

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR  
MULTNOMAH COUNTY

In the Matter of Approving the 1997-98	)	
Multnomah County Consolidated Plan	)	
and Annual Action Plan for the Community	)	
Development Block Grant Program and	)	RESOLUTION
HOME Investment Partnership Program	)	97-105
to be Submitted to the Department of	)	
Housing and Urban Development.	)	
<hr/>		

WHEREAS, the Community Development Program of Multnomah County is funded primarily from federal Community Development Block Grant (CDBG) and HOME funds from the Department of Housing and Urban Development;

WHEREAS, the Community Development Program of Multnomah County has been notified that it is eligible to receive an annual 1997-98 entitlement grant of approximately \$456,000;

WHEREAS, the Community Development Program of Multnomah County has been notified by the City of Portland, the lead HOME jurisdiction, that its share of 1997-98 HOME funds is approximately \$229,543;

WHEREAS, the regulations for the CDBG and HOME programs require jurisdictions to comply with a consolidated planning effort and application process in order to received an annual award of funds from both federal programs;

WHEREAS, Multnomah County and the City of Gresham have joined the City of Portland in the required planning process with the City of Portland identified as the Participating Jurisdiction per federal regulation;

WHEREAS, the consolidated planning process requires an annual Consolidated Plan and Annual Action Plan with specific citizen participation including comment periods and public hearings;

WHEREAS, the Annual Action Plan identifies eligible projects and programs in the categories of neighborhood revitalization, public services, housing rehabilitation, and housing development including special needs housing development;

WHEREAS, the Policy Advisory Board met on March 14, 1997 to review and recommend for funding all eligible projects submitted by the February 4, 1997 deadline for program year 1997-98;

WHEREAS, the Policy Advisory Board held a public hearing on April 10, 1997 to receive and review testimony on selected projects;

NOW, THEREFORE, BE IT RESOLVED, that the Board of County Commissioners approve the 1997-98 Multnomah County Annual Action Plan and the Consolidated Plan, dated May 12, 1997.

ADOPTED THIS 29th day of May, 1997.



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

By: \_\_\_\_\_

*Beverly Stein*  
Beverly Stein  
Multnomah County Chair

REVIEWED:

SANDRA DUFFY, Acting County Counsel

*Katie Gaetjens*  
\_\_\_\_\_  
Assistant County Counsel  
Katie Gaetjens

# HOUSING & COMMUNITY DEVELOPMENT COMMISSION



808 SW Third Avenue  
Room 600  
Portland, Oregon 97204-1966

DATE: May 12, 1997

TO: Mayor Gussie McRobert and Members of Gresham City Council  
Mayor Vera Katz and Members of Portland City Council  
Chair Beverly Stein and Members of Multnomah County Board of Commissioners

FROM: Janice Frater, Chair HCDC *Janice Frater*

RE: 1997/98 Consolidated Plan Annual Update

On May 7, 1997, the Housing and Community Development Commission voted to amend the Principles in the Consolidated Plan as described below, and recommend that you adopt the 1997/98 Consolidated Plan Annual Update (attached). HCDC held one public hearing on the Plan after a 30 day public comment period.

Testimony was heard on the following issues:

Section 8 certificate holders are unable to find landlords willing to rent to them because of low HUD rental assistance rates, regulatory requirements, discrimination and our tight rental market. Thirty percent of certificates issued by HAP are returned after 120 days.

The need for reform of Oregon's landlord-tenant law to eliminate 30 day no cause eviction and discrimination against Section 8 certificate and voucher holders.

The need for strong enforcement of rental building codes so apartments are properly maintained.

The impact of HUD and Congressional policy to 1) offer owners of buildings with project-based Section 8, contract renewals for only one year and 2) to issue one year tenant-based Section 8 Certificates to tenants when owners choose not to renew the contract. This is stressful for tenants since neither they nor their landlords know whether those subsidies will be renewed from one year to the next.

The need for permanent affordability requirements for assisted housing based on the community's experience with subsidies expiring in housing projects which had only 20 year affordability terms. The possibility of linking subsidy depth to the percentage of units in a project that would have permanent affordability restrictions.

Telephone: (503) 823-2375  
FACON PLANN 1997-98 JURISLTR WPD

FAX: (503) 823-2387

TDD: (503) 823-2388



City of Portland



Multnomah County



City of Gresham

The need to focus on affordability, and the need for compatible neighborhood revitalization efforts as opposed to broader community goals.

The needs of disabled residents in mid-county who are losing Multnomah County funding for accessibility improvements to their housing units and who would like additional funding from the City of Portland.

The 97/98 Plan Update includes revised Principles (p.14-15). Principle I now states that priorities should focus on developing **and preserving** housing for those with the greatest needs. Preservation of our affordable housing investment has become an urgent need as HUD funding is decreased, private owners of affordable rental projects opt out of long term HUD mortgages.

Principle II emphasizes the role of both public and private resources in meeting community needs. Public and philanthropic resources should be targeted to meet the priorities of those with the greatest need, while private market driven resources should be the primary source for meeting other low and moderate income housing needs.

Principle III was revised to include preservation.

Principle IV is new and addresses community and economic development initiatives. It states:

*Both economic vitality and neighborhood viability should be the goals of public and private investments in economic development initiatives. These activities should be consistent with the housing principles and priorities adopted by HCDC. Public investment should increase the long term earnings of low-income residents, reduce barriers to employment, and encourage the development of products and services to meet the local needs of low-income communities.*

The Plan, including the list of budgeted projects, will be filed for formal adoption by the appropriate staff of each jurisdiction by the end of May and then submitted to HUD for approval. Please call Wendy Cherubini at 823-2392 if you have any questions regarding this document.

cc: John Annand, Chair BAC  
Iris Bell, Multnomah County  
Pete Von Christierson, City of Gresham  
Carol Cole, Chair Gresham CDHC  
Steve Rudman, BHCD

attach: Consolidated Plan Annual Update

# **CONSOLIDATED PLAN**

**1997 - 1998 Action Plan**

**OF**

**City of Portland  
City of Gresham  
Multnomah County**

**Submitted to  
The U.S. Department of  
Housing and Urban Development**

**May 12, 1997**

**If you have questions, call**

Portland: 823-2375  
Gresham: 618-2643  
Multnomah County: 248-3631

## **ACKNOWLEDGMENTS**

### **City of Portland, City Council**

Vera Katz, Mayor

Gretchen Miller Kafoury  
Charlie Hales

Eric Sten  
Jim Francesconi

### **City of Gresham, City Council**

Gussie McRobert, Mayor

Jack Gallagher  
John Leuthauser  
Robert Moore

Glenn McIntire  
Debra Noah  
David Widmark

### **Multnomah County, Board of Commissioners**

Beverly Stein, Chair

Tanya Collier  
Sharron Kelley

Gary Hanson  
Dan Saltzman

### **Housing and Community Development Commission**

Janice Frater, Chair  
Doug Blomgren  
Barbara Brower  
Sam Galbreath  
Phil Mockel  
Micky Ryan  
Jeanne Staehli

Neal Beroz, Vice-Chair  
Willie Brown  
Bertha Ferran  
Peg Malloy  
Mike Peterson  
Mike Silver

### **HCDC Staff**

Wendy Cherubini, Program Manager  
Marge Ille, Housing Authority of Portland  
Mike Saba, City of Portland, Bureau of Planning

### **HCDC Liaisons**

Pete von Christierson, City of Gresham  
Karen Jones Whittle, Multnomah County

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## I. INTRODUCTION

### The Consolidated Plan and Annual Update ("Action Plan")

*The Consolidated 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 area median income):

- 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 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 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 achieve self-sufficiency.

The grant programs covered by the Consolidated 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. For the past three years the jurisdictions have been working together to implement the CHAS, a countywide housing strategy. The Consolidated Plan incorporates the statutory requirements of the CHAS.

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#### I. Introduction

#### 1997-1998 Action Plan

#### Portland, Gresham, and Multnomah County



- ▶ **Emergency Shelter Grant (ESG).** The City of Portland is the only jurisdiction in the County that receives a direct award of ESG funds. 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 HOPWA program is administered by the City of Portland for a 6-county area: Multnomah, Washington, Clackamas, Clark, Columbia, and Yamhill. Portland works closely with the other 5 counties in planning and allocation. HOPWA funds are targeted to persons with HIV/AIDS with incomes at or below 50% of the area median. 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 Consolidated Plan* replaces all former HUD planning and application requirements with a single submission. *The Consolidated Plan 1995-1999* was a five-year planning document. The current document is an update which contains the "Action Plan" for FY 1997-1998. It must be submitted to HUD by May 15, 1997, to ensure that funds will be available by July 1, 1997-- the start of the 1997-1998 Fiscal Year.

## **Major Challenges**

### **Changes at the Federal Level**

The Portland-Multnomah Consortium continues to be concerned about major funding cuts and changes to HUD programs being considered by Congress. Significant cuts in housing place new pressures on how the CDBG and HOME resources will be used.

In addition some program changes, such as mandatory minimum rents of \$25, could lead to increased homelessness in the Portland region. As was noted in last year's *Consolidated Plan Update*, Oregon does not provide single person households guaranteed income through its General Assistance Program. Keeping minimum rents optional will give the Portland region the flexibility it needs to prevent those with zero income from becoming homeless.

Welfare reform is another concern. Many of the impacts of the new welfare legislation will not be felt immediately. The City and Multnomah County will be gathering information on what happens to various populations in order to track the magnitude of impacts and develop strategies to address them.

Of immediate concern are elderly and disabled immigrants who are losing SSI eligibility. Although through Oregon's waiver Medicaid eligibility is maintained for nursing home costs, many people receiving community based care will be at risk of homelessness. Poor working families who will see their food stamps reduced will also be more at risk of homelessness as they struggle to balance rising housing expenses, food costs and low wages. Oregon Food Bank recently stated that soup kitchens are already reporting a dramatic increase in clients.

### **Measure 47**

In 1996 Oregon voters approved Ballot Measure 47, a property tax roll back which also limits future growth in property taxes to 3 percent annually. The City of Portland is considering budget cuts of

between 8 percent and 15 percent in anticipation of a \$20 - \$30 million reduction in general fund revenues. Multnomah County is facing cuts of greater magnitude as well as dealing with a 30 percent CDBG reduction. These reductions will reduce services for low and moderate income residents, and in conjunction with federal cutbacks will place severe stresses on these families.

Last year the City of Portland approved a \$24.6 million two year Housing Investment Fund. The second year of funding is in jeopardy under Measure 47 as well as future funding. Reliance for meeting severe affordable housing needs continues to be on CDBG and HOME resources.

#### **City/County Housing Audit**

In January of this year the first joint City/County Audit was released. The audit looked at the housing delivery system including housing and homeless services, rehabilitation and new development. The auditors recommended ways to streamline the entire system to improve service delivery and maximize the dollars going to the community. Implementation of at least some of the recommendations is being analyzed in light of Measure 47 and being given serious consideration by political leadership of city/county consolidation.

#### **Real Estate Transfer Tax**

With statewide housing prices and rental rates continuing to rise faster than incomes and local revenue raising ability severely constrained, a Real Estate Transfer Tax for affordable housing has been introduced at the state legislative session. As currently drafted a tax of 0.75 percent of the sales price would be used for infrastructure improvements/maintenance (allocated on population basis to jurisdictions), a competitive housing development fund, home ownership fund and to capitalize Oregon's Housing Trust Fund. This revenue could be leveraged at the local level with CDBG and HOME housing dollars.

#### **Regional Growth**

Metro, Portland's regional government, has forecast that 645,000 - 700,000 more people will be living in the four-county area by 2015. To accommodate this growth the cities of Portland and Gresham are encouraging new infill development and new types of development such as mixed use (residential and commercial) and high density transit-oriented housing.

The City of Gresham is reviewing a citywide housing policy which is proposed to be incorporated as part of the city's comprehensive plan. For the past year a citizen committee has been working on a number of housing issues including increased density and mixed use to accommodate growth, inclusionary zoning to disperse affordable housing to all city neighborhoods, a housing maintenance code, and a local affordable housing fund.

Last year the City of Portland issued over 2,800 residential building permits—a 31 percent increase over 1995. To stimulate high density residential development along the east side light rail Portland approved a transit oriented tax abatement program in November. The tax abatement program also requires developers to provide some affordable units and/or other transit-oriented public improvements.

## **II. PLAN DEVELOPMENT PROCESS**

### **Lead Agency**

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

### **Inter-Agency and Jurisdictional Consultation**

The Consolidated Plan development process for Fiscal Year 1997-1998 carried out the inter-jurisdictional, cooperative venture begun during the initial stages of the CHAS planning process. During the CHAS planning process, the cities of Portland and Gresham along with the rest of Multnomah County formalized their relationship by forming a HOME consortium. These jurisdictions committed to an ongoing planning effort by instituting a new citizens body, the Housing and Community Development Commission (HCDC). This countywide 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. The HCDC acts 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**

The HCDC consists of fifteen 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 *Consolidated Plan* form the basis for the final budget recommendations made to the three jurisdictions.

The staff for the 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 Community and Family Services Division, and Gresham's Community Development Department. In addition, extensive consultation has been undertaken with the Oregon Department of Housing and Community Services, and county social service agencies and non-profits.

### **Institutional Structure for Housing and Special Needs Service Delivery**

The responsibility for implementing this Plan will rest with Portland's Bureau of Housing and Community Development, Gresham's Community Development Department, Multnomah County's Department of Housing and Family Services, and the Housing Authority of Portland. However, implementation cannot proceed without the involvement and support of several public and private agencies. The list of "players" found in the Consolidated Plan, 1995-1999 (pages 4-11) contains the various institutions and agencies responsible for the delivery of housing and community development services in the region.

### **Process**

In developing this Annual Update for the *Consolidated Plan*, information was gathered from a variety of sources detailing housing market and regional economic trends. Public testimony on housing and community development needs was offered at monthly Housing and Community Development Commission (HCDC) meetings. Some of the topics discussed included: income-to-rent ratios as barriers to accessing housing, Gresham's proposed housing policy, a state-wide real estate transfer tax for affordable housing, and the housing authority's response to changing federal policies and their Moving to Work proposal. HCDC also sponsored a forum on "Home Ownership: The Changing Marketplace."

### **Multnomah County and the City of Gresham**

Multnomah County and Gresham's project selection process began with a jointly sponsored application workshop. The competitive process was advertised by a directly mailing to interested parties, such as non-profits, neighborhood-based groups, and small cities in east county; and in newspaper ads. Applicants were informed of program objectives, time lines, eligible project activities, rating criteria, and opportunities for input. Applications were available and due 30 days later

For Multnomah County, program staff reviewed, rated, and ranked all applications and produced staff reports which were submitted for consideration to the Policy Advisory Board (PAB) which is comprised of representatives of small cities and the county. After the PAB recommended projects to fund, a public hearing was advertised and provided an opportunity for applicants and other citizens to testify on recommendations. The PAB then finalized their recommendations to the Board of County Commissioners. The Board will hold another public hearing before it will approve this "Action Plan" for submittal to HUD.

In Gresham applications were reviewed by staff for eligibility, and then reviewed and scored by three volunteer panelists. Two public hearings were conducted by the city's Community Development and Housing Committee (CDHC) to receive testimony on all applications received. Public notices announcing the hearings and describing the projects were issued. A summary, the testimony, the rating and ranking, and ratios of cost and leverage were submitted to the CDHC members for each project. The CDHC then recommended projects for funding to the City Council. The City Council will conduct a public hearing advertised by a public notice, and adopt the Action Plan for the coming fiscal year.

### **Draft Plan and Final Document**

A *Draft* of the 1997-1998 Action Plan was published April 1 and was available for comments for over 30 days. The Housing and Community Development Commission (HCDC) held a public hearing on the *Draft Annual Update* May 7, 1997, and adopted a resolution which recommended that the three jurisdictions approve this Action Plan for 1997-1998. Each member of the Consortium will hold at least two hearings on their proposed CDBG and HOME budgets, and in the case of the City of Portland, on the ESG and HOPWA budgets also.

A summary of the May 7 testimony and written comments which were received are included in Appendix B of this document, as well as a summary of the discussion of HCDC members after the public testimony.

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## **II. Plan Development Process**

### **1997-1998 Action Plan**

Portland, Gresham, Multnomah County

### III. HOUSING MARKET ANALYSIS

The strong local economic trends described in the adopted Five Year Consolidated Plan (FY 1995-1999) continue to influence the metropolitan (and Multnomah County's) housing market. The three main areas of concern expressed in the Consolidated Plan continue to hold true for those households that have been identified as the highest priority in terms of housing assistance needs.

- ▶ ***Job growth continues at a healthy rate.*** The average rate of employment growth was 31,700 jobs from the second quarter of 1995 through the second quarter of 1996. The highest rates of growth, however, continue to occur among the lowest paying service sectors and the higher paying technical and professional levels. The exception is the strong demand for construction workers for a large number of public and private projects, many of which will be winding down during the next three years. A continuing labor shortage, as represented by the region's low unemployment rate (which increased slightly from the 3.6 percent as of December, 1995, to an average of 4.0 percent for the first eight months of 1996), will push up wages in high demand jobs but will also spur in-migration by out-of-area job seekers, thereby increasing demand on the local housing market. The rental vacancy rate hovered at or below 4 percent in the Portland area. It is expected that housing prices will continue to increase at rates higher than the wages levels of households earning less than the area median income.
- ▶ ***In the midst of a growing economy, the high priority needs identified by the CHAS and restated in the Consolidated Plan continue.*** In a tight rental market, the affordability gap for low income renters remains. Households with special needs, including low income large families and persons with physical and mental disabilities continue to be underserved in this market.
- ▶ ***Home Ownership.*** Stable interest rates have been one of the hopeful signs for first time home buyers, although rising prices of new and existing housing increasingly offset this advantage. The median sales price for single family housing in the Portland area surpassed \$130,000. In order to afford this median priced home, a household must earn \$40,000 per year. Forty percent of the region's households make less than this amount. Older homes in established inner city neighborhoods at one time provided opportunities for first time buyers, however, the affordability of this stock has diminished as these neighborhoods have become more desirable.

#### Economic Trends During the Last Year

Oregon, and especially the Portland metropolitan region, continued to experience a healthy economy although at a slightly lower rate than 1995. For the first time in the state's history, jobs associated with the high tech industry overtook the number of jobs available in the wood products and timber industries. This marked a historic shift in the economic character of the state.

According to *Real Estate Report for Metropolitan Portland* (Autumn, 1996),

The consensus forecast for the next few years remains favorable [for increased job growth]. High tech employment, which surpassed lumber and wood products employment in the last

year, is expected to add 7,000 jobs in the next three years. Employment in this sector which averaged 37,000 in the 1900-1992 period will quickly approach 62,000.

Most of this shift occurred in the metropolitan areas of the Willamette Valley. In the Portland-Vancouver metropolitan area alone created 35,100 new jobs during the last year. Interestingly, within the high technology sector, it is estimated that of the new jobs paying \$30,000 or less per year, 77 percent will be filled by local residents. Of those jobs paying more than \$40,000 per year, only 25 percent are expected to go to current residents of Oregon. There is concern over the ability of local educational institutions to provide an adequate number of trained employees at both ends of the high technology job market. The implication for the local housing market is that higher paid workers moving into the area will continue the upward pressures on housing prices.

According to the Fall/Winter, 1995, issue of *The McGregor Millette Report*,

Exploding employment growth in High-Tech and construction helped the Portland/ Vancouver MSA break a 50 year record as unemployment fell to 3.7 percent and averaged less than 4 percent during 1995. Resulting labor shortages caused local employers to aggressively recruit outside the area, population increased by another 30,000 residents, and our apartment market (in the words of one national apartment developer) grew 'white-hot' as vacancies dropped for the fourth consecutive year and rents increased 4.7 percent.

The report continues to note, "In-migration continued at a brisk pace this year as excellent employment prospects attracted workers from throughout the nation. Oregon ranked 4th in the nation in jobs growth behind Utah, Nevada and New Mexico."

## **Section 8**

Portland's high cost housing market and low vacancy rates also are having a very adverse impact on the ability of low-income households who have a Section 8 certificate to find housing. Fair Market Rents calculated by HUD (at the 40th percentile) are well below market rents. Because of the Portland area's low vacancy rate landlords are unwilling to rent units for less than they can obtain in the market, especially when renting to Section 8 certificate holders also entails meeting other HUD requirements. Tenants testifying before the Housing and Community Development Commission stated that even with the opportunity for the housing authority to authorize rents at 120% of FMR (in certain cases). HAP reports that now 30 percent of Section 8 Certificates are returned unused after 120 days. This is an increase from 20 percent a year ago, and well above the national average of 18 - 20 percent.

## **Housing Affordability**

In a highly publicized report issued in December, 1995, the National Association of Home Builders listed the Portland metro area among the 25 least affordable home buying markets among the 191 largest urban areas in the country. Their Housing Opportunity Index (HOI) compared an area's median housing price with the median income, adjusted for other local factors such as property tax burden, to arrive at a index comparing local housing markets. Of the total 191 metro areas examined, the Home Builders listed Portland as the 183rd least affordable market. Such national comparisons are controversial,

however, as demonstrated by an analysis by the staff of Metro, the regional government, which indicated that the Home Builders' statistics exaggerated the impact of local property taxes on housing costs. In fact, the newsletter *Market Action*, published by the Portland Realtors' Multiple Listing Service, claims that housing affordability for the median income household increased during the last year, and a 1995 report by the National Association of Realtors characterized Portland's home buying affordability ranking as average among all U.S. metropolitan areas.

This ongoing debate on the nature of the regional housing market and the appropriate response to local needs, both current and long term, will be a key element in the next phase of the Regional Framework Plan under development for the metropolitan area. Important elements of this planning dialogue are whether or how much to extend the land area within the metro Urban Growth Boundary and how to address the issue of housing affordability on a regional level.

At a Housing Policy Charette held in October 1996, participants which included the Homebuilders Association, the Coalition for A Livable Future, and 1000 Friends of Oregon signed a policy paper listing several strategies that might be considered as part of the Regional Plan. The Preamble stated that the signatories

believe that an important measure of quality of life in this region is the availability of decent, affordable housing, whether owned or rented, new or existing, single family or multifamily for all citizens, especially for the majority of households with income of less than \$50,000 per year. We recognize that affordability is determined by two factors, the price of housing and household income.

## **IV. NEEDS ASSESSMENT**

### **Federally Rent Assisted Housing: Preservation Issues**

There are 7,800 units in Multnomah County which have federal rent assistance attached to the unit--2,837 are public housing and 5,000 are units owned by the housing authority, non-profits, and private owners. The majority of the 5,000 units which have project-based Section 8 assistance have mortgages which owners may prepay, and in addition the contracts owners of these properties have with HUD are expiring.

Locally, owners of about 700 units have opted out of the federal program and sold their buildings to non-profits and the housing authority. This was made possible by federal legislation which required that tenants, non-profits, and the housing authority have the first right of purchase if an owner wanted to sell; and federal assistance was available for the purchase. This assistance is no longer available. Now owners may prepay their mortgage. They may sell their property or operate it as open market housing. They can refuse to take Section 8 tenants, and charge rents that are unaffordable for low-income households -- thereby, displacing current tenants.

At the same time HUD now is offering owners with expiring contracts a one-year contract. Within the next five years more than 900 units in Multnomah County may revert to market rate buildings as contracts expire.

When an owner does not renew the Section 8 contract, existing tenants will receive a tenant-based certificate and will need to search for a landlord who will accept the Section 8 certificate. This is causing anxiety for tenants and displacement from their homes--creating great hardships.

As need continues to outstrip supply, the loss of affordable housing exacerbates housing problems for low-income people. Preservation of existing affordable housing has become a major challenge in this community.

### **Poverty**

The Multnomah County Department of Community and Family Services published a report, *Poverty In Multnomah County: A Descriptive Report* (July 1996), which contains the following major findings:

- ▶ County-wide, the highest number of people in poverty are living in the Outer East, followed by Southeast, Northeast, and North [areas of Multnomah County].
- ▶ The service districts with the highest percentages of people in poverty are Downtown, North and Northeast.
- ▶ People in female-headed families are over represented among the poor and homeless populations of the county.
- ▶ Africans-Americans, Hispanics, and Native Americans are over represented among the poor and homeless in the county.



- ▶ Fourteen percent of all children in the county are poor, and children constitute at least 29 percent of those who are homeless in the county.
- ▶ Real wages (adjusted for inflation) have stagnated, and neither minimum wage jobs alone nor income assistance benefits pull people out of poverty.
- ▶ Unemployment is higher for people of color than for the county as a whole, as are dropout rates.
- ▶ Low-income people are faced not only with rents that have out paced inflation, but with low vacancy rates as well.
- ▶ About half of those who request emergency food assistance in the county are members of families, 40 percent are people with disabilities, and one-third are working poor.

## Homelessness

Although Portland's economy has grown significantly over the past 15 years and many of Portland's residents have prospered during this period, the number of individuals who are homeless also has grown dramatically.

- The increase in number of residents living under the poverty level has led to an increase in the number of individuals who are homeless and at risk of homelessness.
- There is a growing inability by service providers to serve those who request shelter.
- The increased emphasis on a "continuum of care" highlights the need for affordable permanent housing.
- Balancing the needs of business and residents, with service delivery needs, has led to a commitment to reduce the size of and decentralize shelter facilities.

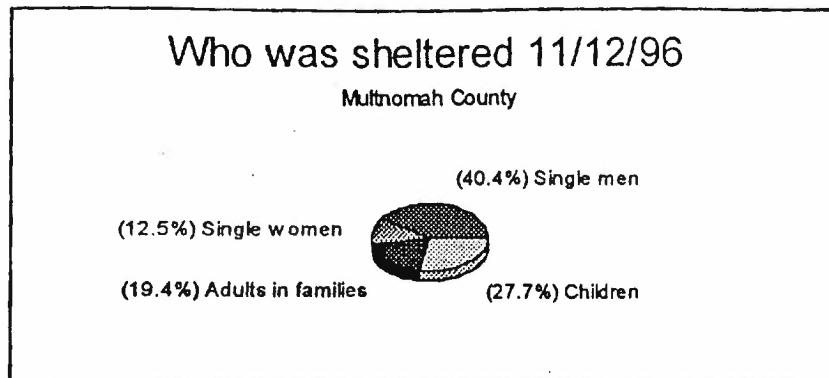
## Numbers of Homeless People

Every November providers of shelter and housing for homeless people cooperate in providing information on the people they shelter on one night. This past November 1,943 individuals who were homeless spent the night of the 12th in a shelter or in transitional housing. The table and diagram below provide information on the numbers and composition of those sheltered.

**Table 1. Homeless Persons Sheltered in Multnomah County  
On the Night of November 12, 1996**

	TOTAL # HSEHOLDS	ADULTS		TOTAL # ADULTS	TOTAL # CHILDREN	TOTAL # INDIVID
		M	F			
Individuals	1,028	785	243	1,028		1028
Families	317	83	294	377	538	915
<b>Total</b>	<b>1,345</b>	<b>868</b>	<b>537</b>	<b>1,405</b>	<b>538</b>	<b>1,943</b>

Source: One Night Shelter Count Report, Multnomah County Division of Community Action and Development, December 23, 1996.



Lack of affordable permanent housing currently poses the biggest stumbling block to moving more people through the homeless continuum. In this situation one alarming statistic sums up the problem: for the more than 22,000 renter households with incomes below 30 percent in the County, there are only 12,000 housing units that are affordable to them. Thus, it is extraordinarily difficult for those attempting to transition from homelessness to find appropriate and affordable residential units.

### **People with Special Needs**

There is no new information that would change the needs assessment found in the *Consolidated Plan, 1995-1999*. More than likely the continued low vacancy rate, rising rental costs, and incomes that change very little, have exacerbated the housing problems for very low-income households with "special needs." However, two state-wide initiatives have the potential for negative impacts on housing for people with special needs.

#### **Oregon Health Plan**

The expansion into Multnomah County of Oregon Health Plan coverage for behavioral health issues will mean the end of fee-for-service Medicaid and the intensive management of service delivery for persons with mental or emotional difficulties. Covered conditions will be defined by the Plan. Access to services will be defined by the insurer with the emphasis on the efficient and effective use of resources. Efficiency and effectiveness will be seen as interdependent and will be defined as providing just the right amount of service at just the right time to achieve the desired outcome at the least cost.

In this context, more people with mental or emotional disabilities will have access to behavioral health care, but the services provided to them will be highly managed by insurers. Care providing organizations will be authorized to provide timely, "surgical" interventions rather than a full menu of treatment and support opportunities from which the customer can self-select and whose duration is indefinite. As a result, there will be less support for most tenants, and what support there is available will be allocated based on principles of medical necessity and of diversion from more expensive resources. For housing providers who have built their systems around fee-for-service Medicaid, there will be less revenue and therefore fewer resources available to help their tenants. Consequently, there

will be fewer housing opportunities for persons perceived to have multiple problems and thus more serious support needs.

**Measure 47**

Measure 47 limits local property taxes and requires state government to provide funding to local school districts. Measure 47 directly reduces revenues to local jurisdictions and also reduces expenditure by government on various programs, including housing and social services, because a portion of the revenue supporting such programs will now be diverted to school funding.

In this context, local housing and community development initiatives will be limited by reduced funding. Less housing will be built. In addition, support services for special needs populations will be less available as general funds which had been available are diverted to other, "higher priority" uses which had experienced reductions resulting from the school funding mandate of Measure 47. Again, there will be less support for most tenants and, consequently, there will be fewer housing opportunities for persons perceived to have multiple problems and thus more serious support needs.

## V. ANNUAL PLAN

### A. Resources

Table 2. Estimated Resources (Consortium Wide)  
1997 - 1998

RESOURCES	City of Portland	City of Gresham	Multnomah County
HOME <sup>1</sup>	\$ 3,434,502	\$287,586	\$ 224,000
CDBG			
* Entitlement	12,166,000	679,000	\$ 450,000
* Program Income	3,885,000		100,000
* PLPA	2,383,800		
* Carry Over	500,000		
ESG			
* Entitlement	315,000		
* Carry Over	31,566		
HOPWA <sup>2</sup>			
* Entitlement	758,000		
* Carry Over	667,000		
General Fund	1,375,675		
Miscellaneous			Disaster/flood grant:
* PILOT	224,425		
* Cost Recovery	17,500		\$ 250,000
Housing Investment Fund	5,800,000		
<b>TOTAL</b>	<b>\$31,605,066</b>	<b>\$966,586</b>	<b>\$1,024,000</b>

<sup>1</sup> HOME funds are the only source which is allocated to the Consortium. Even though Portland is the lead jurisdiction, the funds are spent by each jurisdiction

<sup>2</sup> HOPWA funds serve a six county area: Clackamas, Columbia, Multnomah, Washington, Yamhill, and Clark (Washington State). Portland, as the largest city within the six county EMSA, is responsible for administering the funds.

## **HOME Investment Partnership Program**

### **HOME Match**

The Portland HOME Consortium expects the match obligation generated by its proposed use of funds to be approximately \$783,000. Key sources which we expect to use to meet our match obligation include grant funds from the State Housing Trust Fund, value of below market private financing under the Oregon Affordable Housing Tax Credit Program, value of donated property and donated labor, property tax abatement in distressed neighborhoods and property tax exemption for low income housing owned by charitable non-profits, and building permit fee waivers. We have successfully met and exceeded match obligation in prior years from these sources.

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. We have also used HOME funds in combination with LIHTC to attract private equity to projects. In addition, most funded projects, except those serving the lowest income populations, have been able to use private debt as a funding source.

## **B. Activities to be Undertaken**

### **Housing**

In 1991 the Cities of Portland and Gresham and Urban Multnomah County formed a Consortium for purposes of applying for and administering the HOME grant — a federal entitlement grant specifically for housing. The first Comprehensive Housing Affordability Strategy (CHAS) was developed on a county-wide basis. As part of that process, and after extensive citizen involvement, the jurisdictions adopted the following principles and priorities. In December, 1993, the HCDC further defined the CHAS priorities and strategies. These principles and priorities were reaffirmed in the Consolidated Plan, 1995-1999. At its May 1997 meeting the Housing and Community Development Commission made some modifications to the principles. In Principles 1 and 3 preservation was made an explicit priority and linked with length of affordability; clarifications were made to Principle 2; and a new principle—4—dealing with community economic development was approved. The following are the revised principles.

#### **PRINCIPLE I**

*Priorities should focus on developing and preserving housing for those with the greatest needs. Those persons with greatest need are defined as people who are without basic shelter, living in dangerous environments, in substandard housing that violates fire and life safety codes, and those who are at risk of homelessness. Particularly vulnerable persons within this category are those who have historically had limited access to power to act on their own behalf such as very low-income single parents, youth, frail elderly, people with mental or physical disabilities, refugees and other cultural/ethnic minorities. Housing for these populations should be linked to supportive services designed to promote economic independence and self-sufficiency.*

## **PRINCIPLE II**

*Both public and private resources are required to meet community needs.* Public and philanthropic resources should be targeted to meet the priorities of those with the greatest need. Market-driven private resources should be the primary source to for meeting other low and moderate income housing needs. Public moneys can be used to stimulate private investment and bridge affordability gaps.

## **PRINCIPLE III**

*There should be a direct relationship between the amount of public subsidy, and the length of time that a housing resource remains affordable.* To make effective use of public resources, the deepest subsidies should produce or preserve housing which is permanently affordable. The incentive or subsidy should be balanced with affordability requirements so that programs are marketable. Preference should go to programs that reduce the initial capital cost of a housing asset rather than programs that subsidize ongoing costs which do not result in an increase to the affordable housing portfolio.

## **PRINCIPLE IV**

*Both economic vitality and neighborhood viability should be the goals of public and private investments in economic development initiatives. These activities should be consistent with the housing principles and priorities adopted by HCDC.* Public investment should increase the long term earnings of low-income residents, reduce barriers to employment, and encourage the development of products and services to meet the local needs of low-income communities.

### **Priorities**

1. Programs to provide affordable rental housing for *homeless* individuals or families, and *very-low income* households who pay more than 50% of their income for housing. This includes persons with special needs, such as people with mental and physical disabilities, people with AIDS, and the elderly.
2. Programs to assist *low-income* households, renters and existing homeowners. Programs should help to maintain and preserve housing stock, and stabilize neighborhoods, and provide support services such as case management, job training, child care, etc.
3. Programs to assist low-income *first-time home buyers*. These programs should be focused on those populations that have traditionally not been able to access the private market, including minorities. Home buyer programs should also be targeted as an important community development tool to bring reinvestment back into deteriorating neighborhoods. Public funding of these programs should leverage private funds or be directed to relatively low-cost programs such as education.

### **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.

Please refer to Appendix A for a detailed description of activities for each individual jurisdiction that is a member of the Consortium.

The Portland HOME Consortium will use the FY 97 HOME Investment Partnership funds to expand and improve the supply of affordable housing to low and moderate income families in accordance with the priorities established in our 1991-1996 *Comprehensive Housing Affordability Strategy* (CHAS) and reaffirmed in the *1995-1999 Consolidated Plan*. Each member of the Consortium will plan and execute projects within their own jurisdiction. An agreed upon formula is used to set aside HOME funds for each Consortium member and to determine equitable contributions for TBRA administrative costs, CHDO operating support and general HOME administration. When the opportunity arises the Consortium will collaborate on joint projects and system wide programs.

We propose to use HOME funds to produce approximately 250 units of affordable rental housing, including approximately 75 HOME-assisted units. This will include a combination of new construction and rehabilitation projects.

We will work closely with CHDOs and have set aside 15 percent of our HOME allocation for CHDO projects. We also plan to reserve 5 percent of the HOME funds for CHDO Operating Support. CHDOs will be involved in a number of rental production and rental rehabilitation projects in addition to special needs housing projects. 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.

We will fund a small tenant based rental assistance program to assist approximately 130 households. Our goal is to use modest amounts of rental assistance to move households from transitional to permanent housing, and to prevent homelessness by providing short term assistance to households faced with eviction. Forms of assistance would include security deposits, assistance with first and last month's rent, and short term rent subsidies.

We estimate that the match obligation generated by our proposed use of funds will be approximately \$783,000. Key sources which we expect to use to meet our match obligation include grant funds from the State Housing Trust Fund, value of below market private financing using the Oregon Lenders Tax Credits, value of donated property and donated labor, property tax abatement in distressed neighborhoods or property tax exemption for low income housing owned by charitable non-profits, and building permit fee waivers. We expect that projects developed by non-profit organizations are likely to generate the most match credit and will include funds from charitable and corporate contributors.

## **Proposed Use of HOME Funds**

The following is a general description of projects and programs we hope to pursue using HOME funds.

### **New Construction**

We estimate that approximately 70 percent of the 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. We expect that Gresham and Multnomah County will have a large share of new construction projects.

### **Rehabilitation**

We estimate that approximately 30 percent of the funds available for production will involve moderate or substantial rehabilitation. These projects will assist CHDOs, non-profits and for profit developers to improve rental housing for low and moderate income households.

### **Tenant Rental Assistance**

We will deliver a small tenant-based rental assistance program to assist families and other special needs households moving from transitional to permanent housing, or those at risk of eviction and homelessness. Assistance may also be provided to households in rental projects being rehabilitated under the HOME Program. We have budgeted \$220,000 to this activity to be delivered countywide.

### **CHDO Operating Support**

We have budgeted to provide operating support to CHDOs at 5 percent of the total grant amount, or \$225,000. We have developed a system to distribute this grant funding on a competitive proposal basis.

### **Program Administration**

We have budgeted program administration at 10 percent of the total grant, or \$368,700. This category will include administrative costs of managing the HOME program. It also includes some program delivery costs for the consortium members, the tenant based rental assistance program and new construction projects.

### **Community Housing Development Organizations (CHDOs)**

The Portland HOME Consortium has set-aside 15 percent of our HOME grant, or \$553,050 for CHDOs.

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. We have budgeted \$184,350 for this purpose. Each jurisdiction in the consortium has identified possible CHDO projects and has made a commitment to working with CHDOs.

## **CDBG-Funded Activities**

### **City of Portland**

The following is a description of the activities within Program Areas which the City's Bureau of Housing and Community Development will fund during the next fiscal year. It includes not only CDBG funds, but all funding sources.

### **Housing Program Area**

The Housing Program area includes both capital funding for housing development and social services related to housing. The major focus is on housing development: Home buyer programs, homeowner repair, rental rehabilitation and production, and special needs housing. CDBG float will



continue to be used to rehabilitate single family homes for purchase by first-time home buyers. If funds are insufficient to repay the float, there may not be sufficient funds to fully operate the single family rehabilitation program. Housing service programs funded with CDBG include information and referral, education, fair housing and housing counseling services for low and moderate income households.

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.

### **Economic Development**

Programs emphasize workforce development and the linkage of low/mod individuals to jobs created through business development, business access to capital and information, and the physical revitalization of targeted neighborhoods. Examples of BHCD-funded programs include JobNet which refers residents to job openings that are initially reserved for low/mod individuals, low interest loans in targeted areas for business expansions that will create jobs for low/mod residents, and funding for improvements to storefront facades in targeted areas.

### **Neighborhood Improvements**

The Neighborhood Improvement Program Area provides funding for capital and other projects which have a long term impact on neighborhoods. Projects include residential street and drainage construction, neighborhood park development and construction, construction and rehabilitation of public facilities and major community planning projects.

### **Homeless Services and Housing**

These activities are described in the section dealing with homelessness, pages 21-22.

### **Youth Employment and Involvement**

These activities will provide young people with: education, training, work experience, cultural enrichment, self esteem building, and support to prepare them to enter the workforce; support and assistance in finding and keeping a job; and meaningful opportunities to become involved in, and assist in improving their community.

### **Public Safety**

The Public Safety Program Area will provide services for victims of crime and violence, gang prevention and intervention, community corrections, community policing and other services which are community based and related to the corrections and law enforcement systems.

### **Community and Targeted Initiatives**

This program area contributes to community revitalization by providing targeted service delivery and support to low and moderate income communities. Services provided to target areas may include targeted housing and nuisance code enforcement, neighborhood clean-ups, housing and commercial loan programs, and marketing of community services funded by the Bureau, such as Community Energy Project's weatherization workshop and senior weatherization program, Metropolitan Family Services' Project Linkage Summer Yardwork Program, and the Police Bureau's Locks Program. Community-based organizations working in target areas may receive funding for additional staff to conduct outreach activities in the target area and technical assistance through BHCD staff or hired consultants.

### **Community Systems Support**

This area will provide funding for a variety of activities intended to increase citizen participation and improve the capacity of community based organizations to deliver services. Citizen participation activities focus on enhancing the services of City-funded district coalition offices, allowing them to provide additional technical assistance to low/moderate income neighborhoods. Capacity-building activities are currently focused on providing operating support and technical assistance to non-profit organizations carrying out affordable housing projects.

## **Multnomah County**

Multnomah County's Policy Advisory Board (for community development) revised funding policies for 1997-1998 because of the reduction in the county's federal funds. Housing development and rehabilitation remain the top priority, with 38.5 percent of CDBG funds earmarked for housing. All program will continue to be channeled to housing activities. Public services (10 percent) were carefully considered and a decision was made to recommend for funding only services which are housing-related. No new public services will be considered for funding. The share going to neighborhood revitalization was increased to 28.5 percent primarily due to the elimination of an economic development category. Contingency funds have decreased to 3 percent (from 5 percent).

### **Housing Activities**

The County has received applications for equipment replacement and campus expansion at a children's center, barrier removal modifications for renters and homeowners, and two housing development proposals for very-low and low-income residents. In addition, the County will continue to fund sewer hook-ups in east county as well as some critical repairs to housing for low- and moderate-income households.

### **Neighborhood Revitalization**

More than like the County will fund three public works projects: the expansion of a city park in Wood Village, a storm drainage project in Fairview, and the replacement of a water main in the Burlington Water District in unincorporated county. Other projects likely to be funded include a Head Start facility in a community building located on the site of a proposed housing project for families.

### **Public Services**

The County more than likely will continue to fund several non-profit agencies who provide housing-related services. These include operating services for transitional housing for homeless families, fair housing assistance and enforcement, and a housing assistance project. Decreased funding has eliminated previously funded public service projects.

## **The City of Gresham**

Using CDBG funds, Gresham will conduct a single family housing rehabilitation program to connect houses to a new sewer system, award funds to a nonprofit organization to conduct remodeling of existing units to provide access for persons with a disability, and to two or three nonprofits to acquire, rehab or construct units for families and individuals with special needs whose income is below 50 percent of the area's median family income. Fifteen percent of the funds will be used to provide a variety of public services; 7 percent is allocated for economic development activities; and

10 percent will be used for community facilities. (Refer to Appendix A for Gresham's "1997-1998 Sources and Allocation of Funds" chart).

A major barrier to the development of affordable housing is the rising cost and availability of land. During 1997-1998 Gresham will seek land suitable for housing development and use a local CHDO to acquire it. Depending on the size of the parcel, design and development will take place over a two to three year period.

Gresham is currently developing city policy and strategy recommendations for maintenance and development of affordable housing over the next 20 years. The need for affordable housing is becoming more acute due to the rapid increase in housing costs and the lack of purchasing power of low-income households. It is estimated that Gresham will need to produce approximately 117 units per year to meet the need.

Policy and strategy recommendations fall into five areas: financing, production, maintenance of existing units, preservation of existing affordable units, and the dispersal of affordable units throughout the city. The recommendations will go through an extensive city participation process starting in May. Among the specific strategies being studied are inclusionary zoning and property tax waivers for affordable housing. Of primary concern is finding new sources of revenue to assist in the development of additional affordable housing stock.

Gresham also is studying policy options to increase the housing density throughout the city and particularly along the transit corridors to comply with metropolitan wide planning requirements. Both studies deal with the need for additional housing. The city will use both studies to resolve where affordable housing will be located.

## **C. Geographic Distribution**

### **HOME**

The HOME Investment Fund is targeted for investment geographically proportionate to the low-income population within each jurisdiction. In general all three jurisdictions support integration of low-income housing throughout the community to avoid increasing concentrations of poverty in any one area. East County and Gresham have larger family sizes so HOME funds in those are more likely to be prioritized for larger family units. Gresham and Urban County allocate HOME funds on an RFP basis and no preference is given to rehabilitation or development of housing in one area rather than another. Within Portland funds for rental housing have been accessed on an open door application basis and are available city-wide. There is a set-aside for the development of special needs housing that is also available city-wide.

### **CDBG**

## **The City of Portland**

The City of Portland has targeted community development assistance since the beginning of the program in 1974. After each census the City determined which neighborhoods met the federal

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### **V. Annual Plan**

#### **1997-98 Action Plan**

**Portland, Gresham, Multnomah County**

guidelines as 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 1970's, 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 early 1980's 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 1980's. These areas were not served by the City's community development program because of the focus in inner Northeast and Southeast. In the early 1990's the City began to move into outer Southeast Portland neighborhoods through its contribution to the development of the Outer Southeast Community Plan. The intent was to use this plan as a directional tool for providing services to this area. Work in this area continues. Because inner Northeast Portland continues to have the highest concentration of low income persons in the City, it may never fully graduate from the community development program.

Even with the level of targeting which has always existed in the City's community development efforts, it has become clear that the funds available are not adequate to make significant long-term change in these low/moderate income neighborhoods. The City's Community Development Plan, prepared in 1994, identified the need for an even more targeted approach to providing community development services. It calls for an integrated approach to community improvement, addressing the range of needs rather than dealing with one problem at a time. This Plan recognized that quickly creating visible improvements will best stimulate private investment and build community momentum for continued positive change.

The Bureau of Housing and Community Development has begun implementing this approach with the annual selection of small target areas. These areas are selected through an open process which asks neighborhoods to identify both assets and needs, and develop strategic action plans for improvements and services. Eight target areas have been identified in North, Northeast and Southeast Portland. Once targeted, BHCD commits to providing two to three years of core support for the organizing and program delivery costs, targeted marketing of BHCD funded services in the target area and technical assistance. BHCD works with target areas to develop and evaluate output and outcome objectives.

In the current fiscal year, the Bureau has budgeted \$1 million for this program area. These dollars will be used to fund 15-20 Community Initiatives Small Grants; provide assistance to 8 target areas; carry out 15 targeted neighborhood clean-ups; remove 440 property nuisances; bring 150 rental units into code compliance; and fund 2-3 small targeted neighborhood assistance projects.

## **The City of Gresham**

Gresham's adopted Community Development Plan states that "concentration of projects in one qualified area is a good concept and should be followed where feasible. To be most effective [projects] should be a result of planning efforts by the community. . . ." (Refer to *Consolidated Plan*, 1995-99.) To date, no concentration of projects has occurred. Projects are located where the need and community support is the greatest. All public improvements are located in areas that qualify either by census data or by survey.

Gresham is developing policy and strategies to disperse affordable housing throughout the city. Recommended strategies will target developer incentives to areas which currently have a low percentage of affordable housing.

## **Multnomah County**

Multnomah County focuses CDBG funds on the unincorporated area of the county and the small cities of Fairview, Maywood Park, Troutdale, and Wood Village. Previously, surveying was done to establish "target areas" where a preponderance of low- and moderate-income households lived. This effort found that the entire cities of Wood Village and Fairview would qualify as "target areas" as well as the Burlington Water District.

### **D. Homeless and Other Special Needs**

Over the past decade the public sector and non-profit community in Multnomah County have worked to create an effective response to homelessness, a "continuum of care" that provides an array of housing options and support services. Today the Multnomah County Community and Family Services Division is responsible for planning and contracting for services to homeless individuals and families. Services are delivered through a decentralized and geographically based system of community service centers, special needs providers, access agencies and system-wide resources. The community action system is divided into seven districts with defined geographic boundaries; one non-profit agency in each district provides services to homeless and low-income persons. Six of the centers primarily serve low-income and homeless families; the one in downtown is for homeless and low-income singles.

The community is in the midst of implementing a "reconfiguration plan" for housing and services for homeless singles. The plan calls for reducing the size and total number of spaces in mass dormitory-type facilities, while increasing and the amount of transitional and permanent housing for this population.

The "continuum of care" system provides a solid foundation upon which to build a more effective system. Services are comprehensive and integrated. Homeless people are provided with case management; efforts are being made to develop services to prevent initial and recurrent homelessness; and planning for services and housing are coordinated. The development of permanently affordable housing for the homeless is a high priority.

The following describes only activities funded with HOME, CDBG, ESG, HOPWA, or locally controlled funds. Multnomah County uses other sources of funds to fund activities which are not described below. ESG funds are allocated in concert with the allocation of CDBG funds. Public participation was available at three levels: BHCD's Bureau Advisory Committee, the City's Housing and Community Development Commission, and the City Council. Local Multnomah County funds are used as match for ESG funded activities.

The City of Portland allocates almost \$2 million annually to homeless activities, the majority of which is contracted through Multnomah County for services (15-20 percent of their annual budget). In the area of facility development, for which the City is responsible, BHCD has contracted with the Housing

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## **V. Annual Plan**

### **1997-98 Action Plan**

**Portland, Gresham, Multnomah County**

Authority of Portland to undertake housing for special needs populations, and oversees an allocation that is used to leverage other funds to stimulate shelter and transitional housing development.

Although development and operation of facilities for homeless people has been a high priority, it is the lack of affordable permanent housing that currently poses the biggest stumbling block to moving more people through the homeless continuum.

## **1. Addressing Emergency and Transitional Housing Needs of Homeless People**

### **Individuals**

Portland will continue to fund shelters for men and women, operated by Transition Projects and Multnomah County, the Bridgeview program for persons who are chronically mentally ill, and alcohol/drug free housing at the Estate and Everett.

### **Youth**

Portland will continue to fund the following programs for homeless youth: the day shelter operated by Outside-In and the Youth Shelter operated by Janus.

### **Families**

Fund existing transitional programs. Portland will provide funding which will assist 125 households. Gresham, Portland, and Multnomah County all fund the transitional housing programs which Human Solutions operates in east county and Gresham.

### **Emergency Vouchers**

Portland will continue to provide funds for emergency housing vouchers for individuals and other households in need, and to operate the clearinghouse.

## **2. Preventing Low-Income Individuals and Families from Becoming Homeless**

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 HAP. Portland also uses PILOT funds for a program operated by Multnomah County.

## **3. Helping Homeless Persons Make the Transition to Permanent Housing and Independent Living**

- The rent assistance programs mentioned above are designed to assist homeless people access housing.
- The housing authority also extends priority status in its Section 8 and Public Housing programs to homeless people in transitional housing.

## **Addressing the Special Needs of Persons Who Are Not Homeless**

### **Persons with Need for Accessible Units**

All three jurisdictions will fund the Adapt-A-Home project which modifies existing rental units to make them accessible to handicapped persons. Owners agree to leave the modifications in place so that they can be used by future tenants who need an accessible and affordable unit.

### **Persons with HIV/AIDS**

The City of Portland receives and administers the Housing Opportunities for People with AIDS (HOPWA) grant for the six-county entitlement area. Representatives from the six county metropolitan area originally met as a coordinating body in 1994 to determine the system's needs and allocate HOPWA funds. The coordinating body completed their allocation process in conjunction with the Ryan White Planning Council. The City of Portland then oversaw three RFP processes. Though all of the service projects were initiated, only two development projects were begun. The coordinating body then determined that unallocated funds should be available in the form of a grant fund for future projects which met the underwriting criteria of the relevant jurisdiction.

Although HOPWA funds a few social service programs, the bulk of the funds are used for the development or leasing of residential units. HOPWA is funding 12 units in Gresham which are being developed by the Housing Authority of Portland and will be leased the Cascade AIDS Project (CAP), and a five-unit adult foster home in Milwaukee developed by Northwest Housing Alternatives. HOPWA also will fund the leasing of units in Vancouver, scattered sites by CAP, and units for youth sponsored by Outside-In. In the predevelopment stage is the rehabilitation of a 48-unit motel by Central City Concern.

All projects have been planned in collaboration with a service agency which will link residents to services. The projects mentioned above also will receive CDBG, HOME and federal McKinney funds; and receive assistance from Portland, Gresham, Multnomah County, and Clackamas County.

Heretofore, the funding policy has been to limit the HOPWA grant (and other City of Portland funds) so that it would not exceed 50 percent of a project's cost. This policy is under examination at this time.

### **Households Impacted by Domestic Violence**

The City of Portland will continue to use CDBG, Emergency Shelter Grant, and other General Funds for programs that provide domestic violence intervention, including shelter, transitional housing, and support staff. These activities are coordinated with other resources and programs dedicated to the reduction of domestic violence.

## **E. Fair Housing**

The three jurisdictions completed an *Analysis of Impediments to Fair Housing* in May, 1996, and identified strategies to address these impediments. Some of the actions that are key to addressing fair housing issues require that actions be taken on a metropolitan-wide basis—not just within the boundaries of Multnomah County. The following table includes the major activities which will be funded the next year.

**Table 3. Fair Housing Programs, 1997 - 1998**

Agency and Activities	Source of Funds <sup>1</sup>				Total Funding
	City of Portland		Multn County	City of Gresham	
	CDBG/ HOPWA <sup>2</sup>	Gen. Fund <sup>3</sup>			
Fair Housing Council of Oregon • Fair Housing Enforcement • Testing Services in Support of Complainants • Legal Assistance to Complainants • Education and Outreach Programs • Research Projects	\$11,030      \$10,500 <sup>2</sup>	\$ 9,894	\$2,500		\$ 33,924
Multnomah County Legal Aid Service • Fair Housing Enforcement • Legal Information • Representation for Complainants • Landlord/Tenant		\$ 37,147	\$ 7,500   \$ 5,126		\$44,647   \$ 5,126
Portland Housing Center • Fair Housing Enforcement • Intake Services in Support of Complainants • Education and Outreach	\$45,125				\$45,125
State of Oregon Civil Rights Div. • Enforcement of City of Portland Civil Rights Ordinance and State Law		\$19,208 <sup>3</sup>			\$19,208
TOTALS	\$ 66,655	\$ 66,249	\$15,126		\$148,030

1 All budget numbers are in draft form, and do not represent budgets adopted by the jurisdictions.

2 Housing for Persons with AIDS (HOPWA) grant covers six counties in Portland metropolitan area.

3 Covers only City of Portland protected classes: sexual orientation, age, and source of income.



## **F. Other Actions**

### **Addressing Obstacles to Meeting Underserved Needs**

In response to decreasing federal subsidies for housing development, the City of Portland for the first time allocated General Fund revenues in 1996-97 to assist housing development in furtherance of its adopted Livable City Housing Goals. The first round allocation of \$7.5 million has assisted the development of nearly 1,800 units. Of these, approximately 500 units will serve households earning 50 percent or less of the median income. Portland continues to work on a two year commitment to the Housing Investment Fund during its current budget deliberations. The details of the dollar amount and its administration will be resolved this year.

Although last year it was hoped that increasing property values within the City of Portland would allow the Portland Development Commission to re-institute its tax increment finance program, the passage of Measure 47 as a Constitutional amendment capping the rate of increase in annual assessment will likely block the continued use of this financing tool.

At the countywide level, members of the public and inter-agency staff met last year to recommend the most efficient use of \$1 million of housing funds derived from the Strategic Investment Program approval of property tax abatements for two micro-chip plants locating in Gresham. It was hoped that this SIP fund could provide the seed for a permanent Countywide housing trust fund. Unfortunately, a drop in worldwide demand for microchips caused Fujitsu to postpone its planned expansion of its Gresham plant, throwing into doubt any return on the SIP investment made with this company. The Board of County Commissioners will continue to meet with company officials to determine whether any of the contract elements can be salvaged.

The City of Gresham continues its update of its Housing Policy. Included in this planning process is an assessment of Gresham's affordable housing needs and proposed strategies and programs to address them.

As a planning backdrop to this activity, Metro is beginning to analyze the components of its Regional Framework Plan. This process is required by state law to address regional affordable housing needs and will engage all of the metro jurisdictions in an unprecedented dialogue on ways to address this issue in a consolidated fashion.

### **Fostering and Maintaining Affordable Housing**

The major local effort to be undertaken by Portland is the continuation of two housing-based property tax exemption programs which are dedicated to preserving rental housing stock and the development or maintenance of rental housing by non-profit community development corporations. For the upcoming year, twenty local community development organization will participate in this program ensuring the maintenance of nearly 3,000 housing units affordable to households earning 60 percent or less of the area median income.

At the regional level, Metro continues to develop the components of the Region 2040 Plan include a specific title of the Functional (Interim) Plan which addresses regional affordable housing strategies. Metro will be examining strategies such as a "fair share" affordable housing formula for all jurisdictions and minimum density standards to ensure that development fulfills regional growth objectives.

## **Removing Barriers to Affordable Housing**

### **Updates from Last Year's Activities**

The City has undertaken several initiatives to alleviate identified barriers to the development process including several steps to remove local policy and regulatory barriers to housing development.

Portland has successfully received an exception to the State Building Code which allows the development of five story wood frame structures. This has allowed a more economical form of construction for new rental unit development. The first project to take advantage of this exception is the Village at Lovejoy Fountain, a mixed income apartment project in the former South Auditorium urban renewal area.

The policy to grant development review fee waivers to non-profit developers of low income housing has been officially adopted. A portion of the recently adopted Housing Investment Fund will be used to offset the costs to development review bureaus of granting the fee waivers. A problem associated with this fund is that it has been used up quickly by those organizations with projects ready to proceed leaving nothing for later development.

### **Current Activities of the Development Review Team**

The Development Review Team (DRT) is a group made up of the directors of the City's development review bureaus including Buildings, Planning, Water, Environmental Services, and Transportation. This group has undertaken several steps to address identified development barriers which are relevant to low and moderate income housing production. The significant steps are:

- ▶ Improving the internal electronic communication (e-mail) among the development bureaus.
- ▶ Upgrading the building permit tracking system by replacing the present Permit-Plan software and standardizing the permit staff training for the use of the software to ensure consistency and more detailed tracking of the city's development activity. A monthly development report is again being produced by the Bureau of Buildings which tracks residential development activity in the form of permits issued. For 1995, over 2,800 permits for new residential units, single and multi-family, were issued.
- ▶ Continuing to shorten the turn-around time for permit issuance.
- ▶ Conducting a series of meetings with customer groups including rowhouse developers, institutions, and others.
- ▶ Adding online staff to the Permit Center.
- ▶ Adopting written standards for storm water management for greater certainty.
- ▶ Adhering to the 24 hour standard for returning Permit Center phone calls.
- ▶ Publishing the bi-monthly *Plans Examiner Newsletter* to notify the public of regulatory changes.

- ▶ Modifying the possible imposition of transportation system development charges (SDCs) to allow waivers for low income housing development. The current proposal would be to exempt development that is located on transit lines from the SDCs.
- ▶ Establishing a new staff position, the Development Liaison, who will be responsible for providing professional assistance to the City's permit system customers and to city agencies having permitting responsibility. The position will act as an advocate for the permitting process by assisting customers and bureaus to obtain a timely, efficient decision. Examples of this work would include:
  - ▶ Assisting applicants with permits requiring multiple sign-offs by providing information to the applicant on the status of permit processing.
  - ▶ Resolving policy conflicts between bureaus which are impacting permit processing.
  - ▶ Assisting with expedited review of projects which specifically meet key city objectives such as housing or economic development.
  - ▶ Coordinating phased permits and multiple permits in single developments
  - ▶ Providing information to the Development Review Team on processing problems which warrant DRT discussion and resolution.
- ▶ A person was hired for the position of Development Liaison in 1996.

## **Evaluating and Reducing Lead-Based Paint Hazards**

Multnomah County is one of four counties in the state involved in a lead-screening project sponsored by the Oregon Childhood Lead Poisoning Prevention Project and funded by a grant from the Centers for Disease control. The Oregon Health Division has information brochures available on lead poisoning screening and prevention.

## **Reducing the Number of Poverty Level Families**

Anti-poverty strategies of the members of the Consortium have not changed significantly from those discussed in the *Consolidated Plan 1995-1999* (pages 83-86). The Community Action Program of Multnomah County has increased somewhat its funding of activities that give homeless and other low-income people more control over their lives—a long term approach to improving the lives of small numbers of people. Implementation of the Strategic Investment Program which provided tax abatement to two high-tech plants in Gresham has focussed on linking people in poverty to jobs.

## **Developing the Institutional Structure**

The major development regarding the institutional structure of affordable housing delivery system was the joint City of Portland-Multnomah County Audit which criticized the current system as fragmented, unresponsive, and unaccountable for results. The Auditors' report proposed a wide ranging consolidation of housing and supportive services, including community development activities, into a City and County Housing and Community Development Consortium responsible for policy, funding

allocation, and monitoring of the reorganized sub-agencies responsible for program administration. The reaction to the proposal has been mixed. However, given the passage of Measure 47 by the voters in 1996, the need to streamline government services in the face of dramatic decreases in general fund revenues will likely cause a serious discussion of system wide reorganization among housing, social service, and development agencies during the current budget deliberations of the City Council and County Board of Commissioners.

## **Enhancing Coordination between Public and Private Housing and Social Service Agencies**

### **Property Management Meetings**

Under the sponsorship of the Community Development Network, nonprofit housing providers and social service agencies will continue to work together to strengthen relationships to reduce barriers and support very low-income households to access and maintain housing. A draft of a Model Partnership Agreement between service providers and community development organizations is now available.

### **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.

## **G. Public Housing**

For over a year the Housing Authority of Portland (HAP) has attempted to identify and address potential scenarios that might occur with Congressional action that would affect the operation and funding of Low Rent Public Housing and the Section 8 Programs. HAP assumes that its funding will decrease significantly with the passage of a balanced federal budget and is examining the implications over the next seven years. HAP's current annual budget for operations, modernization, and grant-funded services for residents is \$15.4 million. In the worst case scenario, HAP projects a shortfall of \$2.5 million in operating revenues for public housing in FY 2004.

### **Activity Based Cost Study**

HAP has contracted with a consultant who will provide specific cost information about various activities HAP performs. HAP will use the results of the study to evaluate its activities and to seek efficiencies which will lower costs without decreasing the quality of services.

### **Future Direction**

Last year the housing authority sought input through individual and group interviews with a wide variety of community leaders in Multnomah County. A consultant has completed a draft of a working paper which will go to the HAP Board for its approval. This is will provide direction to HAP for the future.

## Improving the Operation and Livability of Public Housing

### Moving to Work Demonstration

HAP is applying to HUD to be selected as one of thirty housing authorities nation-wide who will participate in a three-year demonstration period. The selection would enable HAP to design and test various approaches for providing and administering housing assistance that reduce cost and achieve greater cost effectiveness, provide work incentives to residents to promote self-sufficiency, and increase housing choices for low-income families. This would also allow HAP to combine funds from Public Housing, Section 8 and the Comprehensive Grant programs into one pool of funds. This demonstration would permit participants to seek exemptions from the 1937 Housing Act and current regulations.

### Objectives for FY 1997-1998:

- ▶ Continue to implement site-based management in public housing  
*This action delegates decisions and services to the sites, and is intended to increase livability and safety.*
- ▶ Have capital improvement money used to the best advantage for the community  
*This planned approach is designed to improve resident input to the process while addressing the real "need" issues vs. funding availability.*
- ▶ Become a "Moving to Work" agency  
*The objectives are to learn, explore, change operate better with less revenue and produce a quality product for our community.*

### Comprehensive Grant Program

The housing authority, within the framework of its five-year modernization plan, is proposing that the following projects be funded through HUD's Comprehensive Grant Program during HAP's FY 1997-98:

Table 4. Public Housing Developments  
Targeted for Rehabilitation, 1997-1998

Project	# Units	Total Cost	Per Unit Cost
Elliott Square	30	\$ 724,300	\$ 24,143
Schrunk Tower	118	\$ 1,081,200	\$ 9,163
Hillsdale Terrace	60	\$ 566,400	\$ 9,440
Scattered Sites	4	\$ 108,300	\$ 27,075
TOTALS		\$2,480,200	

## **Resident Initiatives**

The Housing Authority of Portland combined two programs, Family Self-Sufficiency (FSS) and Family Investment Center (FIC, funded by HUD), into a program called GOALS. The following are actions that HAP intends to take that will aid families in their movement toward greater self-sufficiency.

- ▶ Pending receipt of a HUD Economic Development Grant HAP will (1) offer micro-loans to persons who wish to begin their own business, and (2) with the Small Business Administration provide entrepreneurship education.
- ▶ Open a Family Investment Center at Columbia Villa which will increase access to a multitude of services provided by many community partners;
- ▶ Offer intensive case management assistance to some families;
- ▶ Continue to assist and monitor the 300 GOALS participants as they seek to leave public assistance and become more self-sufficient, and pending approval of the "Moving to Work" proposal, add 300 families to the GOALS Program; and
- ▶ Using an Americorp Volunteer, HAP will offer GOALS participants work experience

HAP also plans to work with other regional and national self-sufficiency programs to develop measurement tools and general new funding sources.

### **Home Ownership**

During the coming year five eligible residents of HAP's scattered site houses will have the opportunity to purchase their home. All potential buyers will be referred to the Portland Housing Center for a home buyer course and counseling. HAP intends to use the proceeds of the sales—which will be market value—to develop other rental units.

## **H. Program-Specific Requirements**

### **Resale Provisions**

The City of Portland, as a member of the Portland HOME Consortium, will make \$55,800 in HOME funds available to a nonprofit organization for a three unit Home buyer pilot project. The nonprofit will build three new attached single family homes which will be sold to households earning 80% or less of median income. The nonprofit will build these units on land that it owns. The value of the land will not be included in the sales price to the home buyers. A HOME development subsidy of \$10,000 per unit will be used to buy down the purchase price to the home buyers. The remaining HOME funds will be used by the Portland Development Commission to leverage private lender financing which will result in lowering the cost of permanent mortgage financing for the home buyers. The combination of principal and interest rate buy down will reduce the home buyers' monthly payments to an affordable level.

The HOME assisted units will have a 25 year period of affordability, which will coincide with the mortgage term. The HOME Resale Provisions will take the form of an "equity share" recapture requirement during the period of affordability. In the event of sale, following the payoff of the first

mortgage, the nonprofit will recover the value of the land at appraised value at time of sale, the homeowner will be allowed to recover his or her investment of down payment, closing costs, and equity. Up to the full amount of the original HOME investment will be recaptured from any sale proceeds remaining after the mortgage payoff and after the land value and the homeowner investment have been recovered. Any additional remaining net proceeds will be distributed according to the following formula:

$$\frac{\text{HOME Investment}}{\text{HOME Investment} + \text{Homeowner Investment}^{**}} \times \text{Net Proceeds}^* = \text{Recaptured HOME funds}$$

HOME Investment +  
Homeowner Investment\*\*

$$\frac{\text{Homeowner Investment}^{**}}{\text{HOME Investment} + \text{Homeowner Investment}^{**}} \times \text{Net Proceeds}^* = \text{Amount to Homeowner}$$

HOME Investment +  
Homeowner Investment \*\*

\*Net proceeds = Sales price minus down payment and closing costs, loan repayment, and appraised land value

\*\*Homeowner Investment = Homeowner's down payment, closing costs, and equity.

#### **Tenant-Based Rental Assistance**

The Portland HOME Consortium will offer a small tenant-based rental assistance project under the HOME program. A detailed discussion of procedures for the tenant-based rental assistance program can be found in the *Consolidated Plan 1995-1999* (pages 91-92). There will be no programmatic changes in 1996-1997.

#### **Other Forms of Investment**

The Consortium does not use forms of investment other than those described in 24 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 which is described in detail in the *Consolidated Plan, 1995-1999* (pages 92-93).

#### **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 which is described in detail in the *Consolidated Plan, 1995-1999* (pages 94-95).

## **VI. MONITORING**

Some projects are funded by more than one jurisdiction. To reduce administration and monitoring, interagency agreements spell out that only one jurisdiction will manage a project and management responsibilities will alternate between jurisdictions.

### **City of Portland: HOME, ESG, HOPWA, and CDBG**

The Bureau of Housing and Community Development provides monitoring for HOME, ESG, HOPWA, and CDBG-funded projects. Monitoring activities may include program performance, fiscal accountability and regulatory compliance and could involve both internal file review and on site reviews. Program Managers select the projects to be monitored for program performance and regulatory compliance and work with the fiscal staff to determine which projects will 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.

Internal file review consists of analysis of bills, reports, external audits, file documentation and other materials submitted by the providing agency to determine that the project is on schedule, fiscally accountable, complying with contractual requirements and meeting regulations. On site review can include any or all of the following depending on the depth of the monitoring: file review at the project facility, visiting sites where the activity is being carried out (for instance, a house under construction), visiting completed sites, interviewing participants and clients as well as agency staff, checking income verification system and documentation used for the project, completing a review of the fiscal system and conducting a review of invoices through source documentation.

#### **Minority Business Outreach**

The bulk of contracting opportunities are carried out by property owners/borrowers rather than the City. Borrowers of amounts under \$100,000 are provided information about opportunities and encouraged to solicit quotes from minority and women business enterprises. Additionally, the Housing Development Center is hiring staff to provide MBE and WBE contractors with technical assistance in working on CDBG-funded projects.

When Portland Development Commission (PDC) loans and contracts both exceed \$100,000, borrowers are required to use formal advertising and bid procedures; to publish requests for bids in at least two media; to register plans and specifications in appropriate plan centers; in soliciting contractors to include language for prime or general contractors to use minority and women business enterprises as subcontractors; and to report on their efforts and accomplishments.

PDC monitors each \$100,000 loan/contract to ensure compliance with these procedures. Though there is not a quota for MBE and WBE participation, there are goals of 9 percent and 5 percent respectively. There is a requirement that 10% of the contract goes to Emerging Small Businesses.



## **Multnomah County**

Multnomah County monitors its subrecipients according to federal requirements and program policy. Program staff formally monitor subrecipients on at least an annual basis through field site visits, monitoring of fiscal records in-house and on-site, and follow-up contact to ensure correction of any deficiencies. The county's monitoring goal is to provide enough up-front guidance and on-going assistance so that subrecipients stay in voluntary compliance and are not put in the "gotcha" situation.

## **City of Gresham**

Monitoring the use of federal funds is conducted by Gresham to ensure that subrecipients comply with all regulations governing their administrative, financial, and programmatic operation, and achieve their performance objectives within schedule and budget. Monitoring is an on-going process which includes the application process, the preparing the contract, communication, technical assistance, site visits and follow-up with the subrecipient. Monitoring by Gresham focuses on assisting the subrecipient rather than catching it doing something wrong. To this end, new subrecipients will be visited early and provided with technical assistance as needed. Housing projects requiring long-term affordability will be monitored annually or every two years as required until the term of affordability is completed.

## **VII. CERTIFICATIONS AND STANDARD FORM 424**

Copies of the HUD-required certifications and SF-424 for each jurisdiction are on file in the agency which administers each jurisdiction's Community Development Block Grant Program. (Phone numbers are on the cover of this document).

## **APPENDICES**

### **A. Proposed Activities: 1997 - 1998**

**A-1. The City of Portland**

**A-2. The City of Gresham**

**A-3. Multnomah County**

### **B. Citizen Participation: Minutes of Hearings and Comments**

## **APPENDIX A. Proposed Activities: 1997 - 1998**

**A-1. The City of Portland**

**A-2. The City of Gresham**

**A-3. Multnomah County**

**MULTNOMAH COUNTY 1997-98 PROGRAM BUDGET**  
COMMUNITY DEVELOPMENT BLOCK GRANT AND  
HOME INVESTMENT PARTNERSHIP PROGRAMS

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources			Proposed Accomplishments
1	Transitional Housing Program	05	CDBG	\$	31,350	112 People (General)
97-98-1	Funds case management for homeless families living at Willow Tree Inn (311 NE Division, Gresham) including operational support. Funds child care activity for children living at Willow Tree Inn.	Public Services (General) / 570.201(e)	HOME	\$	0	
			ESG	\$	0	
			HOPWA	\$	0	
			<b>SUBTOTAL:</b>	<b>\$</b>	<b>31,350</b>	
			PHA Funding	\$	0	
			Assisted Hsg	\$	0	
			<b>TOTAL:</b>	<b>\$</b>	<b>31,350</b>	
			<b>Helps prevent homelessness?</b>	Yes	<b>Prior Year Money?</b>	No
<b>Helps the homeless?</b>	Yes					
<b>Helps those with HIV or AIDS?</b>	No					
<b>CDBG National Objective Citation:</b>	570.208(a)(2) - LOW/MOD LIMITED CLIENTELE BENEFIT					
<b>Subrecipient:</b>	None					
<b>Location:</b>	ADDRESS					
	311 NE Division, Gresham, OR					

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources			Proposed Accomplishments
2	Fair Housing Assistance	05J	CDBG	\$	7,750	500 People (General)
97-98-2	Multnomah County Legal Aid funds advice, counseling, representation, community education and outreach in support of civil rights in housing.	Fair Housing Activities (if CDBG, then subject to 15% cap) / 570.201(e)	HOME	\$	0	
			ESG	\$	0	
			HOPWA	\$	0	
			<b>SUBTOTAL:</b>		<b>\$ 7,750</b>	
			PHA Funding	\$	0	
			Assisted Hsg	\$	0	
			<b>TOTAL:</b>		<b>\$ 7,750</b>	
			<b>Prior Year Money?</b>		No	
	<b>Helps prevent homelessness?</b>	Yes				
	<b>Helps the homeless?</b>	No				
	<b>Helps those with HIV or AIDS?</b>	No				
	<b>CDBG National Objective Citation:</b>	570.208(a)(2) - LOW/MOD LIMITED CLIENTELE BENEFIT				
	<b>Subrecipient:</b>	None				
	<b>Location:</b>	CITY WIDE				

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources			Proposed Accomplishments
3	Fair Housing Enforcement Program	05J	CDBG	\$	2,750	27 People (General)
97/97-3	The Fair Housing Council of Oregon funds housing discrimination complaint intake, testing, investigation and referral for litigation services, as well as outreach and training.	Fair Housing Activities (if CDBG, then subject to 15% cap) / 570.201(e)	HOME	\$	0	
			ESG	\$	0	
			HOPWA	\$	0	
			<b>SUBTOTAL:</b>	<b>\$</b>	<b>2,750</b>	
			PHA Funding	\$	0	
			Assisted Hsg	\$	0	
			<b>TOTAL:</b>	<b>\$</b>	<b>2,750</b>	
			<b>Prior Year Money?</b>			No
	<b>Helps prevent homelessness?</b>	No				
	<b>Helps the homeless?</b>	No				
	<b>Helps those with HIV or AIDS?</b>	No				
	<b>CDBG National Objective Citation:</b>	570.208(a)(2) - LOW/MOD LIMITED CLIENTELE BENEFIT				
	<b>Subrecipient:</b>	None				
	<b>Location:</b>	CITY WIDE				



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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources		Proposed Accomplishments
4	Housing Assistance Project	05K	CDBG	\$ 5,376	1,440 People (General)
97/98-4	Multnomah County Legal Aid funds landlord/tenant legal information and services to low-income residents of East Multnomah County.	Tenant/Landlord Counseling / 570.201(e)	HOME	\$ 0	
			ESG	\$ 0	
			HOPWA	\$ 0	
			<b>SUBTOTAL:</b>	<b>\$ 5,376</b>	
			PHA Funding	\$ 0	
			Assisted Hsg	\$ 0	
			<b>TOTAL:</b>	<b>\$ 5,376</b>	
			<b>Prior Year Money?</b>	No	
	<b>Helps prevent homelessness?</b>	Yes			
	<b>Helps the homeless?</b>	No			
	<b>Helps those with HIV or AIDS?</b>	No			
	<b>CDBG National Objective Citation:</b>	570.208(a)(2) - LOW/MOD LIMITED CLIENTELE BENEFIT			
	<b>Subrecipient:</b>	None			
	<b>Location:</b>	CITY WIDE			

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources			Proposed Accomplishments
5	Neighbor a Vecino (Dental Clinic)	05M	CDBG	\$	1,374	100 People (General)
		Health Services / 570.201(e)	HOME	\$	0	
			ESG	\$	0	
			HOPWA	\$	0	
			<b>SUBTOTAL: \$</b>		<b>1,374</b>	
97/98-5	The Neighborhood Health Clinic, Inc. funds free and/or low cost dental health services in East County to low-income families. Project budget is \$9,000: \$1,124 from Public Service category; balance from reprogrammable and contingency.		PHA Funding	\$	0	
			Assisted Hsg	\$	0	
			<b>TOTAL: \$</b>		<b>1,374</b>	
			<b>Prior Year Money?</b>		Yes	
	<b>Helps prevent homelessness?</b>	No				
	<b>Helps the homeless?</b>	No				
	<b>Helps those with HIV or AIDS?</b>	No				
	<b>CDBG National Objective Citation:</b>	570.208(a)(2) - LOW/MOD LIMITED CLIENTELE BENEFIT				
	<b>Subrecipient:</b>	None				
	<b>Location:</b>	CITY WIDE				

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources		Proposed Accomplishments
6	Emergency Communications System	05	CDBG	\$ 40,861	2,948 People (General)
97/98-6	The City of Fairview will purchase portable radio equipment ( 800mhz radios compatible with area-wide emergency system equipment) and train city staff in its use. City staff will then be able to participate in the regional emergency communication system during emergency situations.	Public Services (General) / 570.201(e)	HOME	\$ 0	
			ESG	\$ 0	
			HOPWA	\$ 0	
			<b>SUBTOTAL:</b>	<b>\$ 40,861</b>	
			PHA Funding	\$ 0	
			Assisted Hsg	\$ 0	
			<b>TOTAL:</b>	<b>\$ 40,861</b>	
			<b>Prior Year Money?</b>	Yes	
	<b>Helps prevent homelessness?</b>	No			
	<b>Helps the homeless?</b>	No			
	<b>Helps those with HIV or AIDS?</b>	No			
	<b>CDBG National Objective Citation:</b>	570.208(a)(1) - LOW/MOD AREA BENEFIT			
	<b>Subrecipient:</b>	None			
	<b>Location:</b>	CITY WIDE			

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources	Proposed Accomplishments
7	Adapt-a-Home	14A	CDBG \$ 55,000	14 People (General)
97/98-7	Project delivered by Unlimited Choices, Inc. provides funds to make rental units or owner occupied units accessible for low income persons with disabilities.	Rehab; Single-Unit Residential /	HOME \$ 0	
		570.202	ESG \$ 0	
			HOPWA \$ 0	
			<b>SUBTOTAL: \$ 55,000</b>	
			PHA Funding \$ 0	
			Assisted Hsg \$ 0	
			<b>TOTAL: \$ 55,000</b>	
		<b>Helps prevent homelessness?</b>	No	
		<b>Helps the homeless?</b>	No	
		<b>Helps those with HIV or AIDS?</b>	No	
		<b>CDBG National Objective Citation:</b>	570.208(a)(2) - LOW/MOD LIMITED CLIENTELE BENEFIT	
	<b>Subrecipient:</b>	None		
	<b>Location:</b>	CITY WIDE		
			<b>Prior Year Money?</b>	No

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources			Proposed Accomplishments
8	Edgefield Children's Center Generator	03	CDBG	\$	50,000	117 Youth
97/98-8	The Edgefield Children's Center, located in the City of Troutdale, is expanding and renovating their campus. This project provides for a new built-in standby generator for the new residential treatment facility.	Public Facilities and Improvements (General) / 570.201(c)	HOME	\$	0	
			ESG	\$	0	
			HOPWA	\$	0	
			<b>SUBTOTAL:</b>	<b>\$</b>	<b>50,000</b>	
			PHA Funding	\$	0	
			Assisted Hsg	\$	0	
			<b>TOTAL:</b>	<b>\$</b>	<b>50,000</b>	
			<b>Prior Year Money?</b>		No	
	<b>Helps prevent homelessness?</b>	No				
	<b>Helps the homeless?</b>	No				
	<b>Helps those with HIV or AIDS?</b>	No				
	<b>CDBG National Objective Citation:</b>	570.208(a)(2) - LOW/MOD LIMITED CLIENTELE BENEFIT				
	<b>Subrecipient:</b>	None				
	<b>Location:</b>	ADDRESS				
	2408 SW Halsey, Troutdale, OR					

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U.S. Department of Housing and Urban Development  
CPD Consolidated Plan System  
Listing of Proposed Projects

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources			Proposed Accomplishments
9	Edgefield Children's Center Expansion	03	CDBG	\$	110,000	60 Youth
	Design and Engineering	Public Facilities and Improvements (General) / 570.201(c)	HOME	\$	0	
97/98-9	Edgefield Children's Center, serving children with emotional, behavioral, and mental problems is expanding their campus. Funding for this project provides architectural plans, engineering studies, and site testing for the expansion.		ESG	\$	0	
			HOPWA	\$	0	
			<b>SUBTOTAL:</b>	<b>\$</b>	<b>110,000</b>	
			PHA Funding	\$	0	
			Assisted Hsg	\$	0	
			<b>TOTAL:</b>	<b>\$</b>	<b>110,000</b>	
			<b>Prior Year Money?</b>		No	
	<b>Helps prevent homelessness?</b>	No				
	<b>Helps the homeless?</b>	No				
	<b>Helps those with HIV or AIDS?</b>	No				
	<b>CDBG National Objective Citation:</b>	570.208(a)(2) - LOW/MOD LIMITED CLIENTELE BENEFIT				
	<b>Subrecipient:</b>	None				
	<b>Location:</b>	ADDRESS				
	2408 SW Halsey, Troutdale, OR					

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U.S. Department of Housing and Urban Development  
CPD Consolidated Plan System  
Listing of Proposed Projects

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources			Proposed Accomplishments
10	NE 244/Halsey Street Culvert Improvement	03I	CDBG	\$	43,730	250 Feet of Public
		Flood Drain Improvements /	HOME	\$	0	Utilities
		570.201(c)	ESG	\$	0	
97/98-10	Project is located in pre-qualified area in the City of Wood Village. Project will replace structurally damaged concrete storm drainage line with new 36 -inch diameter storm drainage line (culvert). Construction includes a head wall and trash rack at inlet; riprap placement will be required at inlet.		HOPWA	\$	0	
			<b>SUBTOTAL:</b>	<b>\$</b>	<b>43,730</b>	
			PHA Funding	\$	0	
			Assisted Hsg	\$	0	
			<b>TOTAL:</b>	<b>\$</b>	<b>43,730</b>	
			<b>Prior Year Money?</b>		No	
	<b>Helps prevent homelessness?</b>	No				
	<b>Helps the homeless?</b>	No				
	<b>Helps those with HIV or AIDS?</b>	No				
	<b>CDBG National Objective Citation:</b>	570.208(a)(1) - LOW/MOD AREA BENEFIT				
	<b>Subrecipient:</b>	None				
	<b>Location:</b>	CT & BG				
	Multnomah County: ; CT 103.01, BG 2					

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U.S. Department of Housing and Urban Development  
CPD Consolidated Plan System  
Listing of Proposed Projects

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources	Proposed Accomplishments
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11	Northwest Distribution Main Replacement - Phase II	03J Water/Sewer Improvements / 570.201(c)	CDBG \$ 56,600 HOME \$ 0 ESG \$ 0 HOPWA \$ 0 <b>SUBTOTAL: \$ 56,600</b> PHA Funding \$ 0 Assisted Hsg \$ 0 <b>TOTAL: \$ 56,600</b>  <b>Prior Year Money?</b> No	950 Feet of Public Utilities
97/98-11	This project is located in the Burlington Water District and will provide for Phase II of a 1996-97 project. The project will provide for replacement of approximately 950 LF of cast iron water main with 10-inch ductile iron pipe. Fire hydrants will be upgraded and service lines replaced.			
	<b>Helps prevent homelessness?</b>	No		
	<b>Helps the homeless?</b>	No		
	<b>Helps those with HIV or AIDS?</b>	No		
	<b>CDBG National Objective Citation:</b>	570.208(a)(1) - LOW/MOD AREA BENEFIT		
	<b>Subrecipient:</b> None			
	<b>Location:</b> CT & BG			
	Multnomah County: ; CT 43, BG 1			



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U.S. Department of Housing and Urban Development  
CPD Consolidated Plan System  
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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources			Proposed Accomplishments
12	General Program Administration	21A	CDBG	\$	107,200	0 People (General)
97/98-12	Countywide general administration and implementation of the CDBG program; citizen involvement, environmental clearance, staff to Policy Advisory Board, and efforts to affirmatively further fair housing.	General Program Administration / 570.206	HOME	\$	0	
			ESG	\$	0	
			HOPWA	\$	0	
			<b>SUBTOTAL: \$</b>		<b>107,200</b>	
			PHA Funding	\$	0	
			Assisted Hsg	\$	0	
			<b>TOTAL: \$</b>		<b>107,200</b>	
			<b>Prior Year Money?</b>		No	
	<b>Helps prevent homelessness?</b>	No				
	<b>Helps the homeless?</b>	No				
	<b>Helps those with HIV or AIDS?</b>	No				
	<b>CDBG National Objective Citation:</b>	570.208(a)(1) - LOW/MOD AREA BENEFIT				
	<b>Subrecipient:</b>	None				
	<b>Location:</b>	CITY WIDE				

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U.S. Department of Housing and Urban Development  
CPD Consolidated Plan System  
Listing of Proposed Projects

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Project ID / Local Code	Project Title and Description	Activity Code/Title/Citation	Funding Sources	Proposed Accomplishments
13	Contingency Set-Aside	22	CDBG \$	24,009 0 People (General)
		Unprogrammed Funds /	HOME \$	0
97/98-13	Funds in reserve to support 1997-98 project activity as required per program policy.		ESG \$	0
			HOPWA \$	0
			<b>SUBTOTAL: \$</b>	<b>24,009</b>
			PHA Funding \$	0
			Assisted Hsg \$	0
			<b>TOTAL: \$</b>	<b>24,009</b>
	Staff Note: ( contingency at 3% = 13,680. balance of of NR = 9,769 for new total of 23,449 plus 560 from CPitts = 24,009).		<b>Prior Year Money?</b>	No
	<b>Helps prevent homelessness?</b>	No		
	<b>Helps the homeless?</b>	No		
	<b>Helps those with HIV or AIDS?</b>	No		
	<b>CDBG National Objective Citation:</b>	570.208(a)(1) - LOW/MOD AREA BENEFIT		
	<b>Subrecipient:</b>	None		
	<b>Location:</b>	CITY WIDE		

**BUREAU OF HOUSING & COMMUNITY DEVELOPMENT**  
**1997/98 PROGRAM BUDGET (Proposed)**  
**FOR HOME, CDBG, AND GENERAL FUNDS**

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT Budget	TOTAL
<b>PROGRAM: HOUSING (B)</b>						
Service Area: Homebuyer Program						
Projects:						
PDC Homebuyer Program (PHOP)/PLPA	2,075,965	240,000			480,000	720,000
PDC Urban Homestead/PLPA	178,184	43,000			86,000	129,000
NECDC/FLOAT	1,490,090	0				0
Project Down Payment	68,000	0				0
PDC Program Delivery	0	189,253				189,253
Total Service Area	3,812,239	472,253	0	0	566,000	1,038,253
Service Area: Homeowner Rehabilitation						
Projects:						
PDC Homeowner Rehab Loans/PLPA	4,110,124	723,414			253,200	976,614
PDC Neighborhood Improvement Incentive	0	122,500				122,500
PDC Home Rehabilitation Refinance/PLPA	0	160,000			160,000	320,000
PDC Program Delivery	1,016,505	977,799				977,799
Sewer Hookup	250,000	252,000				252,000
Total Service Area	5,376,629	2,235,713	0	0	413,200	2,648,913
Service Area: Rental Housing						
Projects:						
PDC Affordable Rental Housing/PLPA	3,302,616	1,404,577	2,559,000		1,404,600	5,368,177
PDC NP Pre-Development Assit	165,139	0				0
PDC Program Delivery	1,391,979	1,161,452				1,161,452
Gresham-HOME	252,138		252,106			252,106
Multnomah Co HOME	199,745		200,392			200,392
Housing Investment Fund	0	233,000				233,000
Total Service Area	5,311,617	2,799,029	3,011,498	0	1,404,600	7,215,127

BUREAU OF HOUSING & COMMUNITY DEVELOPMENT  
1997/98 PROGRAM BUDGET (Proposed)  
FOR HOME, CDBG, AND GENERAL FUNDS

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT Budget	TOTAL
Service Area: Special Needs Housing						
Projects:						
Housing Authority of Portland	1,076,331	235,508	150,000			385,508
Total Service Area	1,076,331	235,508	150,000	0	0	385,508
Service Area: Housing for People w/AIDS						
Projects:						
Cascade AIDS/PCRI-Transitional Hsg	0				198,381	198,381
Cascade AIDS Projects	0				22,343	22,343
Fair Housing Council of Or-Outreach	0				10,898	10,898
HOPWA Housing Development	0				1,161,283	1,161,283
Outside In-HIV+ Housing	0				32,095	32,095
Total Service Area	0	0	0	0	1,425,000	1,425,000
Service Area: Housing Capacity Building/TA	0					
Projects:						
Housing Development Center	110,441	114,346				114,346
Oregon Housing NOW	10,250	10,660				10,660
Portland Community Design	39,500	41,160				41,160
NP Developer Org Oper Support	630,000	465,000	235,000			700,000
Total Service Area	790,191	631,166	235,000	0	0	866,166
Service Area: Housing Services						
Projects:						
Home Security-Police Bureau	106,446	111,113				111,113
Portland Sch Dist-HRTP	402,637	414,797				414,797
Senior Job Center-SHRMP	124,081	128,286				128,286
Community Energy Project	99,501	105,227				105,227
Portland Housing Center-Homebuyer	91,332	94,865				94,865

BUREAU OF HOUSING & COMMUNITY DEVELOPMENT  
1997/98 PROGRAM BUDGET (Proposed)  
FOR HOME, CDBG, AND GENERAL FUNDS

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT Budget	TOTAL
Portland Housing Center-Rental Housing S	43,366	45,125				45,125
Ecuminical Ministries of Or-Shared Housing	37,492	39,294				39,294
Mult Co Legal Aid Society-Fair Housing	35,707	37,147				37,147
Or Fair Housing Council	9,510	9,894				9,894
Mult Co Moving Assistance	28,119	28,119				28,119
Social Service Siting	19,000	12,000				12,000
Unlimited Choices, Inc.	51,000	52,000				52,000
<b>Total Service Area</b>	<b>1,048,191</b>	<b>1,077,867</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,077,867</b>
Service Area: Loan Servicing						
Projects:						
PDC Loan Servicing	332,325	344,369				344,369
PDC Housing Admin	0	151,623				151,623
PDC Other Admin	0	192,585				192,585
<b>Total Service Area</b>	<b>332,325</b>	<b>688,577</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>688,577</b>
<b>TOTAL HOUSING</b>	<b>17,747,523</b>	<b>8,140,113</b>	<b>3,396,498</b>	<b>0</b>	<b>3,808,800</b>	<b>15,345,411</b>
<b>PROGRAM: ECONOMIC DEVELOPMENT (C)</b>						
Service Areas: Business Development						
Projects						
PDC Business Dev Research	72,979	0				0
PDC Enterprise Zone	20,785	0				0
<b>Total Service Area</b>	<b>93,764</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Service Area: Community Economic Development						
Projects:						
PDC Community Planning	188,022	0				0
PDC Target Dev Opportunity Strategy	210,764	300,000				300,000
PDC Financial Assistance	211,511	356,308				356,308

BUREAU OF HOUSING & COMMUNITY DEVELOPMENT  
1997/98 PROGRAM BUDGET (Proposed)  
FOR HOME, CDBG, AND GENERAL FUNDS

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT Budget	TOTAL
PDC Storefront Improvement	329,911	160,487				160,487
Micro Enterprise Loan	50,000	46,000				46,000
PSU Business Outreach	50,000	80,000				80,000
NPF-Community Economic Development	100,000	100,000				100,000
HDC Contractors Support Program	43,529	44,835				44,835
<i>Total Service Area</i>	<i>1,183,737</i>	<i>1,087,630</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1,087,630</i>
Service Area: Workforce Development						
Projects:						
PDC Job Net	500,201	528,000				528,000
NPF Workforce Development (OSE)	0	50,000				50,000
Quality Jobs Initiative	0	217,000				217,000
<i>Total Service Area</i>	<i>500,201</i>	<i>795,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>795,000</i>
Service Area: PDC Administration						
Projects:						
PDC Econ Dev Admin	17,542	40,000				40,000
<i>Total Service Area</i>	<i>17,542</i>	<i>40,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>40,000</i>
<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>1,795,244</b>	<b>1,922,630</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,922,630</b>
PROGRAM: NEIGHBORHOOD IMPROVEMENTS (D)						
Service Area: Street Improvement Program	1,244,096	1,146,242				1,146,242
Projects:						
PDC LID Subsidy	94,123	89,153				89,153
LID-Auditor's Assessment	25,000	24,000				24,000
LID-Harney Park Construction (CO)	630,000	0				0
<i>Total Service Area</i>	<i>1,993,219</i>	<i>1,259,395</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1,259,395</i>
Service Area: Park Improvement Program	154,500	0				

**BUREAU OF HOUSING & COMMUNITY DEVELOPMENT**  
**1997/98 PROGRAM BUDGET (Proposed)**  
**FOR HOME, CDBG, AND GENERAL FUNDS**

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT	TOTAL
					Budget	
Total Service Area	154,500	0	0	0	0	0
Service Area: Community Planning						
Projects:						
Planning Bur-Community Planning Program	60,450	62,263				62,263
Total Service Area	60,450	62,263	0	0	0	62,263
Service Area: Public Facilities						
Projects:						
PDC Non Profit Facilities	252,089	252,611				252,611
Total Service Area	252,089	252,611	0	0	0	252,611
<b>TOTAL NEIGHBORHOOD IMPROVEMENTS</b>	<b>2,460,258</b>	<b>1,574,269</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,574,269</b>
<b>PROGRAM: HOMELESS FACILITIES &amp; SERVICES (E)</b>						
Service Area: Homeless Services						
Sub-Service Area: Homeless Families						
Projects:						
Mult Co-Homeless Families	128,222	130,626				130,626
Mult Co -Voucher Program	55,242	57,418				57,418
ESG-Impact Day Shelter	21,824					0
ESG -Mult Co Willow Tree	10,419				10,835	10,835
Total Service Area	215,707	188,044	0	0	10,835	198,879
Sub-Service Area: Homeless Single Adults						
Projects:						
Mult Co - TPI Facilities Single Adults/ESG	575,174	211,744			213,052	424,796
Mult Co - A/D Free Transitional Housing	0	173,324				173,324
Mult Co CMI Housing/ESG	82,653	66,700			19,194	85,894

BUREAU OF HOUSING & COMMUNITY DEVELOPMENT  
1997/98 PROGRAM BUDGET (Proposed)  
FOR HOME, CDBG, AND GENERAL FUNDS

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT Budget	TOTAL
Mult Co - SHAC	0	156,300				156,300
Mult Co Winter Shelter/ESG	130,000				47,216	47,216
<i>Total Service Area</i>	<i>787,827</i>	<i>608,068</i>	<i>0</i>	<i>0</i>	<i>279,462</i>	<i>887,530</i>
Sub-Service Area: Homeless Youth						
Projects:						
Mult Co - Youth Day Shelter	62,303	64,795				64,795
Mult Co - Youth Night Shelter	95,920	100,073				100,073
<i>Total Service Area</i>	<i>158,223</i>	<i>164,868</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>164,868</i>
Service Area: Facilities Development	340,000	190,000				190,000
Projects:						
BOB-Multi Family At Risk	92,383	98,352				98,352
CCC/Emergency Repair	198,675	185,557				185,557
<i>Total Service Area</i>	<i>631,058</i>	<i>473,909</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>473,909</i>
Service Area: Homeless Prevention						
Projects:						
Rent Assistance/PILOT	626,195		280,244		224,425	504,669
<i>Total Service Area</i>	<i>626,195</i>	<i>0</i>	<i>280,244</i>	<i>0</i>	<i>224,425</i>	<i>504,669</i>
<b>TOTAL HOMELESS FAC &amp; SERVICES</b>	<b>2,419,010</b>	<b>1,434,889</b>	<b>280,244</b>	<b>0</b>	<b>514,722</b>	<b>2,229,855</b>
PROGRAM: YOUTH EMPLOYMENT & INVOLVEMENT (F)						
Service Area: Employment, Training & Support						
Projects:						
PIC-Neighborhood Connection	44,107			0		0
PIC-Continuum (YEP)	65,156			67,798		67,798
PIC (IMPACT)-latino Drop Out	25,824			7,405		7,405



BUREAU OF HOUSING & COMMUNITY DEVELOPMENT  
1997/98 PROGRAM BUDGET (Proposed)  
FOR HOME, CDBG, AND GENERAL FUNDS

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT Budget	TOTAL
PIC-Outside In	86,581			90,044		90,044
PIC-Summer Program	91,500			141,030		141,030
PIC-Graffiti Removal/SOLV	71,645			40,000		40,000
Oregon Outreach-Summer Youth	15,600			16,220		16,220
Mult Co YEPP	215,739			224,368		224,368
<i>Total Service Area</i>	<i>616,152</i>	<i>0</i>	<i>0</i>	<i>586,865</i>	<i>0</i>	<i>586,865</i>
Service Area: Community Services	73,056			35,978		35,978
Projects:						
PIC-Community Pride	55,000			57,139		57,139
Open Meadows (form Wetlands Consv)	97,068			100,950		100,950
<i>Total Service Area</i>	<i>225,124</i>	<i>0</i>	<i>0</i>	<i>194,067</i>	<i>0</i>	<i>194,067</i>
Service Area: Prevention						
Projects:						
PIC-Self Enhancement	243,678	118,000		135,425		253,425
TLC - TNT	18,210			18,868		18,868
<i>Total Service Area</i>	<i>261,888</i>	<i>118,000</i>	<i>0</i>	<i>154,293</i>		<i>272,293</i>
<b>TOTAL YOUTH EMPLOY &amp; IMPROVEMEN</b>	<b>1,103,164</b>	<b>118,000</b>	<b>0</b>	<b>935,225</b>		<b>1,053,225</b>
PROGRAM: PUBLIC SAFETY PROGRAM (G)						
Service Area: Outreach/Education						
Projects:						
Mult Co-Youth Outreach Gangs	85,233	88,642				88,642
Catholic Charities-SE Asian Outreach	20,932			22,051		22,051
<i>Total Service Area</i>	<i>106,165</i>	<i>88,642</i>	<i>0</i>	<i>22,051</i>	<i>0</i>	<i>110,693</i>
Service Area: Domestic Violence						
Projects:						

BUREAU OF HOUSING & COMMUNITY DEVELOPMENT  
1997/98 PROGRAM BUDGET (Proposed)  
FOR HOME, CDBG, AND GENERAL FUNDS

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT	TOTAL
					Budget	
Bradley-Angle House-Emergency Shel	110,239			51,223		51,223
Bradley-Angle Transitional Housing	20,495	60,890		20,495		81,385
Mult Co Domestic Violence Coord	24,000	0		30,000		30,000
Mult Co.-Community Advocate	10,000			10,722		10,722
Ptld Women's Crisis Line	10,400	11,148				11,148
Prostitution Alternatives	10,000			10,000		10,000
Raphael House	57,842	60,155				60,155
Salvation Army/ESG	94,242	51,542			46,269	97,811
Volunteers of America	50,564	52,335				52,335
Y W C A	58,063	60,385				60,385
<b>Total Service Area</b>	<b>445,845</b>	<b>296,455</b>	<b>0</b>	<b>122,440</b>	<b>46,269</b>	<b>465,164</b>
<b>Service Area: Treatment Programs</b>						
<b>Projects:</b>						
CCC-CHIERS	274,314			285,070		285,070
Outside In-Needle Exchange	20,300			10,889		10,889
Mult. Co.-Prostitution Alternatives	107,152			0		0
<b>Total Service Area</b>	<b>401,766</b>	<b>0</b>	<b>0</b>	<b>295,959</b>	<b>0</b>	<b>295,959</b>
<b>TOTAL PUBLIC SAFETY PROGRAM</b>	<b>953,776</b>	<b>385,097</b>	<b>0</b>	<b>440,450</b>	<b>46,269</b>	<b>871,816</b>
<b>PROGRAM COMMUNITY &amp; TARGETED INITIATIVES (H)</b>						
<b>Service Area: Community Initiative Programs</b>	<b>200,000</b>	<b>200,000</b>				<b>200,000</b>
<b>Total Service Area</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200,000</b>
<b>Service Area: Targeted Neighborhood Assistanc</b>	<b>84,900</b>	<b>98,500</b>				<b>98,500</b>
<b>Projects:</b>						
BOB-Nuisance	105,549	103,999				103,999
BOB-Target Housing	242,187	239,522				239,522
BES-Cleanups	15,450	15,000				15,000

BUREAU OF HOUSING & COMMUNITY DEVELOPMENT  
1997/98 PROGRAM BUDGET (Proposed)  
FOR HOME, CDBG, AND GENERAL FUNDS

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT Budget	TOTAL
<i>Total Service Area</i>	<i>448,086</i>	<i>457,021</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>457,021</i>
Service Area: Targeted Area Designation						0
Projects:						
TAD Areas	280,000	291,200				291,200
TAD Planning	50,000	0				0
TAD Technical Assistance	50,000	50,000				50,000
<i>Total Service Area</i>	<i>380,000</i>	<i>341,200</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>341,200</i>
Service Area: Citizen Participation						
Projects:						
Central NE Neighbors	8,808	9,104				9,104
Community Development Network	18,615	18,360				18,360
NECN-Livability	30,000	31,313				31,313
SEUL-Citizen Participation	40,200	42,336				42,336
<i>Total Service Area</i>	<i>97,623</i>	<i>101,113</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>101,113</i>
<b>TOTAL COMMUNITY &amp; TARGETED INIT</b>	<b>1,125,709</b>	<b>1,099,334</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,099,334</b>
PROGRAM: ADMINISTRATION (A)						
BHCD Admin	1,093,644	1,061,718				1,061,718
HCDC Admin	106,180	110,981				110,981
Home Admin	125,290		174,631			174,631
OF&A-Grant Compliance	39,664	44,564				44,564
HCDC Other Support						
HAP	63,609	63,609				63,609
Planning	86,850	90,878				90,878
Non Profit Technical Assistance to CBO's	75,000	75,000				75,000

BUREAU OF HOUSING & COMMUNITY DEVELOPMENT  
1997/98 PROGRAM BUDGET (Proposed)  
FOR HOME, CDBG, AND GENERAL FUNDS

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT Budget	TOTAL
<b>TOTAL ADMINISTRATION</b>	1,590,237	1,446,750	174,631	0	0	1,621,381
Indirect Cost						
Indirect Costs - General Fund	217,150	166,905				166,905
Indirect Costs - Transportation	49,812	51,765				51,765
Indirect Costs - Buildings	98,147	100,438				100,438
Indirect Costs - Env Services	2,642	2,466				2,466
Total Indirect Costs	367,751	321,574	0	0	0	321,574
General Operating Contingency						
General Operating Contingency	87,779	50,844	35,627			86,471
Strategic Reserve	75,000	75,000				75,000
Total Contingency	162,779	125,844	35,627	0	0	161,471
<b>TOTAL INDIRECT &amp; CONTINGENCY</b>	530,530	447,418	35,627	0	0	483,045
<b>TOTAL REQUIREMENTS</b>	29,725,451	16,568,500	3,887,000	1,375,675	4,369,791	26,200,966

**RESOURCES**

CDBG Entitlement	12,125,000	12,166,000				12,166,000
CDBG Program income PDC	3,750,000	3,750,000				3,750,000
CDBG Program Income-BOB	60,000	60,000				60,000
CDBG Program Income-HCDC	20,000	17,500				17,500
CDBG-Multnomah Co Sewer Payment	0	75,000				75,000
Unobligated Carryover	294,513	500,000				500,000
Obligated Carryover-Budget	630,000	0				0
Obligated Carryover-Supplemental	101,274					0
Subtotal	16,980,787	16,568,500	0	0	0	16,568,500
PLPA	5,146,616				2,383,800	2,383,800

BUREAU OF HOUSING & COMMUNITY DEVELOPMENT  
1997/98 PROGRAM BUDGET (Proposed)  
FOR HOME, CDBG, AND GENERAL FUNDS

PROGRAM/Service Area/Projects	96/97 Approved Budget	CDBG Budget	HOME Budget	GEN FUND Budget	HOPWA/ESG/ PLPA/PILOT Budget	TOTAL
Float	1,400,000				0	0
HOME	3,678,000		3,687,000			3,687,000
HOME Program income	100,000		200,000			200,000
General Fund Discretionary	1,772,048			1,375,675		1,375,675
HOPWA Entitlement 97-98					758,000	758,000
HOPWA 96-97					667,000	667,000
Emergency Shelter Grant	300,000				315,000	315,000
ESG Carryover					21,566	21,566
PILOT	348,000				224,425	224,425
<b>TOTAL RESOURCES</b>	<b>29,725,451</b>	<b>16,568,500</b>	<b>3,887,000</b>	<b>1,375,675</b>	<b>4,369,791</b>	<b>26,200,966</b>

**APPENDIX B**  
**Public Hearing and Responses**  
**May 7, 1997**

***Public Testimony:***

1. **Matthew Conroy - County Alliance of Tenants (CAT)**  
See attached written testimony (Attachment B-1).
2. **Margaret Isaacs - County Alliance of Tenants (CAT)**  
See attached written testimony (Attachment B-2).
3. **Steve Weiss - County Alliance of Tenants (CAT)**  
See attached written testimony (Attachment B-3).
4. **Anita Rodgers - County Alliance of Tenants (CAT)**  
See attached written testimony (Attachment B-4).
5. **Janet Byrd - Oregon Housing NOW**  
See attached written testimony (Attachment B-5).
6. **Diane Meisenhelter - Sabin CDC**  
Meisenhelter stated she is concerned about Principle III and the rewording. She thinks it is a mistake to link long-term affordability with other types of community goals. Sabin CDC is very concerned about neighborhood revitalization suffering since presently there is pressure to build higher numbers of units. When we develop housing we need to understand what effect that housing is having on community revitalization. It is important to support neighborhood revitalization but that piece needs to be separate from long term affordability. We're not going to have revitalized mixed income communities unless long term affordability is strengthened, especially for rental housing. It is important that HCDC support more clearly defined tools that the CD Network and others are developing to address displacement issues as there are few alternatives for very low income families.
7. **Brenda Jose - Unlimited Choices, Inc.**  
Jose said the Adapt-A-Home program, funded by the City of Gresham, Multnomah County and the City of Portland, makes permanently accessible modifications on housing units. Multnomah County's geographic area has been reduced and the Mid-County area will now be served by the City of Portland. According to Senior and Disabled Services, more low income people with physical disabilities and seniors with physical disabilities live in the Mid-County area than in the whole state of Oregon. She appealed to HCDC, because the Adapt-A-Home project is unique and geographically based, to advocate for more funds from the City of Portland.

**8. Will White - Housing Development Center**

The Housing Development Center provides development services to a broad range of non-profit organizations working on housing projects. White stated he is concerned about what the revised language in Principle III may suggest. For many years HCDC has had a principle that there should be a direct relationship between the amount of public subsidy and length of affordability. When the required period of affordability was 20 years, it made sense to try to get a longer affordability term for projects serving extremely low income renters. Now, given what we have learned about the cost of replacing affordable units that are lost, we should be looking for permanent affordability. The principle could be that the greater the subsidy, the greater the percentage of the units in a development that need to be affordable permanently. He supports mixed income projects, but not at the expense of releasing units from affordability requirements. He does not see funds being there in the future to replace those units. He feels it is important to look a replacement reserves for maintenance. As units are being released from affordability requirements, the cost of replacing these with new units will be much greater than rehabilitating existing units.

**9. Bill Bradley - County Alliance of Tenants (CAT)**

Radley commented he is a tenant in Southeast Portland and that CAT speaks his mind.

**10. Ed Pischedda - County Alliance of Tenants (CAT)**

See attached written testimony (Attachment B-6).

***HCDC Discussion:***

Frater thanked all those who testified and stated that all written and oral comments will be included in the *Consolidated Plan Annual Update* report to HUD. Ille stated that where there is a specific request, such as the no-cause eviction issue, HCDC should give a response as to why they did or did not incorporate it in the Consolidated Plan.

Actions asked for tonight were changing 1) the current 30 day no cause eviction, and 2) the City of Portland law that says a landlord cannot discriminate for reason of income, but can refuse to take a Section 8 certificate. Ille stated the City Attorney was supposed to collect data from landlords as to why they do not take Section 8 tenants. There is a provision in the City Council ordinance that data collection and a review take place. Cherubini stated HCDC can recommend that the three jurisdictions work with the legislature to change the 30 day no cause eviction law or further study the issue. HCDC has looked at the issue of Section 8 landlords in the past, but Cherubini's recollection is that not much tracking has been done by the City Attorney's office. Brown suggested asking the City Attorney's office for a presentation at a future HCDC meeting.

Frater asked if this is being tracked by the Housing Authority of Portland (HAP). Helen Barney, HAP Planning and Development Director, responded that HAP has created a landlord advisory committee which works with landlords to understand what it is about the Section 8 program that keeps them from participating in it. There are federal proposals to eliminate the requirement that when a landlord rents to a Section 8 tenant, (s)he cannot refuse to rent to other Section 8 certificate holders; and to abolish the endless lease requirement and permit a landlord to cease participation in the Section 8 program when the contract ends. HAP's Moving to Work Proposal will try to make the Section 8 program more workable and more usable throughout the community. One reason landlords do not want to participate

in the Section 8 program is because they can get higher rents on the open market. Many Section 8-accepting units are concentrated in certain lower-cost areas because of HUD's Fair Market Rents (FMR). HAP does have some flexibility to issue vouchers at 110 percent of FMRs and in some cases 120 percent which broadens the available rental stock. Currently about 30 percent of certificate holders return their certificates because they cannot find housing. Ille added this percentage has increased from 20 percent in less than a year.

Frater stated it would be a good idea to ask the City Attorney's office and a HAP representative who works with this on a daily basis to provide more information and perhaps for HCDC to then draft a recommendation. Cherubini asked if some note should be made and reflected in the market analysis section of the *Consolidated Plan* regarding the difficulty Section 8 certificate holders face because of Fair Market Rents. Galbreath added that HAP has commissioned a consulting firm who is working with them and landlords to evaluate the Section 8 program. There are three reasons why people refuse Section 8: 1) rents are not high enough; 2) the process is complicated and confounding; and 3) the person applying. Without knowing the real situation it is difficult to make specific recommendations beyond ensuring that HCDC is aware of the issue and will continue to work on it. Cherubini stated that HCDC should not craft language right now, and that the materials that will be forwarded to Council will reflect the discussion. There will also be a statement about FMRs being inadequate in this high cost rental market.

Galbreath asked about the action request which would require landlords to accept Section 8 certificates for 3 - 5 years instead of the current year-to-year renewal system (Attachment B). Ille responded that this is federal legislation and is prompted by the attempt to balance the budget, however, HCDC certainly could advocate for longer contracts. Currently HUD is offering owners whose contracts expire a one year renewal, and the owner can either renew or opt out. HCDC can proactively identify those projects and if resources are available, either a nonprofit or HAP could approach the owner and offer to buy the project. Frater stated this is something the HAP Preservation Group is looking at. Cherubini said these issues can be brought up in Advocacy Committee. Brown added he would like to participate on that committee. Barney stated the Section 8 FMRs are determined by HUD and are set at the 40th percentile of market rents.

Frater stated the last item HCDC received comment on are the proposed revisions to the principles of the *Consolidated Plan*. HCDC's Outcomes Committee analyzed the principles to see if they still reflect today's issues. The biggest issue was the need to address the *preservation* of affordable housing. Due to time constraints with the budget process of the three jurisdictions, Measure 47 and delays in the budget process, HCDC must send recommendations to the jurisdictions soon (before another meeting). Frater stated that many are concerned with Principle III and proposed that Principle III revert to its original language with the exception of adding "or preserve" in sentence two. With that addition, the second sentence would read, "To make effective use of public resources, the deepest subsidies should produce or preserve housing which is permanently affordable." This would give HCDC additional time to draft new language and have more discussion about depth, length and terms of affordability. In addition, Principle IV, which addresses Economic Development is a new item in the Consolidated Plan.

Silver stated he did not agree and thought it was a good idea to adopt the proposed revision and incorporate other community goals in Principle III. Beroz asked why not retain the broader language which would give latitude for narrowing things between now and next year, rather than adopting the narrower and being stuck. Frater responded that she believes HCDC should consider concerns raised



by the Community Development Network and that there is not enough time to do so now. Mockel said he doesn't oppose broader language, but we need to be careful, since we may not be the only ones interpreting and using it. It was moved and seconded to accept changes proposed in the draft to Principles I and II, and add Principle IV as proposed. The motion passed unanimously.

Frater stated it would be helpful if Tasha Harmon (CD Network staff) or a CDN member join HCDC's Outcomes Committee which has been reviewing the Principles and Priorities of the Consolidated Plan. Regarding Principle III, given the received public comment and the desire by HCDC to do additional work on long-term affordability, she thought that Principle III should remain the same for this year with the intent of redrafting it later. It was moved and seconded that Principle III's language remain the same this year with the addition the words "or preserve" in the second sentence. This is with the intent that over the coming year, HCDC will look at revising that language in a way that accomplished what the Outcomes Committee tried to achieve. The motion was approved unanimously.

## HCDC TESTIMONY

Hello,

April 7, 1997

My name is Matthew Conroy. I'm a representative of the County Alliance of Tenants which is a rapidly growing tenant advocacy and community organizing group with well over 50 dues-paying members. I'm a steering committee member for CAT, and also a Portland native.

I'm here today to urge you to address the unfair and lop-sided Oregon Landlord / Tenant laws in your HCDC Consolidated Plan. -Especially the statutes regarding evictions.

As the law stands now, tenants can be ousted from their homes for no reason whatsoever, being left only 30 short days to find a new residence. FOR NO REASON WHATSOEVER!

The mental and emotional hardship of being evicted is magnified by its deep financial impact:

As we all know, moving COSTS MONEY....

...Application Fees & Non-Refundable Deposits, Gas, Electric, and Telephone connection fees, and other cost incursions can make moving an immense financial burden.

Compounding this burden is another problem...Affordable Housing Availability.

Because of skyrocketing property values, fewer people are able to afford to buy homes.

The Rental Property market is saturated.

Finding a suitable apartment or house in such a tight market usually takes an inordinate amount of time, sometimes making it necessary to take time off from work.

This also impacts tenants financially.

Rising rents go hand in hand with rising property values, and wages are not rising equally. Almost 50% of Portland Metropolitan Area residents basically live from paycheck to paycheck. Moving takes advance planning, and saving.

The existence of the 30 day no-cause strikes fear into tenants. Fear of asserting their right to well maintained facilities to live in. Tenants avoid complaining about leaky pipes and peeling paint because they're afraid of being evicted on a 30 day no-cause. This is a travesty.

We at County Alliance of Tenants would like to see these unfair laws changed so that Landlords are required to show a good reason for evicting their tenants, instead of compelling a percentage of them to be homeless.

Page 6 of the HCDC Consolidated Plan is a Housing Analysis. The Rental Housing issue of 30 day no-cause evictions is a very important one. -Especially to those of us who rent our homes. We at CAT feel that this issue deserves an entry in the Housing Analysis section of the Consolidated Plan. We once again urge you to include this subject in the plan which you submit to the department of Housing and Urban Development.

I'd like to express my gratitude on behalf of County Alliance Tenants, and all of us who rent our homes.

Thank You

**Testimony of Margaret Isaacs, HCDC Hearing, May 7, 1997**

My name is Margaret Isaacs. I represent the new tenants organization at Park Terrace Apartments located at 315 N. Alberta St, Portland. The tenants of Park Terrace are extremely happy to be participating in the County Alliance of Tenants and we know that they have our best interests at heart, for without their efforts, information on public housing would not be available and/ or accessible to tenants.

I would like to present information to you tonight on our particular situation, which is an example of what may happen in other parts of Portland if we don't act to save all of our affordable housing.

There are 88 family one bedroom units at Park Terrace. Tenants range in age from 25 to 92 years. One tenant has lived there for 15 years and another for 26 years. Both would be homeless without section 8 rental subsidy. The tenants of Park Terrace strongly urge that affordable housing be maintained through certificates and vouchers and that these certificates and vouchers be accepted on a 3 - 5 year basis for these tenants at risk of becoming homeless.

The owner of Park Terrace Apartments will at present accept certificates and vouchers for those tenants whose project based section 8 expires on August 31, 1997, but will possibly prepay his HUD mortgage before the year expires for these vouchers. This action will leave tenants whose project based section 8 expires on July 31, 1998 and those whose vouchers were accepted for a year, at the mercy of the landlord who can then increase rents and evict at will. The tenants at Park Terrace want landlords to be required to accept certificates and vouchers for at least 3 - 5 years, thus maintaining the housing already affordable under section 8.

Thank you for this opportunity to share our thoughts on this issue which radically affects those of us who now are forced to live from paycheck to paycheck.

**HCDC Hearing Testimony - May 7, 1997**

My name is Steve Weiss. I'm a member of CAT (the County Alliance of Tenants). We're the largest tenants rights organization in Oregon with a growing membership of over 50 people. I'm here to ask that you give serious consideration to ending the current policy of allowing landlords to discriminate against tenant applicants who have Section 8 certificates and vouchers.

As things now stand, the city of Portland bans discrimination in housing based on every source of income except Section 8. The result of this policy, according to recent Housing Authority of Portland figures, is that of the monthly total of 5,160 certificates and vouchers given to Portland residents, approximately 1500 (or 30%) are returned to HAP by recipients after 120 days. The reason for this high return rate is that these Section 8 recipients could not find landlords who would rent to them.

**As a tenant-based Section 8 recipient myself, I can tell you that the only thing we all have in common is a low income. In regard to our being responsible tenants, we are no different than any comparable group of higher income tenants.**

I'd like to note that Principle I on page 13 of the Consolidated Plan states that "priorities should focus on developing and preserving housing for those with the greatest needs." Section 8 recipients certainly fall under the category of "those with the greatest needs." Unfortunately, those needs are not being met as a result of the currently discriminatory policy that allows landlords to reject Section 8 recipients specifically because they have Section 8.

I want to thank you for allowing me the opportunity to speak to you.

Testimony of Anita Rodgers - HCDC Hearing, May 7, 1997

My name is Anita Rodgers and I am the Outreach Coordinator for the County Alliance of Tenants. CAT is a tenant based, tenant controlled, community organization that is working to provide renters with the tools and information needed to advocate for their rights as renters. We are the only organization in this state providing this much needed resource from a tenant perspective.

We are here tonight to offer the HCDC our unique tenant perspective on affordable housing and urge you to include a more detailed description of the effect the tight housing market has on renters in the Housing Market Analysis of the Consolidated Plan.

As you have heard in earlier testimony, the housing market is in a crisis state for renters. We often take calls on our Renters' Rights Hotline from tenants who are too scared to make repair requests for fear of a 30 day no-cause eviction or a rent increase. Other renters make repeated requests for much needed repairs and receive absolutely no response from the landlord. Since starting the hotline last year, we have received over 1,000 calls, 27% on repair issues, 11% on 30 day no-cause evictions and 7% on rent increases.

CAT is not only working to provide information but to also organize renters to take an active role in improving their living situation. We organize in specific buildings - like Park Terrace - and we are currently working on a city wide basis to ensure tenants are part of the policy planning process and thus able to make an impact on their own housing situations. The need for tenant protections becomes increasingly important as the rental housing market gets tighter and more expensive, offering fewer market based protections for renters. In the current market, low income renters are being forced to choose between homelessness and nearly intolerable living conditions. For this crisis to end we must work together to ensure tenant protections are a part of City and County policy.

Thank you very much for your time and for the work you have done in ensuring safe, decent and affordable housing for the people of Gresham, Portland and Multnomah County.

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**Oregon  
Housing  
Now  
Coalition**



Comments of Janet Byrd, Co-Executive Director, Oregon Housing NOW  
Re: Draft Consolidated Plan  
Housing and Community Development Commission  
May 7, 1997

Oregon Housing NOW has recently begun to wrap up its efforts to preserve part of our community's stock of affordable housing through the federal preservation program, LIHPRA. Through a combination of hard work and luck, Oregon non-profits have managed to close on 28 sales representing 1152 units of housing. These "buy-outs" of private owners were made possible because of significant federal resources.

Our experience with the federal preservation program has solidified Oregon Housing NOW's position that public housing subsidy dollars should ideally be tied to permanent affordability of the resulting new or preserved units.

Federal housing policy twenty and thirty years ago provided for subsidized development of new affordable housing units or rehabilitation of units based on the assumption that we could in twenty or thirty years solve the nation's housing problems. Because of this assumption, affordability in the federal programs was limited to twenty years.

Today we recognize that we have not solved the nation's housing problems, and most of us would acknowledge that we will not have solved them twenty years from now. In addition, here in Oregon, because of fairly unique market conditions, we have an extreme crisis in both availability and affordability. Given this combination of need and the significant limitations on public funds available for housing we must use public funds in the wisest way possible to benefit people at the lowest income levels. We would argue that permanently affordable decent housing should be the primary goal guiding the use of all public housing subsidy dollars. We can't afford to pay for enough units if we only buy them once — we shouldn't subsidize them once and then need to buy them again twenty years from now.

To address specific language in the draft Consolidated Plan, Oregon Housing NOW supports the targeting of resources elaborated in Principle 2. We support the Community Development Network proposal to elaborate on the possible use of non-subsidy tools. We also support the Community Development Network's proposed rewording of Principle Three.

Thank you for your attention, and for your efforts on behalf of our community.

c/o Augustana Lutheran Church  
2710 NE 14th Avenue  
Portland, OR 97212  
Telephone: 503-288-0317  
Fax: 503-288-8416

**Oregon Housing NOW Project to Preserve Affordable Housing**  
**Sales to non-profit purchasers under the LIHPHA program, as of April 1997**

**28 sales closed, 1152 units of housing preserved**  
**2 sales pending, not funded, 57 units of housing**

<u>Project Name</u>	<u>City</u>	<u># units</u>	<u>Purchaser</u>	<u>Comments</u>
Riviera Parkside	Albany	40	Albany Hsng Partnership	Sale closed
Aloha Park	Beaverton	80	Wash Cty Comm Action	Sale closed
Ash Creek	Beaverton	32	Wash Cty Comm Action	Sale closed
Spencer House	Beaverton	48	Tualatin Valley Housing Partners	Sale closed
Woodland Apts.	Coos Bay	72	Coos Bay Housing Authority	Sale closed
Royal Loto	Eagle Point	18	Pacific Retirement Services	Sale closed
14 Pines	Eugene	65	Housing Authority of Lane County	Sale closed
Village Oaks	Eugene	67	Housing Authority of Lane County	Sale closed
Fairview Arms	Fairview	45	Human Solutions	Sale closed
River Glen	Gladstone	44	NW Housing Alternatives	Sale closed
Jade East	Grants Pass	30	CDC of Josephine County	Approved, not funded
Rivertree Apts.	Grants Pass	27	CDC of Josephine County	Approved, not funded
The Pines	Gresham	68	Human Solutions	Sale closed
Ridgeway	Hermiston	40	NW Housing Alternatives	Sale closed
Saginaw Village	Hines	30	NW Housing Alternatives	Sale closed
Lively Oak	Medford	50	Pacific Retirement Services	Sale closed
College Manor	Monmouth	20	NW Housing Alternatives	Sale closed
Alberta Street	Portland	24	Sabin CDC	Sale closed
Beacon Manor	Portland	20	REACH CDC	Sale closed
Beta Court	Portland	18	Housing Our Families	Sale closed
C.A. White Gardens	Portland	18	Housing Our Families	Sale closed
James Lee Gardens	Portland	56	Housing Our Families	Sale closed
King Dishman	Portland	14	Franciscan Enterprises	Sale closed
Marion Street	Portland	24	REACH CDC	Sale closed
Maria Manor	Portland	25	ROSE CDC	Sale closed
Multnomah Manor	Portland	54	Housing Authority of Portland	Sale closed
Taylor Street	Portland	10	REACH CDC	Sale closed
The Plaza	Portland	68	Housing Authority of Portland	Sale closed
Oak Hill	Salem	56	NW Housing Alternatives	Sale closed
Sunnyslope	Salem	50	NW Housing Alternatives	Sale closed

**Oregon Housing NOW Coalition, 2710 NE 14th, Portland, Oregon 97212; 503-288-0317**

May 7, 1997

Housing and Community Development Commission  
Portland, Oregon

Re: Draft 1997-1998 Consolidated Plan

Dear Commission Member:

I'm Ed Pischedda. I'm a member of the steering committee for the County Alliance of Tenants (CAT). I'm here today to ask you to enhance the draft Plan in a way that will improve the quality of rental housing available to **hundreds of thousands of area residents who must rent their living space.**

**The County Alliance of Tenants is an organization of Multnomah County residential tenants from all walks of life. Some of CAT's active members pay their rent each month with section 8 vouchers; others are employed professionals making well over the area median income. What our members share is a belief that all members of the Portland community are entitled to decent, secure housing regardless of the degree to which one's skills are employable or to which the fortune of one's birth has provided the means to home ownership. We also believe we are your partners in a common endeavor. We hope you share these beliefs and will allow us to work with you in achieving common goals.**

**In slightly over a year and a half of taking telephone calls CAT has received over 1000 complaints regarding living conditions in rented residential property, according to our latest tally. More than a quarter of these calls relate to maintenance problems. We're not talking merely about tacky light fixtures, outdated carpeting or ugly linoleum. We're talking about leaking plumbing, flooded apartments, holes in roofs, windows, walls and floors, unsafe wiring and furnaces, and refrigerators and stoves that won't keep or cook food - in Multnomah County in the 1990's.**

These conditions can go on for months, making it difficult for oneself or one's children to eat, bathe, get a fair amount of sleep and hold ones job. These problems are especially hard on the unemployed who, in addition to bearing the burden of having to find a job, also find themselves in an extremely poor negotiating position with their landlord in any effort to get necessary repairs



made. Additionally, while many of the problem conditions noted are illegal under existing state law or city ordinance, effective remedy requires time-consuming, expensive and highly risky court action. While the poorest of the poor are able to benefit from the overworked talent of Multnomah County Legal Aid, that agency's income restrictions are so pitifully low that the working poor and everyone else living from paycheck to paycheck are effectively denied access to decent, secure housing should their landlords choose not to fulfill their responsibilities. Tenants in such straits also can rarely afford to move to remedy problems with their landlord. Their primary remedy is perseverance with substandard living conditions.

I've personally had to endure a watermelon-sized hole in the wall above my bathtub for over a year, despite my repeated complaints to the property manager. This property was managed by one Portland's largest residential property management companies, C&R Realty. Only when I had saved enough money to move did I feel secure enough to call a building inspector from the City's Bureau of Buildings to have him validate the problem. My landlord's response to my methods was to attempt to evict me, but due to my ability to hire one of the few attorneys in Portland willing to work on landlord/tenant matters on a contingency basis I was able to obtain a modest satisfactory settlement.

The housing inspectors in Portland's Bureau of Buildings are frequently the only line of defense standing between landlords unwilling to fulfill the responsibilities entailed by offering property for rent in Portland's housing market, and the homelessness of tenants who are finding it more and more difficult to afford the cost of living space in Portland's increasingly expensive housing market. Please work to increase the number of housing inspectors, their aggressiveness, their data-gathering and reporting capabilities and the tools they have with which to work.

Thank you for your time.

Best regards,



Edward R. Pischedda