



Portland Housing Bureau

Mayor Ted Wheeler • Director Kurt Creager

December 5, 2017

To: Mayor Ted Wheeler

From: Kurt Creager

RE: Accomplishments in Portland & Next Steps

It has been a great honor to serve as the Director of the Portland Housing Bureau (PHB) under your leadership and previously, under the leadership of Commissioner Dan Saltzman. When I came to Portland in 2015, the PHB was doing compelling finance and development work primarily within the Urban Renewal Areas which comprise less than 15% of the City. In addition, PHB was the conduit for federal community development and emergency shelter programs, countywide. With the full support of two Mayors and the entire City Council, we have have seen the transformation of PHB into a City-wide provider of affordable housing policy, services and financial tools. I summarize these accomplishments because the outcome has been truly transformational:

- N/NE Preference Policy in 2015 – Preference for community residents subject to or at risk of displacement. This pathfinding policy is the first step towards *Restorative Justice* for people displaced due to public action in the historically black neighborhoods of North and Northeast Portland (Albina and Interstate Corridor Urban Renewal Area). People displaced or at risk of displacement from the area will have priority access to housing (rental and homeownership) developed through this initiative. (\$50 Million invested to date);
- Declaration of a Housing & Homeless State of Emergency in 2015 – the SOE led to a 50% increase to the amount of urban renewal funding dedicated to affordable housing (\$270 million additional TIF resources);
- Dedicated Short-Term Rental (Transient Lodging Tax) revenue to affordable housing in 2015 – The City of Portland subsequently moved to securitize the TLT revenue into a general-fund backed revenue bond (\$9.7 million for land acquisition to replace affordable housing lost to the short-term rental platforms);
- Funded Home Forward Voucher Utilization Program in 2015 – The Fall Budget Modification Process included culturally specific navigators, a regional fair market rent study and an eviction prevention program;
- Provided the first tenant protections by any local government in Oregon in 2016 – By requiring a 90-day notice for no cause evictions or rent increases in excess of ten (10) percent, the Portland City Council led by example and motivated the Oregon State Legislature to provide similar statewide tenant protections;
- Worked with the Speaker of the Oregon House of Representatives Tina Kotek and legislative leaders including prime sponsors Senator Alan Dembrow and Representative Alissa Keny-Guyer in 2016 to overturn a 17-year prohibition in Oregon prohibiting Mandatory Inclusionary Zoning;

- Established the Joint Office of Homeless Services with Multnomah County in 2016 – thereby transferring \$25 Million and four (4) staff to the office of the Multnomah County Chair;
- Instituted a Commercial Excise Tax – Beginning in 2016, all residential, commercial and industrial construction projects over \$100K help to capitalize offsets for Mandatory Inclusionary Zoning (\$8-10 million/year);
- Conducted residual land value analyses in over 30 zones within Portland in 2016 – in consultation with a Panel of Experts instituted Mandatory Inclusionary Zoning citywide for all multifamily and mixed use urban projects over 20 units with density and financial offsets;
- Conceptualized the first General Obligation Bond for Housing approved by Portland Voters by over 60% in November 2016 authorizing \$258.4 Million for Low Income Housing (100% below 60% of the Area Median, half of which will be “*family-sized units*” and 600 units will be for people with extremely low incomes at or below 30% of the area median income. The first-bond-funded project, The Ellington Apartments-a 263 unit complex, was acquired within 90 days of voter approval. Convened all community stakeholders in 2017 to conceive the Portland Housing Bond Framework Plan which, by adoption of the Portland City Council, will guide housing bond investments for 5-8 years;
- Implemented Emergency Relocation Protection for Tenants in 2017 – (\$2,700-\$5,000 per unit depending on bedroom count) is provided to any residential tenants (other than in units owned by demonstrably small landlords) experiencing rent increases of more than 10% or who experience no cause evictions;
- Created the Office of Renter-Owner Services within PHB in 2017 and staffed the newly created Rental Services Commission. PHB is actively collecting county wide eviction data; supporting enhanced legal services (quintupling the prior level of effort); providing through grantees and service providers relocation assistance for households that need case management and establishing a City-wide Rental Registration Database;
- With the full support of the City Council, increased the Housing Bureau Budget from \$70 million to \$215 million, a 300% increase in less than two (2) years;
- Increased affordable housing production from 700 units to over 2,000 units within two (2) years. PHB pipeline constitutes over 30 specific projects located within high opportunity areas of the City of Portland. Among the most transformational is the PHB’s partnership with Prosper Portland within the Lents Town Center, within the Interstate Corridor Urban Renewal Area and the USPS/Broadway Corridor where over 700 units of affordable housing are ensured for future generations; and
- Worked with allied bureaus to establish priority permit processing and other process improvements to accelerate the velocity of affordable housing through the permit & design review process citywide.

Bureau staff, management and I have worked tirelessly for the people of Portland. Given these many group accomplishments and the end of the year approval of several momentous projects like Block 45 and River Place Parcel 3, I have decided to explore other opportunities in my field of practice. My last day will be December 8, 2017. I wish you, Mayoral staff, and my colleagues within the City of Portland and our many community partners and stakeholders the very best.

Copies: City Commissioners
 Portland Housing Advisory Commissioners
 General Obligation Bond Oversight Committee Members
 Portland Bureau Directors