Additional funding request could fuel new housing strategies

Dan Saltzman is the Portland city commissioner in charge of the Portland Housing Bureau

BY DAN SALTZMAN
CONTRIBUTING COLUMNIST

Our city lacks the tools and resources to meet our various affordable housing goals. The shortage of affordable housing coupled with skyrocketing rents continue to strain our low- and middle-income families, leaving some lower-income households on the verge of homelessness. For those seeking a pathway out of homelessness, the low vacancy rate offers few openings and steeper screening hurdles to overcome. Last month, Portland was named the most rapidly gentrifying city in America in this century – a phenomenon that is transforming the economic and racial profile of our communities and forcing people of color, the elderly, and moderate-income earners farther away from the opportunities of the central city.

It is a crisis and, as Street Roots observed in a recent editorial, one that is harder to reverse with each passing year. There is already work underway at the city to identify new tools to promote and encourage affordable housing development, but making Portland a more livable city for all of us remains a pressing resource question.

The city's budget surplus projected for the coming year presents us with an opportunity to get serious about our widening housing deficit, lasting solutions to homelessness, and the troubling trend of involuntary displacement. Last week, the Housing Bureau requested more than $7 million in additional funding from the city budget to address these issues. If approved, most of that money would be dedicated to the Housing Investment Fund, a funding source that offers more flexibility than tax increment financing, our current primary funding for affordable housing. While the rules governing tax increment dollars limit our investments in housing development to urban renewal areas, this flexibility would allow us to move more quickly on opportunities to increase affordable housing city-wide, beyond urban renewal boundaries. The ability to quickly act on opportunities to increase affordable housing options is central to our efforts to end homelessness.

This funding would also allow us to take on new strategies to stem the tide of displacement in rapidly gentrifying neighborhoods. Part of this addition to the Housing Investment Fund would go to support land acquisition, a newer strategy for the Housing Bureau. Land acquisition, or land banking, has been identified by several studies as a vital, long-term tool to preserve the racial, ethnic, and economic diversity of neighborhoods. By acquiring land for the purpose of developing affordable housing in the future, land banking will allow us to control costs and address displacement due to gentrification. We see immediate opportunities to implement this in North and Northeast Portland, where rising costs and gentrification have reduced the percentage of African Americans in the total population of the area by nearly half since 1990. What is perhaps most exciting about this opportunity is our ability to match, dollar-for-dollar, city funds with bank and foundation private capital for the purpose of land acquisition.

The Bureau of Housing is also seeking nearly $727,000 to support and strengthen existing efforts to end homelessness in our community. In January – together with Mayor Charlie Hales and representatives from Multnomah County, the city of Gresham, and Home Forward – I voted to approve an action plan to house all homeless veterans in our community by the year's end. It's an ambitious plan, but one we can achieve if we are willing to commit adequate resources.

Another $1.6 million of the Housing Bureau's request would be dedicated to helping a greater number of North and Northeast Portland residents stay in their current homes by expanding housing retention programs to reach those who need them the most. The Housing Bureau has allocated $4 million in tax increment financing over five years to home retention programs like grants and loans for critical

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home repairs, but those funds are limited to the Interstate Urban Renewal Area. Neighbors who live just across the street from those boundaries, and who may be in equal need of loans or grants to repair failing roofs and foundations cannot access those resources. A new roof in the amount of $8,500 for many of these residents, particularly the elderly and disabled, can mean the difference between staying in a family home or being displaced. These General Fund dollars, however, would allow the City to expand these programs beyond the URA boundaries to address the demonstrated need throughout North and Northeast Portland.

Some have called the size of this request bold. I would argue that it doesn't go far enough. These trends demand bold action. These are smart investments that maximize one-time public funds with private partnerships and long-term strategies.