

## **LOCATION POLICY**

Stephen Fulton,  
Housing Program Manager  
Location Policy Coordinator  
503-823-2388

### **CONTEXT**

In June 1993, in response to the Fair Housing Amendments Act of 1988, Commissioner Gretchen Kafoury appointed a citizen Task Force on Strategies for Fair Housing. The Task Force was asked to review the city's zoning code and to recommend changes which would ensure compliance with Act. The Task Force emphasized an approach which would allow housing for low-income people to be sited throughout the community while balancing the needs of all involved. City Council adopted Task Force recommendations in December, 1993, which included changes to the zoning code, certification standards for mass shelters for the homeless, and a **location policy addressing geographic concentrations of poverty in Portland**. These three recommendations act together to ensure that while changes to the zoning code have created a more streamlined process, in some cases making it easier to site special needs housing, areas of community concern are also considered.

### **LOCATION POLICY GOALS**

The goals of the location policy are to:

1. Maximize housing choice, especially for low-income people who have traditionally been limited in the location of housing that they could afford;
2. Discourage the concentration of low- or no- income households in any one area of the city;
3. Encourage the creation of additional housing resources for low-income households integrated throughout the community.

### **LOCATION POLICY**

The city will meet the goals of this policy by restricting city-controlled funding for low-income housing in "impact areas" (areas determined to have high concentrations of poverty). For the purpose of this policy, "city-controlled funding" includes HOME, CDBG and HOPWA funds and low interest loan programs.

**Affordable Housing/Permanent Supportive Housing  
Request for Proposals (RFP)**

“Impact areas” (see [Location Policy Impact map](#)) are census tract block groups which meet the following criteria:

1. More than 50% of the households in the block group earn less than 50% of median income; or
2. Twenty percent or more of the housing units are public and assisted.

**WHEN DOES THE LOCATION POLICY APPLY?**

The location policy applies if:

1. the proposed housing or shelter is in an “impact area;” and
2. the project requires city-controlled funding; and
3. more than 50% of the units of the proposed housing or housing program (i.e. the Homestead program), or more than 50% of the proposed shelter residents, are expected to be below 50% of median income.

**The location policy does not apply if the proposed housing or shelter will not increase the concentration of poverty.** Examples:

1. Rehab projects in which the current occupants remain or have the right to remain;
2. Home repair loans or assistance for existing homeowners.

**The location policy does not apply to proposed housing which exclusively serves victims of sexual or domestic violence because confidentiality can be essential for this type of housing. However, the Bureau of Housing and Community Development does encourage voluntary compliance with the location policy.**

Finally, the location policy does not apply to projects for which application for funding was made before July 1, 1994.

**EXCEPTION CRITERIA**

If the location policy applies, city-controlled funding will only be recommended if BHCD determines that the housing meets two out of five exception criteria. These criteria recognize that while it is generally in a community’s best interest to discourage further concentrations of poverty in fragile areas, there are also times when the benefits of low-income housing may outweigh the costs.

These five criteria are:

1. The project or proposed project will rehabilitate existing substandard housing to standard condition. Substandard housing means that there are violations of the city building codes.

**Affordable Housing/Permanent Supportive Housing  
Request for Proposals (RFP)**

2. The project or proposed project will provide housing to meet local community need. Neighborhood need can be documented through the use of demographic data as well as with information on the targeted market for the housing. For example, if referrals are coming from a local social service agency already serving area residents then the housing may be seen as meeting community need. Individual letters of support are not adequate documentation of local community need.
3. The project or proposed project will provide housing that meets the objectives of an adopted neighborhood plan or neighborhood revitalization strategy. For example, the Albina Plan is recognized by local neighborhood associations as well as City Council.
4. The project or proposed project has the support of all neighborhood and business associations (recognized by the City of Portland Office of Neighborhood Associations) within 400 feet of the site.
5. The project or proposed project furthers the goals of the shelter reconfiguration plan as the goals relate to the reconfiguration of shelters in the downtown area for homeless singles. See attached table from Strategy for Homeless Single Adults, 11/29/93, page 11.

**WHO WILL ADMINISTER THE LOCATION POLICY?**

The Bureau of Housing and Community Development will administer the location policy. The Bureau will also monitor the policy to determine if it is meeting the stated goals. This includes tracking the location of new publicly funded housing or shelters to modify designated impact areas if necessary. A more extensive evaluation of the project will occur three years after its adoption. This evaluation will include an analysis of whether there are “disparate impact” concerns for consumers of special needs housing and whether or not the policy meets the stated goals.

**DISPLACEMENT**

The Portland Planning Commission raised concerns about the potential for displacement of low-income residents as the result of the location policy and zoning code amendments. The city discourages the displacement of one low-income population by another and BHCD will monitor displacement and include this issue in the extensive evaluation.

**HOW WILL THE LOCATION POLICY BE IMPLEMENTED?**

If the proposed housing will be located in an “impact area”, a majority of the units are targeted for residents below 50% of median income, and the area’s concentration of poverty may be increased, the developer should contact the siting coordinator at the Bureau of Housing and Community Development (Stephen Fulton, (503) 823-2388). The siting coordinator will confirm

**Affordable Housing/Permanent Supportive Housing**  
Request for Proposals (RFP)

whether or not the location policy applies and will issue a memo to that effect within 5 (five) working days.

If the location policy applies and the developer wishes to qualify for city funding, the siting coordinator and the developer will meet to determine whether the project might meet two of the five exception criteria. It will be up to the developer to compile the necessary documentation, although the siting coordinator will be available as a resource. Once all the necessary documentation regarding the exception criteria has been submitted to the siting coordinator, the siting coordinator will determine whether or not the exception criteria have or have not been met. The siting coordinator will issue a memo to the developer within 10 working days after receiving all the needed information.

**APPEAL PROCESS**

Any person who is dissatisfied with a decision relating to qualification under the location policy may file a written request for an administrative review with the Bureau of Housing and Community Development. The appeal must be received within 10 (ten) working days after the decision. The Director of the Bureau of Housing and Community Development will conduct the administrative review, make a decision within 10 (ten) working days, and will notify the parties involved in writing. This decision will be based on information pertaining to the location policy which has already been submitted by the applicant to the Bureau of Housing and Community Development. If the applicant has new information to submit they can reapply for qualification.

**SITE CONTROL**

On occasion, small amounts of city funding are needed for site control and pre-development. Costs linked to obtaining site control are exempt from the location policy. Developers who believe that the location policy might apply to a potential project are strongly encouraged to contact the siting coordinator before obtaining site control. If the location policy applies to the housing or shelter and the exception criteria are not met, then no additional city funding would be available for that project.

If the location policy applies, the siting coordinator will begin a file on the project once the developer obtains site control and applies for city funding. All information in the file will be public information.

**QUESTIONS**

If you have any questions, please contact the Siting Coordinator, Stephen Fulton, 503-823-2388.