

Involuntary Displacement Prevention Recommendations for East Portland

<u>Civic Engagement Process To Be Applied</u> When Implementing All Recommended Tools

As the East Portland Involuntary Displacement Prevention Tools are being implemented, it is important that the community stay involved to provide leadership and guidance on how to strategically address these community-identified issues and resource allocations.

The following* process will actively engage the community as partners in seeking responsible and equitable outcomes in the work to prevent involuntary displacement in East Portland.

- 1) Provide a wide range of opportunities for involvement, with targeted access and inclusion in decision-making for those with the potential to be adversely affected by gentrification/livability improvements.
- 2) Foster ongoing positive relationships between communities and Municipal Governments by ensuring accountability for improving community well-being and inclusion, and by ensuring adherence to Community Benefit Agreements that should be instituted to support East Portlanders adversely impacted by gentrification/livability improvements whenever possible.
- 3) Recognize that Municipal Governments have a responsibility to plan for the needs of and engage with disparately under-served, under-resourced, and under-represented communities, and to prioritize policy mandates based on need, so as to achieve greater equity for those most adversely impacted by gentrification/livability improvements.
- 4) Expand opportunities for meaningful community engagement and require transparent, well designed, and thoughtful culturally and language specific and relevant representative and responsive public processes throughout address of the recommended tools: from issue identification, analysis, and project scoping through implementation, monitoring, evaluation, accountability, and enforcement.

^{*}These recommendations are a revision of the "Community-Based Anti-Displacement Recommendations" produced by several community organizations and submitted as input to the Portland Comprehensive Plan Update: February 2015.

- 5) Build community capacity to increase the community's meaningful participation, innovation, solution-making and leadership by allocating adequate resources to realistically accomplish this community involvement outcome.
- 6) Utilize public comment as part of an equity-based community impact assessment to promote thoughtful consideration of and mitigation for polices that cause negative disparate impacts, irrespective of intent.

Recommendations to Be Implemented**

not in prioritized order

East Portland Action Plan Civic Engagement Grants

Fund the East Portland Action Plan Civic Engagement Grants program that allocates monies for language and racially/ethnically specific projects for those who are under-resourced/served and not normally included in decision making. Utilization of this tool has proven to be a best practice for the East Portland Action Plan's work in this richly multicultural area.

Living Wage Provisions

Additional income will position people to afford rent and housing increases. This will raise income for people who are working, but employers could hire fewer people, though this has not held true in the past. This wouldn't be helpful to those on fixed incomes or those not employed, but it would be beneficial to the majority, especially the working poor. Statistics reflect that East Portland residents are earning lower wages, so it is thought that this will impact many East Portland residents.

Local Hiring

This requires developers and contractors to prioritize hiring locally (defined as from East Portland), as well as hiring women and minorities. This is a component of a Community Benefits Agreement (CBA), which EPAP has already considered and endorsed as benefiting East Portland residents ability to make family-wages. David Douglas School District had 26% minority hiring on the Earl Boyles project. Given the projected development in East Portland, this could have a significant impact on family-wage jobs in the area.

^{**}When stating "low-income", we are referencing households living on 60% or lower median income.

Minority Contracting

East Portland has the city's highest percentage of the population identified as "minority", so minority contracting should help employ the East Portland minority population in family-wage jobs and thus prevent displacement. There is no assurance that Minority Contractors will in fact benefit East Portland residents, so this needs to be coupled with Local Hiring and Community Benefit Agreements.

Commercial Stabilization and Commercial Rent Stabilization

This includes many of the tools the Neighborhood Prosperity Initiatives (NPIs) and Main Street projects are using for economic development, including storefront improvements, targeted business assistance, capital improvements, business attraction, and community-controlled commercial development. The use of Commercial Stabilization and Rent Stabilization can prevent displacement of existing businesses in East Portland, as new companies are drawn to the gentrifying area.

Community Reinvestment Act

Banks and hospitals have to reinvest in communities within 3 to 5 miles of each facility. This program was federally developed to guide banks to make loans and other community investments available to everyone, especially locally. Communities of color and minorities are disproportionately denied loans. We can advocate for this tool to benefit local, women, and minority business stabilization and growth. It can prevent displacement by taking advantage of economic development grants, developing partnerships, and by simultaneously improving an area and financing quality low income housing, business incubators, or other community projects.

Commercial Transit Oriented Development (TOD)

Projects eligible for financial and development incentive support are funded to increase local access to public transport, and often include design and land use features to encourage transit ridership and limit single-vehicle usage. TOD incentives for business retention and growth near current and planned transit centers can promote development and employment. However, TOD was not recommended for housing purposes that receive tax abatement and have a time limited affordability commitment, unless funding not-for-profit development that will sustain affordability.

Owner-Occupied Homeownership Retention for People with Low -Income

As house values rise taxes rise, and people living on limited and fixed incomes are not able to afford the taxes. While benefiting at the point of sale, people cannot afford to stay in their often long-term residences and cannot find another home in the area that does not present the same conditions.

Rent Stabilization

Just as Oregon has property tax increase protection, Rent Stabilization protects tenants in residential multi-family properties from excessive rent increases by mandating reasonable gradual rent increases, while at the same time ensuring the landlords receive a fair return on their investment.

Just Cause Eviction (JCE), Code Enforcement, and Renter Education

Just cause eviction controls are laws that protect renters by ensuring that landlords can only evict with proper cause, such as a tenant's failure to pay rent or destruction of property. While JCE provides such protections for renters, landlords retain full right to evict a tenant for breach of rental contract. Code Enforcement compels landlords to improve unsafe building conditions. Code Enforcement can ensure that multi-family dwellings are owned and managed responsibly. When housing code violations are found and not corrected, the government can impose significant penalties upon landlords. Rights and responsibilities education for renters must be included as an active component of JCE and Code Enforcement, to ensure the systems are reasonably monitored and enacted.

Broadening Homeownership and Cooperative Ownership

This establishes programs to increase opportunities for low-income households to have the opportunity to purchase a home. It means that some of the barriers to homeowners are removed so that homeownership becomes easier for groups of people who are often unable to purchase homes for themselves. Cooperative Ownership of multi-family developments occurs when a group of people form a collective business corporation to share ownership of a building. Co-op members work together to reach mutual goals based on democratic control and decision-making. Co-op members may or may not be residents of the shared ownership building.

Inclusionary Zoning

This requires developers to make a percentage of housing units in a new residential development available to low and moderate income households. In return developers receive non-monetary compensation in the form of density bonuses, zoning variances, expedited permits, or similar provisions that reduce construction costs or promote the developers goals. This can be done in developments with many single-family units or in multi-family developments.

Housing Acquisition Rehabilitation to Insure Affordability

This applies public housing dollars to purchase existing multi-family developments in poor condition and to rehabilitate the facility for use as affordable housing to be managed by a public entity or non-profit that serves low-income populations.

No Net Loss/Affordable Housing Preservation Ordinance

No Net Loss is when a City has to maintain a fixed amount of affordable housing through preservation, new construction, or other replacement of lost units. The Affordable Housing Preservation Ordinance is the establishment of a policy to ensure that the amount of housing affordable to low and moderate income persons does not decrease over time.

Community Benefits Agreements (CBA)

This is a contract with a governmental agency, real estate developer, or other jurisdiction to provide specific benefits to the local community or neighborhood in exchange certain provisions from that community or neighborhood. On public projects, CBAs can be negotiated with the initiating government agency and can be included in a Request For Proposals (RFP) with contractors. With private developers benefits can be negotiated in a contract established with community groups who then accept (or don't oppose) project adjustments. CBAs have funded workforce training, local hiring, childcare access, affordable housing units, re-location stipends, reinforced access to family-wage jobs, and other public benefits.

Anti-Displacement Impact Analysis

Impact Analysis is a tool that requires multi-family and commercial developments to provide a pre-build assessment of the effect such development will have on displacement in the area (usually a one-mile radius).

For more information about the displacement prevention tools, consult the following:

'Mitigating Displacement Due to Gentrification: Tools for Portland, Oregon': https://wikis.uit.tufts.edu/confluence/download/attachments/37718593/Thesis Eunice Kim 201

1 final.pdf?version=1&modificationDate=1321809955000;

'Not In Cully Anti-Displacement Strategies' report:

http://www.pdx.edu/usp/sites/www.pdx.edu.usp/files/A LivingCully PrinterFriendly 0.pdf;

Policy Links:

http://www.policylink.org/equity-tools/equitable-development-toolkit/all-tools;

2013 Gentrification and Displacement Study:

http://www.portlandoregon.gov/bps/article/454027.

EAST PORTLAND ACTION PLAN

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