals are at high risk of homelessness and recidivism. Affordable housing, and for some, supportive housing that is drug-, alcohol- and crime-free is critical if treatment and services are to be effective in assisting the offender to integrate successfully into the community.

For special needs' offenders to fully integrate into the community successfully, they need to be able to access mainstream resources, including SSI and Medicaid in a timely fashion after release. If clients are unable to receive benefits within a reasonable time frame, they are left with few options and many return to jail, prison or die. As stated in, *Holes in the Safety Net: Mainstream Systems and Homelessness*, Schwab Foundation, February 2003, Page 5: "Failure to appropriately discharge persons leaving institutional care is a contributing cause of

homelessness. Not only are people who were “housed” by the institution or system no longer housed when they exit, the support networks and the benefits to which they were entitled before they entered have often been lost as well. For example, inmates with mental illness (20% of all inmates nationally) who receive SSI and who are incarcerated for more than a year must re-apply for SSI benefits upon release.”

PERSONS LIVING WITH HIV/AIDS

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)

Housing Opportunities for Persons with AIDS (HOPWA), a program of the US Department of Housing and Urban Development (HUD), provides funding for housing and housing-related services for people living with HIV/AIDS (PLWH/A) and their families. Eligible Metropolitan Statistical Areas (EMSA) and states receive direct allocations of HOPWA funding when 1,500 cumulative cases of AIDS are diagnosed in a region. The Portland EMSA is comprised of Clackamas, Columbia, Multnomah, Washington and Yamhill Counties, Oregon, and Clark and Skamania Counties, Washington. The City of Portland has received and administered HOPWA funding for the Portland EMSA annually since 1994, and has been awarded an allocation of \$1006,000 for FY 2004-2005.

On behalf of the community and upon recommendation from the City of Portland, the Bureau of Housing and Community Development (BHCD) hired AIDS Housing of Washington (AHW) in July 1999. AHW facilitated a community-based needs assessment and planning process and developed an HIV/AIDS housing plan for the Portland EMSA that will guide HOPWA allocations during the fiscal years 2000-2005. The Plan, published in April 2000, comprehensively documents the state of housing need for PLWH/A and sets out strategies to address them. In November 2003 An Update to the Portland EMA HIV/AIDS Housing Plan was published. Pursuant to Portland EMSA HIV/AIDS Housing Plan and under the guidelines of the Portland EMA AIDS Housing Advisory Committee, the following activities and outcomes are anticipated. The Planning Committee continues to meet to keep the plan relevant and up to date.

TABLE 18. HOUSING FOR PLWH/A 2004-05

Activity/Service Area	HOPWA Funds Allocated	Provider	Anticipated Outcomes
TRANSITIONAL HOUSING: MULTNOMAH, Clackamas, WASHINGTON AND YAMHILL COUNTIES	\$199,947	Cascade AIDS Project (CAP)	23-30 homeless households living with HIV/AIDS will be provided with transitional housing vouchers and case management directed toward moving to stable permanent housing in 12-18 months
TRANSITIONAL HOUSING FOR PLWH – YOUTH: MULTNOMAH COUNTY	\$37, 863	Outside In	2-3 HIV-affected homeless youth will receive transitional housing assistance, intensive case management and supportive services as they complete a 12-18 month transition to housing stability.
TRANSITIONAL HOUSING: CLARK COUNTY, WA	\$93608	Clark County Department of Community Services	4-8 homeless households living with HIV/AIDS in Clark County, WA will be provided with transitional housing vouchers and case management directed toward moving to stable permanent housing in 12-18 months
WAREHOUSE PROJECT: ALL COUNTIES IN EMA	\$57,072	CAP	50 households living with HIV/AIDS will receive household furnishings and/or moving assistance to assist with their transition from homelessness
PERMANENT HOUSING: RESIDENT SERVICES – MULTNOMAH AND WASHINGTON COUNTIES.	\$131,410	CAP	86 families living in affordable rental housing units for PLWH in the EMA will receive housing counseling, on-site supportive services and, where applicable, rental assistance to assist in the stabilization of their housing. An additional 14 households living with HIV who are participating in the City’s Transitions to Housing Program will receive case management and support services as they transition to stable, permanent housing.
Rental Assistance Fund (including contingency)	\$87,997	CAP-Administered	
RESOURCE IDENTIFICATION - HIV/AIDS PLANNING COMMITTEE: ALL COUNTIES	\$3,742	BHCD and Committee Members	Conduct community planning, prioritization, education and training activities to help leverage and identify new resources to expand the housing opportunities of persons living with HIV/AIDS in the Portland EMA. Expect to secure \$200,000 in match resources to work with HOPWA funds.
AFFORDABLE HOUSING DEVELOPMENT: ALL COUNTIES	\$344,421	Selected through RFP	4-6 new units of HOPWA-eligible affordable housing that help meet the needs identified in the Plan.
BUREAU OF HOUSING AND COMMUNITY DEVELOPMENT ADMINISTRATION (3%)	\$30,180	Bureau of Housing and Community Development	Administer HOPWA entitlement to provide effective housing solutions for persons living with HIV and Aids in Portland EMA.

OTHER SPECIAL NEEDS POPULATIONS

FARMWORKERS

Farmworkers, or agricultural workers, are recognized as a special needs population in Multnomah County. There are three distinct sub-populations of farmworkers: migrant, seasonal, and year-round. Over the last ten years, the number of migrant and seasonal farmworkers has decreased, with a corresponding increase in the number of agricultural workers who reside in the County year-round. All of these sub-populations typically have household incomes below 30% MFI. The average wage for a general laborer is \$7.00 to \$9.00 per hour, depending on the type of crop. Farmworkers may be exempt from minimum wage laws, if they work at small farms, are minors, or work on a piece rate. The average annual wage in Multnomah County for migrant, seasonal, and year-round workers is from \$8,000 to \$18,000.

Farmworkers have other things in common as well. As a group, they are predominately Hispanic, and the vast majority are monolingual Spanish-speakers. Many are not literate in either Spanish or English. They face racial, language and cultural barriers to housing and employment outside of the agriculture industry. They have not historically had access to housing. A disproportionate number live in sub-standard housing, where unsafe and unsanitary conditions prevail. For migrant and seasonal farmworkers, their need for short-term housing arrangements makes it difficult to secure better housing on the open market.

There is no current data on the number of agricultural workers now residing in Multnomah County. In 1989, the State Agricultural Commission reported that there were 3,898 persons employed in agricultural work. It is possible to estimate the number of farmworkers from other, more current data. One point of reference is the number of children of farmworkers currently enrolled in school. According to the Migrant Education database, 1,610 Hispanic students were enrolled in Multnomah County in 1998. This suggests that there are between 3,000 and 5,000 Hispanic agricultural workers in the County.

It is interesting to note that, of the 1,610 Hispanic students, 56 percent (867) were foreign-born. Statewide, 42 percent of Hispanic students enrolled in the migrant education program are foreign-born. This suggests that Multnomah County is attracting more recent immigrants than other parts of the state. This inference is confirmed by Multnomah County's recent Latino Needs Assessment, which describes the strength of the County's migration networks at bringing new immigrants to this area, where a sizeable Hispanic population already exists as a result of earlier migration to meet labor market demands.

Within Multnomah County, Migrant Education data reveals that about 75 percent of the children of farmworkers are enrolled in programs in Portland, with the next largest concentration in Gresham, and the remainder in Fairview and Troutdale. This suggests that the largest number of farmworkers reside in Portland, with a smaller but still significant population in Gresham, and lesser groups of farmworkers living in unincorporated areas of Multnomah County.

Farmworkers need an array of supportive services, including child care, bilingual education, assistance with immigration and citizenship, English language instruction, driver's education, and health care. Farmworkers also typically require assistance from local food banks.

In September, 2003 Larson Assistance Services released *the Migrant and Seasonal Farmworker Enumeration Profiles Study* (the *Study*). (The Study is available at www.casaoforegon.org.) This report estimated the number of migrant and seasonal farmworkers and their families in the state by county based on estimated agricultural employment in each county. According to the Study, there are an estimated 1,803 farmworkers working in Multnomah County. Counting dependants, the number is 3,014. This does not include the approximately 1000 year round farmworkers working in Multnomah County.

Multnomah County, Washington County, Clackamas County and Yamhill County together account for approximately 65% of the estimated 9,000 year round workers and 12,200 seasonal workers working in the nursery industry ("Oregon Nursery and Greenhouse Survey 1999", USDA Oregon Agricultural Statistics).

While the agricultural base of the county is not huge, a large number of farmworkers call Multnomah County their home. In part, this is because of the proximity of Multnomah County to the nurseries and vineyards of neighboring Washington, Clackamas, and Yamhill Counties. Multnomah County, because of its more urban development pattern, has historically offered more affordable housing opportunities than the other counties. Many of these farmworkers are doubled and tripled up in private rental units (houses, apartments and mobile homes). Multnomah County also offers excellent access to bi-lingual services (health, ESL, cultural events, etc.) to the primarily Spanish-speaking farm worker population.

FAIR HOUSING

The three jurisdictions completed an *Analysis of Impediments to Fair Housing* (AOI) in May 1996, and identified strategies to address these impediments. Some of the actions that are key to addressing fair housing issues must be taken on a regional basis—not just within the boundaries of Multnomah County. Some of that regional work will continue to be processed by the recently formed Regional Affordable Housing working group.

The jurisdictions plan to complete an update to the AOI during FY 2004-05 by engaging a community-based planning process in concert with the development of the 2005-10 Five Year Consolidated Plan. The goal of the AOI update will be to provide a fresh analysis of impediments to fair housing and a current menu of strategies to overcome them.

The City of Portland has conducted a planning process that has established a continuum of needed housing services for individuals and families. The Fair Housing section of this continuum currently includes Fair Housing Enforcement, a Landlord Tenant Fair Housing Hotline, Fair Housing Education, Legal Services for victims of fair housing violations, outreach and education to underserved potential home buyers, the Housing Connections project, and services to increase the supply of accessible housing.

The continuum planning process involved all regional stakeholders and developed findings and recommendations that dovetail with the needs assessment and strategies set out in the *Five Year Consolidated Plan 2000-2005* and in the Analysis of Impediments.

The jurisdictions plan to fund the following fair housing activities during FY 2004-05:

Barrier Identified in Analysis of Impediments	Activity Addressing Barrier	Funds Allocated	Provider	Anticipated Outcomes
Discriminatory Rental Housing Practices	Fair Housing Enforcement – Legal Assistance	\$43,868 Pdx-CDBG \$5,398 Gresh-CDBG \$10,000 Mult-CDBG	Legal Aid Services of Oregon	Direct Legal Assistance to at least 140 low-income persons to enforce their Fair Housing rights.
Discriminatory Rental Housing Practices	Fair Housing Prevention, Education, Coordination	\$17,575 Pdx-CDBG \$2,780 Mult-CDBG	Fair Housing Council of Oregon	Maintain Fair Housing Complaint hotline that will receive and process at least 100 calls from Portland residents with Fair Housing questions. Process intakes, coordinate enforcement services, conduct community outreach and education
Discriminatory Rental Housing Practices	Fair Housing – Protected Class Testing and Enforcement	\$12,059 City Gen Fund	Fair Housing Council of Oregon	15 paired complaint-driven Fair Housing tests to assist in evaluating complaints of Fair Housing violations. Activities to enforce the City’s expanded civil rights ordinance.
Discriminatory Rental Practices	Fair Housing – Enforcement of City of Portland Ordinance	\$20,184 City Gen Fund	Oregon Bureau of Labor and Industries (BOLI)	Conduct up to 25 complaint investigations and administrative enforcement proceedings related to the City of Portland’s civil rights ordinance, which includes fair housing provisions.

<p>Renters with Disabilities – lack of accessible housing</p>	<p>Adapt-A-Home</p>	<p>\$77,953 (6 mos. funding, RFP expected Fall, 2004) Pdx-CDBG \$90,000 Gresh-CDBG \$64,500 Mult-CDBG</p>	<p>Unlimited Choices</p>	<p>Expand the stock of accessible housing for persons with disabilities by providing accessibility enhancements for approximately 130 housing units within Multnomah County.</p>
<p>Renters: Lack of Information about housing rights, responsibilities and options</p>	<p>Renter Stabilization and Education Program Housing Assistance Project Housing Connections</p>	<p>\$39,808 Pdx-CDBG \$4,600 Mult-CDBG \$151,063 Pdx-CDBG -HOME Note: Contributions from Regional entitlement jurisdictions pending \$134,551 Pdx-CDBG</p>	<p>Community Alliance of Tenants Legal Aid Services of Oregon BHCD Provider to be selected</p>	<p>Provide at least 2500 low-income Portland residents with information and referral services related to Fair Housing, landlord-tenant legal rights and renter responsibilities. Landlord/tenant Information and counseling for up to 90 low-income households in E. Multnomah County. Deliver Housing Connections.org, an accessible regional web-based hub of comprehensive housing opportunities and information. Develop services to assist Multnomah County residents with accessing and utilizing the information available through Housingconnections.org</p>

Low Homeownership Rates and obstacles to first-time home buyers among minority communities	Homebuyer and Homeowner Counseling	\$107,242 Pdx-CDBG \$9,500 Gresh-CDBG	Portland Housing Center	Provide counseling and community education to expand housing choices and combat displacement through foreclosure and predatory lending for low-income Portland residents. Will assist at least 90 low-income home buyers/owners, with targeted outreach to underserved minority communities.
	Community outreach through Home Buyer Fairs	\$24,000 Pdx-CDBG	African American, Asian, Latino Home Buying Fairs.	
	Affordable Home Ownership	\$103,937 Pdx-CDBG	Portland Community Land Trust	Acquisition and development of owner-occupied housing through land trust and leveraged conventional home purchases for low-income home buyers.
		\$246,000 Pdx-CDBG	Provider uncertain	

The City of Gresham plans to fund the following fair housing activities:

Legal Services <i>Fair Housing Legal Assistance</i>	\$5,398
Unlimited Choices <i>Adapt-A-Home Program</i>	\$90,000
Fair Housing Council <i>Fair Housing Information</i>	\$250

Multnomah County will fund 2004-2005 Fair Housing Activities as follows:

Legal Aid <i>Fair Housing Legal Assistance</i> <i>Housing Assistance Project</i>	\$10,000 \$ 4,600
Human Solutions, Inc. <i>Transitional Housing Program</i>	\$31,351
Fair Housing Council <i>Fair Housing Enforcement</i>	\$2,780

OTHER ACTIONS

A. Addressing Obstacles to Meeting Under-served Needs

Regional Efforts

A significant development in the regional arena of planning and growth management was the adoption of the Regional Affordable Housing Strategy (RAHS) in January 2001. The RAHS represents several years work by Metro and local jurisdictions, including Multnomah County, Portland and Gresham, to come to terms with the disparities in the regional housing market and the differing levels of public response to long held goals of equal housing opportunity in the region. The RAHS establishes voluntary goals and does not provide funding to implement the goals. The impact of the RAHS remains to be seen but there is evidence of increased investigation by many communities into strategies that can bring about a greater range of affordability within local communities.

The year 2003 marked the second reporting period for local jurisdictions to document progress made in furthering affordable housing opportunities. Metro is currently tallying the results of the second round of reporting by local jurisdictions on progress made in accepting the voluntary affordability goals and any policies and regulatory or funding tools considered, adopted, or rejected by local governments.

Metro is planning to convene a new regional work group in the Fall of 2004 to examine the regional progress towards meeting the RAHS.

The Affordable Housing Work Group continued to meet on a bi-monthly schedule to coordinate affordable housing efforts. The Affordable Housing Work Group includes senior administrators of community development programs and housing authorities in Multnomah County, Clackamas County, and Washington County, Oregon and Clark County, Washington, as well as senior staff from HUD and METRO. The group has directed federal grant funds to projects serving the region, including HousingConnections.org, regional lead hazard abatement efforts, informational materials related to resource development efforts, and focus groups to understand the level of community awareness and understanding of affordable housing issues.

Efforts at the Oregon Legislature to obtain a regional real estate transfer tax or other dedicated resource for affordable housing were ultimately unsuccessful. Strategizing for the 2005 session is underway.

Portland Development Commission (PDC) Activities

The PDC, Portland's primary redevelopment agency, has a substantial role in implementing the adopted Portland City Housing Policy. The PDC Five-Year Plan includes a concerted focus of identifying and addressing the housing needs of Urban Renewal Districts. Housing components of new districts (Lents, River District, N. Macadam) and districts in planning (N. Interstate, Gateway) provide financing for an array of affordable housing types.

Housing for Persons with Special Needs:

Portland and Multnomah County completed strategic planning designed to increase the short and long-term development of rental housing for low-income residents with special needs, including severe and persistent mental illness, developmental disability, substance abuse disability, serious physical disability, or multiple disabilities.

The HCDC Special Needs Committee released its Report in July 2003. (See <http://www.portlandonline.com/bhcd/index.cfm?c+30136>). The Special Needs Report was adopted by the Multnomah County Commission, the Portland City Council, and the Board of the Housing Authority of Portland.

The Special Needs Report documented a need for a minimum of 7,890 units of permanent supportive housing for adults aged 18-64 in Multnomah County. The Report also documented the relationship between special needs and homelessness. People with special needs are more likely to have repeated episodes of homelessness and to remain homeless for longer periods. A workgroup has been set up to assess the need for permanent supportive housing for families with one or more members with special needs.

The Special Needs Report identified significant barriers that stand in the way of developing and maintaining an adequate supply of special needs housing. The Report recommends an approach to reducing these barriers that requires improvements in three areas: (1) coordinate housing + services to maximize success; (2) create enough housing for people with special needs; and (3) improve access to housing + services.

Aided by resources from a Taking Health Care Home Initiative funded by the Corporation for Supportive Housing and the Robert Wood Johnson Foundation, the City and County have undertaken implementation of the Special Needs Committee report recommendations. Two of the major goals are:

- Adding 400 units of supportive housing for persons who have been chronically homeless for the longest period of time in the next two years.
- Realigning local funding streams and priorities to create housing + service partnerships.

B. Fostering and Maintaining Affordable Housing*Affordable Housing Preservation Program*

In November 1998, Portland adopted an Affordable Housing Preservation ordinance to address the threatened loss of properties with project-based Section 8 assistance. The strategy is to require notification to the City and to tenants when owners intend to opt out of the Section 8 contracts so that the City could attempt to acquire the property and preserve the contract. The 1999 State Legislature adopted a bill (HB2636) limiting the types of strategies that local governments can employ for this purpose. The City ordinance has been amended to bring it into conformance with the State law.

Since the passage of Portland's preservation ordinance, six properties (Biltmore, Park Terrace, 333 Oak, Kenilworth, Jefferson West and the Fairfield) with 497 units, have been acquired. Negotiations for one additional property is underway (50 units).

The City declined to acquire the 39 unit Western Rooms, but has provided relocation assistance for the residents.

C. Removing Barriers to Affordable Housing

System Development Charge Exemptions

With the adoption of Systems Development Charges (SDCs) to help fund parks and transportation improvements, the City of Portland extends the exemption to both nonprofit and for-profit developers of affordable housing.

Gresham

In January 2002 and January 2003, Gresham provided reports to Metro on land-use and non-land use tools it has adopted to support the development of affordable housing and to remove barriers. The following is a list of the tools Gresham has adopted:

- Voluntary inclusionary housing through financial incentives
- Removal of code barriers related to development of housing for the elderly and persons with disabilities (For example, community service uses allowed in all non-industrial zones, flexibility permitted in parking requirements, accessory dwelling units allowed in many residential districts, building code requires all new first floor multifamily units be adaptable to persons with disabilities, etc.)
- Removal of regulatory constraints, including provision of altered (streamlined) routing of projects, and code simplification.
- Updates to parking requirements for multi-family and single-family dwellings
- Transit-oriented tax exemption
- Extensive use of federal funds to support affordable housing development
- Regional cooperation
- Teacher and Officer Next Door programs
- Use of CDBG funds to support infrastructure development for affordable housing

In June 2004, Gresham will provide the final update to Metro.

D. Developing the Institutional Structure

Gresham

The Urban Renewal Program for Rockwood-West Gresham will be part of the Community Revitalization Program. In the future, this will promote "joint leveraging" of CDBG/HOME and TIF funds to improve the area. While Gresham does not envision departing from its competitive process for awarding CDBG and HOME funds, the kind of planning that will be occurring for

Rockwood will promote the pro-active development of funding applications that play a strategic role in overall Rockwood revitalization and fit into a bigger picture.

Gresham participates in activities with other jurisdictions and agencies to better serve the needs of low-income households. Specific examples include the following:

- Gresham participates in the Blue Ribbon Committee that is studying the need for an ongoing regional funding source for affordable housing.
- Gresham and Multnomah County work closely together on soliciting applications for CDBG and HOME funds and implementing projects.
- Members of Gresham's Police and Community Revitalization programs attend monthly "Gresham" meetings with staff from the Housing Authority of Portland. Several significant achievements, including the opening of a HAP office in Rockwood and the use of HAP funds to assist with staffing costs for a police officer to support their properties, have resulted from HAP's response to these meetings.

Continuing Role of the Housing and Community Development Commission (HCDC)

The Countywide HCDC continues its role as an inter-jurisdictional policy recommendation body representing Multnomah County and the Cities of Gresham, Portland. This body was key in promoting the 60-year affordability requirement for projects receiving local subsidies.

HCDC is changing its configuration of subcommittees. The Housing Evaluation Group (HEG) will be disbanded, and a new committee established to report on the success of the various components of the housing system at meeting production goals. This groups will also produce white papers on specific issues in housing development, preservation, and delivery.

The Advisory Committee on Homeless Issues (ACHI) has also been disbanded, and its functions reassigned to the Citizen's Committee on Homelessness (CCEH) and its Coordinating Committee and working groups. The McKinney working group is responsible for overseeing the Continuum of Care for Homeless People, as well as recommending priorities and funding for projects in HUD's annual national competition for McKinney funds.

The Special Needs Committee, established in January 2002, released a Report in July 2003 address the housing and service needs of people with special needs, including physical disabilities, severe and persistent mental illness, developmental disabilities, substance abuse issues, and multiple disabilities. The Special Needs Committee (SNC) membership includes high-level decision makers from local housing and service providers, local elected officials (or key staffers), consumers, advocates, state and local funders and policy makers. The Special Needs Committee is now overseeing implementation of the Report recommendations. In cooperation with the CCEH, an SNC subcommittee is taking on the evaluation of the various rent-assistance programs currently offered.

The Home Ownership Advisory Committee will continue to review and recommend policy for the City of Portland's home ownership assistance programs and will monitor the outcomes of these programs annually. Its current focus is closing the minority homeownership gap.

E. Evaluating and Reducing Lead-Based Paint Hazards

The City of Portland Bureau of Housing and Community Development, the Multnomah County Health Division, and the Portland Development Commission continue their partnership in the Portland Lead Hazard Control Program, funded by a grant from the U.S. Department of Housing and Urban Development. This program provides lead hazard control activities and blood lead testing in low-and moderate-income households, prioritizing those inhabited by children under the age of six.

An education and outreach component of the grant provides for the dissemination of informational literature addressing lead hazards, providing workshops and training session to populations effected by lead, and increasing community awareness and collaborative efforts around lead issues.

The goals of lead hazard reduction are further promoted in the City of Portland and Multnomah County through funding by the Portland Water Bureau. The Portland Water Bureau has been funding lead hazard reduction efforts since 1997 in compliance with the EPA's Lead and Copper Rule for drinking water. They realized that childhood lead poisoning is more likely to happen from lead in homes than the low lead levels in Portland's water supply and pipes. The Water Bureau provides annual funding to BHCD to administer for lead hazard reduction and education and outreach services. This partnership creates a single comprehensive lead program for the City of Portland, allowing streamlined services to be provided to the community.

The issuance of new lead-based regulations has prompted a review of all housing related programs to evaluate how those programs must be modified to meet the new regulations and to reflect the cost impact of compliance.

F. Reducing the Number of Poverty Level Families

Please refer to the discussion of the Anti-Poverty Strategy in Section 6 of the *Consolidated Plan 2000-2005*.

Multnomah County

Multnomah County has developed a Poverty Elimination Framework to guide policy and allocations of resources to the goal of moving people out of poverty. Strategies to implement the Framework are still under development. The Framework will be described in detail in the Consolidated Plan 2005-2010.

Gresham

Gresham's Community Development and Housing Committee produced a report in fall 2003 entitled A Statistical Profile of Poverty In Gresham. A copy is appended to this Plan. The report and cover letter was widely distributed to many policy-makers, agencies and others who provide services or direct funding that affect the lives of persons in poverty.

The report describes how the profile of people experiencing economic poverty in Gresham is different from the profile of people in poverty in other places. In Gresham, poverty hits hardest on young working families, particularly those with children under the age of 5. Poverty of scale is a relatively new phenomenon in Gresham.

Since Gresham itself is not a major social service provider---most funding and services are provided by Multnomah County, state or federal programs---one of the most important things that Gresham can do is to let those who do manage these programs and resources know Gresham's unique needs. This report is intended to start that information flow.

The publication of this report is an important first step in communicating clearly (and with statistical validity) about the needs of households, families and individuals in Gresham who are experiencing economic poverty. In future years, Gresham looks forward to continuing this work by partnering with Human Solutions and other groups to convene interested parties, perhaps in a conference format, to better organize and mobilize community resources to meet the needs of Gresham's most vulnerable residents.

Portland

Portland's new strategic plan is more focused on the lowest income people (0-50%) MFI. The Economic Opportunity objective has a goal of increasing the income and assets of individuals at 0-50% MFI. See the discussion of the Economic Opportunity program, above. The strategic plan and its implementation will be described in greater detail in the Consolidated Plan 2005-2010.

G. Enhancing Coordination between Public and Private Housing and Social Service Agencies

Central City Housing

The Downtown Housing Occupancy Work Group - comprised of four downtown social service agencies, nonprofit housing organizations, the housing authority, and others--will continue to meet monthly. The group focuses primarily on downtown housing which has been developed with local public subsidy and/or has rent assistance through the housing authority. Often managers, both from nonprofits and private firms, are invited to problem solve with the group on specific buildings.

Interagency Housing Meeting

The Multnomah County Office of School and Community Partnerships facilitates monthly meetings of the "Interagency Housing Meeting." The participants in this team include representatives from more than 40 agencies, such as domestic violence, the Housing Authority of Portland, mental health agencies, Adult and Family Services, workforce development programs and several not-for-profit services to homeless families. Also included in this group are "Housing Specialists" professionals who actively assist people to access housing. Agencies involved serve families with children, singles, including people with disabilities, and seniors. In an effort to obtain housing for their consumers, individuals who attend this meeting relate daily to landlords in the private sector.

The objectives of this meeting include becoming knowledgeable about services available in the community for homeless families and sharing resources. The ultimate goal is to assist families who are without housing, or are at risk of losing their housing, to enter into a stabilized, permanent housing arrangement.

Strengthening Housing and Services Partnerships

The Strengthening Housing and Services Partnerships Oversight Committee was convened to undertake strategies recommended by the Special Needs Committee and the Corporation for Supportive Housing Initiative to foster coordination among housing and service providers. This 12-member Oversight Committee has equal representation among housing and services providers. The primary goal of this Oversight Committee is to provide oversight in the revitalization of the Fresh Start Program. This program bridges the homeless system, service systems and housing by expanding the pool of mainstream housing providers willing to accept people with housing barriers, such as criminal history, poor rental or credit history, and erratic income. The secondary functions of this committees are to monitor other tools that strengthen and develop housing and service partnerships and oversee the activities of four other strategies. These four strategies are: 1) Managing Technical Assistance resources for housing providers interested in hard-to-house capacity building; 2) Developing cross-training curriculum for service and housing providers; 3) Promoting Housing Providers and County Managers information sharing; and 4) Devise ways to share information about hardest-to-house individuals to improve their access to services and success in housing while respecting their right to privacy.

HOUSING PROVIDED BY THE HOUSING AUTHORITY OF PORTLAND (HAP)

HAP is the largest provider of affordable housing in Oregon, serving all of Multnomah County since 1992.

THE MISSION OF THE HOUSING AUTHORITY OF PORTLAND (HAP)

HAP's mission is to assure that the people of the community are sheltered. HAP has a special responsibility to those who experience barriers to housing because of income, disability or special need.

HAP will continue to promote, operate and develop affordable housing that engenders stability, self-sufficiency, self-respect and pride in its residents and represents a long-term community asset.

HAP will be a community leader to create public commitment, policy and funding to preserve and develop affordable housing.

STRATEGIC DIRECTION

In February 2003 the HAP Board of Commissioners affirmed four key strategic initiatives that will guide the agency over the next five years, as follows:

- Promote successful residency leading to increased self-sufficiency
- Develop and manage our real estate assets with the most effective blend of public and private sector practices
- Increase organizational effectiveness
- Provide leadership on affordable housing issues that impact Multnomah County

HAP's goals, decisions and work plans are developed within the context of these four strategic initiatives.

HOUSING PROGRAMS

In January 2004, HAP's Housing portfolio comprised:

- Public Housing units: 2,311
- Affordable housing units: 3,391
- Special Needs units: 414
- Section 8 vouchers: 7,837
- Multnomah County residents served: 32,600

HAP's plans for Capital Improvements 2004-2005 are given in Table 19.

HAP has entered a period of significant change, due to the implementation of the HOPE VI program at New Columbia, formerly known as Columbia Villa. (A more detailed report on HOPE VI/New Columbia is given below.) Changes include:

- Temporary reduction of Public Housing units due to the deconstruction of Columbia Villa (462 units)
- Temporary slowdown in conventional Section 8 tenant-based vouchers, due to relocation of Columbia Villa residents
- Opportunity for the development of 92 new Project-based Section 8 units, made available to Community Development Corporations and other qualified partners as replacement housing for Public Housing units reduced at Columbia Villa

ACCESS TO HAP HOUSING AND SERVICES

HAP is committed to making it easier and more efficient for potential and existing residents to access HAP and our partners' range of services.

HOUSING CONNECTIONS

To that end, HAP has been a participant in "Housing Connections", the web-based rental database program developed by the City of Portland Bureau of Housing and Community Development. Computer terminals for potential and current residents/participants are available at four HAP office locations countywide. (Note: During Section 8 mover orientations, staff explain the benefits of using Housing Connections, and also distribute an information sheet).

HAP EAST METRO OFFICE

On November 4th 2002 HAP opened a new office in Rockwood, Gresham, staffed by an inter-departmental staff team, providing on-site information, referral and emergency support for current and potential residents/participants.

(In August 2004, an expanded East Metro Office ("EMO") opened at a new location, which is a full-service Section 8 office. The office was opened to better serve the 2,500 Section 8 participants who live in East County. Participants, applicants and landlords can receive the same services at the expanded EMO as they do downtown. People can go to whichever office is more convenient. The EMO has staff who speak Russian and Spanish, a Housing Connections kiosk and also accept public housing applications at the site.)

NEW COLUMBIA

BACKGROUND

In 1993, the U.S. Department of Housing and Urban Development (HUD) created funding, in the form of HOPE VI grants, to revitalize the country's aging public housing. In late 2001, after a twelve-month process to prepare an application for the highly competitive grants, HUD notified HAP that it had been awarded a \$35 million HOPE VI grant that would anchor a \$150 million investment in New Columbia.

The Columbia Villa public housing community, located in the Portsmouth neighborhood of North Portland, was built in 1942 for World War II defense workers. Columbia Villa was home to almost 1,300 residents who lived in 462 units scattered over 80 acres. The ethnic composition of the families living at Columbia Villa reflected the most diverse census tract in Oregon. In June 2002, HUD and HAP signed the \$35 million grant agreement adopting the project schedule.

Project Goals

New Columbia will create an improved and viable neighborhood of diverse housing types and residents by concentrating on four principles:

- Replacing unattractive, impersonal, barracks-style buildings with townhouses, garden-style apartments and single-family dwellings that blend aesthetically into the environment
- Reducing the concentration of poverty in Columbia Villa by building a neighborhood of varied types of housing, rented and owned, to attract economically diverse residents
- Providing supportive services to help residents get and keep jobs and build assets and equity in the community
- Establishing and maintaining high standards of personal and community responsibility through explicit lease requirements and home ownership

Housing Mix

The housing mix of 850 units on the New Columbia site will include public housing, affordable rental housing, elderly housing and homes for sale.

In addition to new parks, public facilities will include community centers, recreational facilities, day care, and adult learning centers. An additional 92 public housing units will be built off-site to help lessen concentrations and make sure that there is no net loss of public housing in the city.

Economic and Community Benefits

While pursuing the project goals that HAP has identified, the project will also have a positive impact on the local economy. The expenditure of \$100 million on construction and construction related activities will create new jobs. Further, the market rate homeownership aspects of New Columbia will result in a net increase in the property tax receipts currently derived from this 80-acre site.

Project Timeline

- In March 2003, HAP began the process of relocating residents, offering them a choice of other public housing or Section 8 rent vouchers. All residents were successfully relocated by October 2003 with 56% remaining in north and northeast Portland. Each household received extensive assistance and continues to be eligible for ongoing supportive services (totaling 42 months).
- Construction of new infrastructure began in December of 2003 and construction of new rental housing will begin in May 2004. The final phase of construction will be completed by the end of 2006. To successfully design a master plan for the redevelopment, HAP conducted an extensive community involvement process – engaging residents, Portsmouth neighbors, and many community partners.

- Current and new residents will begin returning to New Columbia as early as the summer of 2005 when the first phase of residential buildings is complete.
- HAP is serving as master developer, working with an array of government, financial, and community partners and will create economic development opportunities by encouraging participation by targeted MWESB businesses in all phases of the work.

A Community Advisory Committee and associated task forces continue to serve as the key link between the project and the public as the project is implemented. Starting in July 2002, the CAC met once a month to review and discuss different aspects of the project. In January 2004, the meeting schedule was adjusted to a quarterly schedule to reflect the shift from planning to implementation.

HAP RESIDENT/PARTICIPANT PROGRAMS THROUGHOUT MULTNOMAH COUNTY

Self Sufficiency Programs

GOALS Program

Since 1994, HAP has offered the HUD Family Self Sufficiency (renamed the GOALS) program. 322 GOALS graduates received an average of \$6,090 in escrow savings upon program completion; 122 became homeowners upon leaving public housing assistance. Nearly 625 have active GOALS contracts, with an additional 350 on a Wait List. HAP's 10 GOALS staff speaks a total of 16 languages. In addition, all residents of New Columbia will have access to GOALS services through the HOPE VI project.

ETAP Program

Since 1998, HAP has offered the Evening Trades Apprenticeship Preparation (ETAP) program for its residents. ETAP provides construction trades training, job placement, and entry in certified apprenticeships. The HOPE VI New Columbia deconstruction and new construction phases will have strong ETAP employment participation. ETAP is funded through a HUD ROSS-Apprenticeship grant.

Employment Preparation:

Funded in part through a HUD 2001 ROSS-Resident Services Delivery Model (ROSS-RSDM) grant, GOALS participants and other HAP residents receive employment preparation and case management assistance. Our major partner in these efforts is the Portland Community College Workforce Network, operating out of the GOALPOST One-Stop Career Center satellite in Columbia Villa. A 20-station Computer Learning Center and Employment Resource room are available for skills training and job search. During HOPE VI construction, these services will be available in coordination with the Oregon Department of Human Services at its 6443 N. Lombard Street location. HOPE VI staff will also strongly support employment preparation and job search for New Columbia residents and neighbors.

Homeownership Preparation:

Funded in part through a HUD 2002 ROSS-Resident Homeownership Supportive Services (ROSS-HSS) grant, GOALS participants and other HAP residents receive homeownership preparation counseling and case management assistance. Our major partner in these efforts is the Portland Housing Center. Residents also have access to enroll in HAP's Pilot Section 8 Homeownership, or "Accessing the American Dream" scattered site homeownership programs. A GOALS Homeownership Specialist with 14 years realtor experience is on staff and available to provide technical expertise and assistance.

Youth Services:

By September 1, 2003, all funds from HUD Public Housing Drug Elimination Program (PHDEP) will have been expended. HUD has discontinued this program nationwide, amounting to a local \$680K annual and continuing shortfall in funding for HAP youth services across the County. HAP is actively exploring options for maintaining essential Youth services at our family developments, including application to OCVAS to become an AmeriCorps sponsor.

RESIDENT SERVICES COORDINATION**Elderly and Disabled:**

Since 1997, Resident Service Coordinators (RSC) have been providing services to residents in ten of HAP's mixed population high-rises. RSC's link elderly and disabled residents with services and resources they need to preserve their housing, while promoting independence, dignity and quality of life. Resident Service Coordinators also serve as a catalyst for problem solving, conflict resolution, community building and assist in supporting property management. Resident Service Coordination is funded through HUD's Resident Opportunities Self-Sufficiency grant.

Family developments:

While our successful GOALS Self Sufficiency program offers a solid pathway for families ready to seek freedom from public assistance, HAP realizes that not all families are ready for such a step. Through HOPE VI, HAP is adapting its Resident Services Coordination system currently in use for the Elderly Disabled population, for these New Columbia families. HAP will also offer similar programs at several of its Affordable Housing sites located throughout the County.

TABLE 19. HAP PLAN FOR CAPITAL IMPROVEMENTS, 2004-2005

Development	Work Items	Estimated Cost	Status
Hollywood East/Williams Plaza	HVAC Upgrade	547,479	In progress
PHA Wide	Roofing	250,000	In progress
Townhouse Terrace	Site improvements	187,000	In progress
Camelia Ct and Eliot Square	Door replacements	56,087	In progress
Hillsdale Terrace	Concrete ramp to community room	125,000	In progress
Holgate House	Move trash system to exterior	257,000	In progress
PHA Wide	Vacate Carpeting	60,000	In progress
PHA Wide	A&E Services	118,000	In progress
Medallion	ADA/ Community Room	400,000	In progress
Hillsdale Terrace	Ramp to Community Room	125,000	In progress
Holgate House	Emergency Pull Stations	40,000	In progress
PHA Wide	HUD Audit ADA upgrades	300,000	
PHA Wide	Sewers at scattered sites	21,000	
Gallagher Plaza	Pressure/shower valves	50,000	
Schrunk Tower	Roofing	40,000	
Williams Plaza	(7) window replacement	7,000	
Maple Mallory	Dwelling Improvements -Electrical	500,000	
Holgate House	HVAC Upgrades	150,000	
Sellwood Center	HVAC Upgrades	150,000	
Peaceful Villa	Boiler Room Piping, Sanitary System	250,000	

Total 3,633,566

Note: The above-listed work is in priority order and is dependent upon amount of annual Capital Fund Grant from HUD to HAP.

PROGRAM-SPECIFIC REQUIREMENTS

CITY OF PORTLAND

Recapture Provisions

The units funded with HOME funds as part of the City of Portland's Shared Appreciation Mortgage (SAM) program will have a 25-year period of affordability. The SAM agreement describes an equity recapture formula that is based on the amount of subsidy the City provides to the homeowner or developer. The amount of equity recaptured by the SAM will never be more than 50 percent of the total realized equity appreciation.

Resale Provisions

Homebuyers participating in the City of Portland's HOME-funded Community Land Trust program will agree to resale provisions. The homeowner will take title to the improvements and will sign a 99-year lease for the land with the nonprofit community land trust, which will hold the land. Upon resale, the value of the land will not be included in the sales price to the new eligible homebuyer.

CITY OF GRESHAM**Recapture Provisions**

HOME regulations require that the City of Gresham state in its Consolidated Plan Update annually the method that it intends to use to ensure that the benefit of the federal investment in its homebuyer programs accrue to low and moderate income households for the HUD-required affordability period (which is a minimum of 10 years for a subsidy of \$15,000 - \$40,000).

The primary method that the City of Gresham uses is the Shared Appreciation Mortgage (SAM), the provisions of which are modeled on the SAM pioneered by the Portland Development Commission. The SAM requires that, if the homebuyer chooses to sell her/his house or no longer live in it as her/his principal residence within 30 years of the house purchase, the homebuyer must repay the principal amount of the SAM and also a share in the appreciation not to exceed 50%. The formula and definitions used to determine the amount of the adjusted appreciation are provided in the mortgage document itself and can be obtained by contacting the City of Gresham, Community Revitalization Program. The SAM is a form of recapturing the initial investment (plus a share in the appreciation) so that these funds can be provided to address other affordable housing needs in the future.

As indicated in the application materials, the City of Gresham will also consider models that use a resale restriction, such as a land trust or a form of a deed restriction or land covenant. In this option, a mechanism is provided that requires that the property be sold at an affordable price to an income-qualified buyer (80% MFI or less, as provided in the deed restriction or land covenant) for a specified number of years or in perpetuity. The City of Gresham will review proposals for resale provisions on a case-by-case basis to ensure compliance with HUD requirements.

The Buyer-Initiated SAM is available throughout Gresham, with first priority given to eligible applicants from Rockwood, then all of Gresham, then without regard to residency. The Developer-Initiated SAM is only available to developers undertaking development in Rockwood.

HOME

Community Housing Development Organizations (CHDOs)

The Portland HOME Consortium continues to set aside 15 percent of its HOME grant, or \$727,568 for FY 2003-04, for CHDO development projects. We hope to involve CHDOs in a variety of rental housing projects in both the new construction and rehabilitation categories. Most of the programs identified for CHDO participation will provide general rental housing, but CHDOs may also be involved in some special needs housing. CHDOs will be eligible to participate in programs and projects in addition to those identified in the set-aside. We expect to provide operating support to CHDOs, and we have budgeted \$243,411 for this purpose for FY 2003-04. Each jurisdiction in the Consortium has identified possible CHDO projects and has made a commitment to working with CHDOs.

Specific HOME Submission Requirements

Recapture Provisions

HOME regulations require that the City of Gresham state in its Consolidated Plan Update annually the method that it intends to use to ensure that the benefit of the federal investment in its homebuyer programs accrue to low and moderate income households for the HUD-required affordability period (which is a minimum of 10 years for a subsidy of \$15,000 - \$40,000).

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Refinancing Guidelines for HOME-Assisted Projects

The City of Portland may, from time-to-time, allocate HOME funds to refinance existing debt on multifamily projects undergoing HOME-assisted rehabilitation when refinancing is necessary to permit or continue affordability as defined at 24 CFR 92.252 (1999). For projects undertaken under this provision, the following guidelines shall apply:

1. The minimum period of affordability under the HOME program rules shall be at least 15 years from the date of the refinance, regardless of the amount of HOME funds invested. By City Policy, the period will typically be 60 years.
2. Refinance with HOME funds shall only occur in projects that can demonstrate that the primary activity to be undertaken is rehabilitation. In order to demonstrate that this guideline has been met, the cost of rehabilitation must equal at least 50 percent of any additional funds (HOME and other funds) invested as part of the refinance (a 1:2 ratio).
3. Prior to committing funds to refinance, the Portland Development Commission, on behalf of the City, shall conduct a review of management practices at the property applying for refinance to demonstrate that disinvestment has not occurred, that the project has viability for the longest applicable period of affordability and that the project can continue to serve the target population.
4. Projects are eligible for HOME-funded refinance under these guidelines to either maintain existing affordable units, to create additional affordable units, and/or to increase the level of affordability in existing units.
5. Projects are eligible for refinance so long as they are within the geographic boundaries of the Portland HOME Consortium.

HOME funds cannot be used to refinance loans made or insured by any Federal program, including CDBG and HOME.

Gresham

HOME regulations require that the City of Gresham state in its Consolidated Plan Update annually the method that it intends to use to ensure that the benefit of the federal investment in its homebuyer programs accrue to low and moderate income households for the HUD-required affordability period (which is a minimum of 10 years for a subsidy of \$15,000 - \$40,000).

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The Buyer-Initiated SAM is available throughout Gresham, with first priority given to eligible applicants from Rockwood, then all of Gresham, then without regard to residency. The Developer-Initiated SAM is only available to developers undertaking development in Rockwood.

Tenant-Based Rental Assistance

The Portland HOME Consortium plans to fund a tenant-based rental assistance project under the HOME program for FY 2003-04. This program will be offered throughout all three jurisdictions in our Consortium and will be administered by the Housing Authority of Portland (HAP). The program will focus on assisting families and other special needs households transitioning from homelessness to permanent housing and those at risk of eviction and homelessness. We may also provide assistance to households in rental projects being rehabilitated under the HOME Program.

Subsidies will provide assistance with up-front costs of obtaining housing (security deposits, first and last months' rent) and short-term rental assistance for households transitioning to self-sufficiency. Subsidy amounts for each household are expected to be relatively small, compared with traditional rental assistance programs.

We currently have a variety of local rental assistance programs and resources. Our goal is to use the HOME Rental Assistance Program to complement these other resources. Because of this, we will shift emphasis among the population groups or forms of subsidy described below as necessary to achieve a balanced delivery of services.

The following procedures describe our tenant-based rental assistance program. Any changes will be documented in a revised program description, to be maintained in the grant file.

Procedures for Tenant Selection

Households will be selected in a manner consistent with the preference rules established under section 5(c)(4)(A) of the Housing Act of 1937. The Housing Authority will establish written tenant selection policies and criteria. Eligible applicants will be placed in one of the following groups:

- A. Homeless in case management program.
 - A-1. Homeless families with children.
 - A-2. Homeless individuals or couples.
- B. Persons and families with a disability whose rent is more than 50 percent of their income and who are in a case management or treatment program.
 - B-1. With a mental illness.
 - B-2. With a developmental disability.
- C. Persons and families facing immediate eviction, whose rent is more than 50 percent of their income, and who are willing to work with a case manager until their financial situation stabilizes.

Within each group, assistance will be provided in order of the date and time the application is received.

Exception: Eligible residents of a rental project being rehabilitated under the HOME program will be selected for assistance without being placed on the waiting list.

Payment Process: Payments may be sent directly to the family receiving assistance. Checks will then require the endorsement of both the head of household and landlord.

Terms of Rental Assistance: HAP will enter into a rental assistance contract with the family. The terms of each contract will be governed by the type of rental assistance provided, and the preference group that the family is in. The term of the rental assistance contract will not exceed one year, but may be renewed.

Process for Determining that Rents Are Reasonable: A rent-reasonableness survey, based on statistics provided by the Apartment Data Center, is updated by HAP at least annually. Rent figures for unit sizes not available in the Apartment Center's survey (such as SROs) will be based on documentation developed by HAP and information received from the local HUD Economic Marketing and Development Department.

If the contract rent equals or falls below the current survey figures, a certification of the rent reasonableness will be documented in the rental assistance contract file. If the proposed contract rent exceeds the rent survey figures, a detailed documentation form justifying the above average rent must be completed and approved by the Rental Director. Assistance contracts cannot be executed without written approval for above-average rents.

Rent reasonableness will generally be determined in conjunction with the Housing Quality Standards (HQS) inspection. If an HQS inspection is not performed, the necessary information for a rent reasonableness determination will be obtained through interviews with the landlord and tenant.

Rent Standard: The rent standard will be the Fair Market Rent (FMR) established for the applicable bedroom size.

Maximum Subsidy: The maximum subsidy amount will be no greater than the difference between the rent standard for the unit size and 30 percent of the family's monthly adjusted income.

From time to time, specific standards for assistance with security deposits, first and last months' rent, and monthly rent assistance for families with children, homeless singles or couples and persons with a disability may be established or amended. These will be published in amendments to the HOME Program Description.

Minimum Tenant Contribution to Rent: The minimum tenant contribution to rent will be 30 percent of adjusted income.

Other Forms of Investment

The Consortium does not use forms of investment other than those described in 234 CFR 92.205(b).

Affirmative Marketing Program

In accordance with the regulations of the HOME Investment Partnership Program contained in 24 CFR 92.351, the Portland HOME Consortium will utilize an affirmative marketing program.

Efforts by the Consortium and Subrecipients

The City of Portland, Multnomah County, and the City of Gresham will use the following methods of informing the public, owners, and potential tenants about fair housing laws and the affirmative marketing policy:

- Include the Equal Housing Opportunity logo, slogan, or statement in all press releases, advertising, brochures, etc., which describe the HOME Program.

- Provide funding to Fair Housing programs that provide information and education services to citizens regarding fair housing laws and policies. These programs include a variety of fair housing activities including workshops, development of publications, and staff or contractors who provide one-on-one technical assistance from property owners and tenants. Staff or contractors will be available to provide special outreach and technical assistance to HOME Program participants on an as-needed basis.
- Inform owners about affirmative marketing requirements through the use of a certification and distribution of fair housing posters, master equal opportunity logos, and marketing outreach list.
- Make Housing Connections available at no cost to market all HOME-assisted units broadly.

Efforts by Property Owners

Property owners receiving assistance under the HOME Program will be required to execute an Affirmative Marketing Certification for any property with five or more HOME-assisted units. This Certification will include requirements for maintaining fair housing policies and affirmative marketing efforts.

Owners of properties with five or more HOME-assisted units will be required to report on their affirmative marketing efforts during the federally-imposed period of affordability (between five and twenty years, depending upon the level of assistance provided). This report will provide information on demographic records of tenants and marketing efforts used to recruit tenants to fill vacant units.

Special Outreach Efforts

Special outreach efforts will be required to attract those persons least likely to apply for housing. Owners of projects in neighborhoods with minority concentrations will be required to use media and recruiting sources likely to reach non-minority renters. Conversely, owners of projects in neighborhoods without minority concentrations will be required to use media and recruiting sources likely to reach minority renters.

The consortium will annually assess and evaluate the effectiveness of special outreach efforts in meeting goals identified in the Analysis of Impediments to Fair Housing and may occasionally recommend or require that recipients of HOME funding undertake specific procedures. The consortium anticipates that it will update the Analysis of Impediments during the period covered by the *Plan*, and that the update will include an evaluation of the Affirmative Marketing Program and recommendations to make it more effective.

MINORITY AND WOMEN BUSINESS ENTERPRISE OUTREACH PROGRAM

In accordance with the regulations of the HOME Investment Partnership Program contained in 24 CFR 92.352 (a)(5), the Portland HOME Consortium will utilize the minority and women business outreach program.

Efforts by the Consortium and Subrecipients

The bulk of the contracting opportunities under the HOME Program will be carried out by property owners, rather than the Consortium jurisdictions or subrecipients. In any direct contracting carried out by Consortium members and subrecipients, affirmative outreach efforts will be required. For any contract over \$10,000, outreach will include (1) advertising contracting opportunities in minority media; (2) registering plans and specifications with plan centers, and (3) direct outreach to potential bidders identified from the list of certified minority and women business enterprises obtained from State of Oregon Office of Minority and Women Business. For any contracts under \$10,000, the contractor solicitation process will include direct outreach to potential bidders from the list of certified business. Subrecipients that are public agencies, and have adopted purchasing procedures, will use those procedures.

The City of Portland and the Portland Development Commission anticipate that they will continue to provide financial support to the Housing Development Center to provide technical assistance and capacity building for small contracting firms that are candidates for subcontracting on HOME-funded projects.

Efforts by Property Owners

Property owners receiving assistance under the HOME Program will be provided with minority and women business enterprise outreach materials and counseled on involving businesses in available contracting opportunities.

- All property owners will receive a current list of Minority and Women Business Enterprises that have been certified by the State of Oregon Office of Minority and women Business.
- All property owners will receive a listing of minority media and plan centers.
- For contracts under \$100,000, owners will be encouraged to solicit quotes from minority and women business enterprises and to use minority media and plan centers to notify businesses of contracting opportunities.
- For contracts over \$100,000, owners will be required to use formal advertising and bid procedures. Owners will be required to publish requests for bids in minority media and register plans and specifications at appropriate plan centers.

- In soliciting for contractors, property owners will be required to include language encouraging prime or general contractors to use minority and women business enterprises as subcontractors.
- All owners will be required to report on their efforts and accomplishments in involving minority and women business enterprises in contracts.

Oversight

The Director of the City of Portland, Bureau of Housing and Community Development will have oversight responsibilities with respect to the Minority and Women business Outreach program. As part of the CAPER, the Consortium will report on success in involving minority and women business enterprises in both direct contracts of participant jurisdictions or subrecipients, and property owner contracts funded under the HOME Program. This report will include an assessment of outreach efforts and make recommendations for any changes or improvements to the outreach program. To the extent practicable, the updated Analysis of Impediments will similarly assess the MBE/WBE outreach efforts of the Consortium.

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: HOME, ESG, HOPWA, AND CDBG

The 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 recently created a staff position of Compliance Officer to oversee development and administration of compliance systems, including monitoring, and provide technical assistance to contract managers as needed.

Internal file review consists of completion of 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, 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; fiscal file and systems review.

Additionally, 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.

HOME

All HOME projects are monitored by the City's sub-recipients 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.

Minority Business Outreach

Property owners/borrowers carry out the bulk of contracting opportunities rather than the City. Borrowers of amounts under \$100,000 receive information about opportunities and encouraged to solicit quotes from minority and women business enterprises. Additionally, the BHCD contracts with the Housing Development Center to provide MBE and WBE (minority and women business enterprise) contractors with technical assistance to improve their capacities and capabilities to take on more complicated projects.

When Portland Development Commission (PDC) loans exceed \$100,000, borrowers are required to comply with PDC's Emerging Small Business (ESB)/Good Faith Effort Program for all prime construction contracts of \$200,000 or greater and subcontracts of \$100,000 or more. By the program requirements, borrowers through their prime contractors are required to either meet a 10 percent ESB goal or to make good faith efforts to contract with ESB firms for each division of work to be performed by a subcontractor. The ESB/Good Faith Effort Program further requires that they submit monthly reports on subcontractor utilization. Contractors are strongly encouraged to use formal advertising and bid procedures; publish requests for bids in at least two media; and seek solicitation assistance through minority and women community organizations.

For the same PDC construction loans exceeding \$100,000, borrowers are also required to comply with the Workforce Training and Hiring Program for prime construction contracts of \$1,000,000 or greater and subcontracts of \$100,000 or more. The Program seeks to ensure a contractor's workforce reflects the diversity of the regional construction workforce. The Program also maximizes apprenticeship and employment opportunities for minorities, women, and economically disadvantaged workers in the construction trades.

MULTNOMAH COUNTY

Multnomah County monitors the expenditure of CDBG and HOME funds to ensure that sub-recipients comply with regulations governing their administrative, financial and programmatic operation and achieve their performance objectives within schedule and budget. The County strives to provide up-front assistance and information about requirements through the application process, contract preparation, ongoing communication, and technical assistance.

Public service contracts require that sub-recipients submit monthly activity reports and semi-annual reports on progress toward achieving outcomes each month that invoices are received. The County performs on-site monitoring of active projects annually.

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:

- In an effort to assist applicants with addressing all the applicable federal regulations, 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 the CDBG and HOME programs of the program and other requirements that they will have to meet if funded.
- As needed, the City meets with potential applicants to provide informal training on federal regulations and to answer any other questions that applicants may have concerning the application process. This is an opportunity to help applicants to shape their projects in a manner so that they conform to HUD guidelines.
- City staff reviews written applications to ensure general compliance with regulations at this early stage.
- 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 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 discussion contractual requirements, such as potential revisions to the reporting forms.

- For all housing projects for 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 continue 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---this staff chooses the sample that they want to monitor)
 - Regulatory compliance

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

The following guidelines shall determine which projects shall be reviewed each year:

- All projects shall be reviewed during the year. At least half of the projects shall receive an on-site monitoring visit. A checklist for desk monitoring shall be developed in 2004-05.
- 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.

Timeliness: CDBG

- Gresham shall check the status/amount of its draw downs in January of each year to ensure that the city is likely comply with the April 30 timeliness requirement. Letters will be sent to project sponsors requesting the timely submission of invoices or other measures if the situation warrants.

Timeliness: HOME

- Each year, Gresham shall review the status of all outstanding housing development projects to ensure that they are completed within the five-year window allowed for completion of projects once funding is committed.

CERTIFICATIONS AND STANDARD FORM 424

Copies of HUD-required certifications and Standard Form 424 are on file in each of the jurisdiction's department/bureau that administers HOME, CDBG, and other programs covered in the *Plan*.

One Year Action Plan

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Appendix B: City of Portland Citizen Participation Plan
 City of Gresham Citizen Participation Plan
 Multnomah County Citizen Participation Plan
(these are included in the FY 2002-03 Action Plan)

Appendix C: Certifications
 The City of Portland
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 Multnomah County, Oregon