

## **RESOLUTION NO.**

Direct the staff of the PDC and the BHCD to work with the Housing Authority of Portland to develop, by January 1, 2002, a No Net Loss Funding Plan for 2001 to 2006, in order to fund the preservation or replacement of 1200 more low income units in the Central City. Establish timeline for completing a housing inventory of the Central City and refining, for Council consideration and possible action, the implementation strategies relative to the Central City No Net Loss Policy. Invite private sector and governmental partners to join the City of Portland in these efforts.

WHEREAS, in the summer of 2001 and in accordance with the Comprehensive Plan Housing Policy (Housing Policy), the City Council adopted a No Net Loss policy for affordable housing in the Central City. This No Net Loss policy is defined to mean that, either through preservation or replacement, the Central City will retain at least the current number, type, and affordability levels of housing units home to people at or below 60% Area Median Income (AMI), and

WHEREAS, to understand the dimensions of the housing situation in the Central City, the Council directed PDC, in cooperation with the Planning Bureau and NW Pilot Project, to develop an inventory of all housing units in the Central City, identifying the type (e.g. studio, one bedroom), risk category of the unit and the income level served by the unit; and

WHEREAS, the City Council directed PDC to work with its partners to update this Central City housing inventory on an annual basis. The housing inventory will serve as the baseline for implementing the No Net Loss policy; and

WHEREAS, PDC and BHCD have been directed by Council to provide annual reports to the Housing and Community Development Commission (HCDC) on the implementation of the No Net Loss policy. HCDC will in turn report to Council annually on the City's progress; and

WHEREAS, the City Council directed the PDC and BHCD to develop an implementation strategy to preserve, rehabilitate, and/or replace housing in the Central City affordable to households at or below 60% AMI. This implementation strategy will prioritize projects based on public benefit, risk and opportunities, apply appropriate resources and regulatory tools, and adhere to the principles of the Housing Policy including:

- Preservation of existing affordable housing stock when feasible and cost effective;
- When preservation is not feasible, making every practical effort to replace affordable housing units in the same sub-markets where the original units were located;
- Minimizing displacement of current residents of affordable housing by making replacement units available prior to the demolition or conversion of their former residence, when feasible;
- Providing replacement housing with supportive services when necessary to insure the stability of residents in the housing units;
- Supporting mixed-income, mixed use and transit oriented development; and
- Securing 60-year affordability when feasible; and

WHEREAS, the City Council supports immediate efforts to acquire and preserve existing unrestricted units to assure preservation of ongoing affordability, and encourages the construction of new affordable housing where possible; and

WHEREAS, the City Council directed the PDC, BHCD and the Bureau of Planning to review existing policies and regulatory frameworks and develop new regulatory tools in an effort to maximize the effectiveness of the City in making the Central City No Net Loss policy a reality. Potential new regulatory tools have been identified in the No Net Loss Implementation Strategies Report, and await further development and refinement prior to Council consideration; and

WHEREAS, current estimates show approximately 700 vulnerable affordable housing units in the West End, roughly 900 vulnerable units in Downtown, and 2,500 at-risk units in the Central City; and

WHEREAS, the initial estimates of the financial resources necessary to meet the No Net Loss policy show that current resources would be inadequate, highlighting a need to leverage PDC's current Central City housing funding strategies into a sustainable vision and long-term direction for Central City development that includes other governmental and community partners; and

WHEREAS, the Housing Authority of Portland brings essential tools—in the form of its bonding capacity, its project-based Section 8 programs, and others—to the effort to preserve and replace affordable housing in the Central City; and

WHEREAS, the State of Oregon, through its Department of Housing and Community Services, plays a key role in securing and preserving affordable housing for Oregon residents; and

WHEREAS, in order to maintain necessary social services in close proximity to residents with special needs, the City needs to coordinate its provision of affordable housing with the social services funded and managed by Multnomah County; and

WHEREAS, Central City business owners and representatives will play a critical role in developing the plans and funding strategies for housing in the Central City;

NOW, THEREFORE, BE IT RESOLVED, that the City Council directs PDC and BHCD to develop a No Net Loss Funding Plan for the preservation, replacement or new construction of at least 1200 low income units in the Central City from 2001 to 2006. These 1200 units are to be in addition to those projected in the current five year plan for the Central City Urban Renewal Areas other than the South Park Blocks and Downtown Waterfront Urban Renewal Areas. This funding plan is to be based upon the No Net Loss policy and the tools described in the No Net Loss Implementation Strategies Report of September 25, 2001, and is to be presented to Council by January 1, 2002; and

BE IT FURTHER RESOLVED, that the City Council directs PDC to accelerate its inventory of all housing units in the Central City so that this baseline for the implementation of the No Net Loss policy is presented to Council in July 2002; and

BE IT FURTHER RESOLVED, that the City Council directs BHCD, PDC and Planning to continue to refine the new regulatory tools spelled out in the No Net Loss Implementation Strategies Report, so that these tools are ready for Council consideration and possible action when it receives the five-year No Net Loss Funding Plan in January 2002; and

BE IT FURTHER RESOLVED, that the City Council invites the Housing Authority of Portland, the Oregon Department of Housing and Community Services, Multnomah County, and the Association of

Portland Progress to join in a five year collaboration with the City of Portland to develop and implement the No Net Loss Funding Plan.

Adopted by the Council:

GARY BLACKMER  
Auditor of the City of Portland

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Commissioner Dan Saltzman

By  
\_\_\_\_\_

\_\_\_\_\_  
Commissioner Erik Sten

October 18<sup>th</sup>, 2001

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<p><b>INTRODUCED BY</b></p> <p>Commissioners Sten &amp; Saltzman</p> <p><b>NOTED BY COMMISSIONER</b></p> <p>Affairs</p> <p>Finance and Administration</p> <p>Safety</p> <p>Utilities</p> <p>Works</p> <p><b>BUREAU APPROVAL</b></p> <p>Bureau:</p> <p>Prepared by      Date</p> <p>Rich Rodgers      10/9/01</p> <p>Budget Impact Review:</p> <p>Completed      Not Required</p> <p>Bureau Head:</p>	<p><b>DATE FILED:</b></p> <p style="text-align: center;">Gary Blackmer Auditor of the City of Portland</p> <p>By: _____ Deputy</p> <p>For Meeting of: _____</p> <p><b>ACTION TAKEN:</b></p>
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AGENDA		FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
				YEAS	NAYS
Consent	Regular	X	Francesconi	Francesconi	
NOTED BY			Hales	Hales	
City Attorney			Saltzman	Saltzman	
City Auditor			Sten	Sten	
City Engineer			Katz	Katz	