

Summer 2016

Living on the Edge: The Forgotten Tribulations of Affordable Housing in the Suburbs

Linn Davis
Portland State University

Follow this and additional works at: <https://pdxscholar.library.pdx.edu/metroscope>



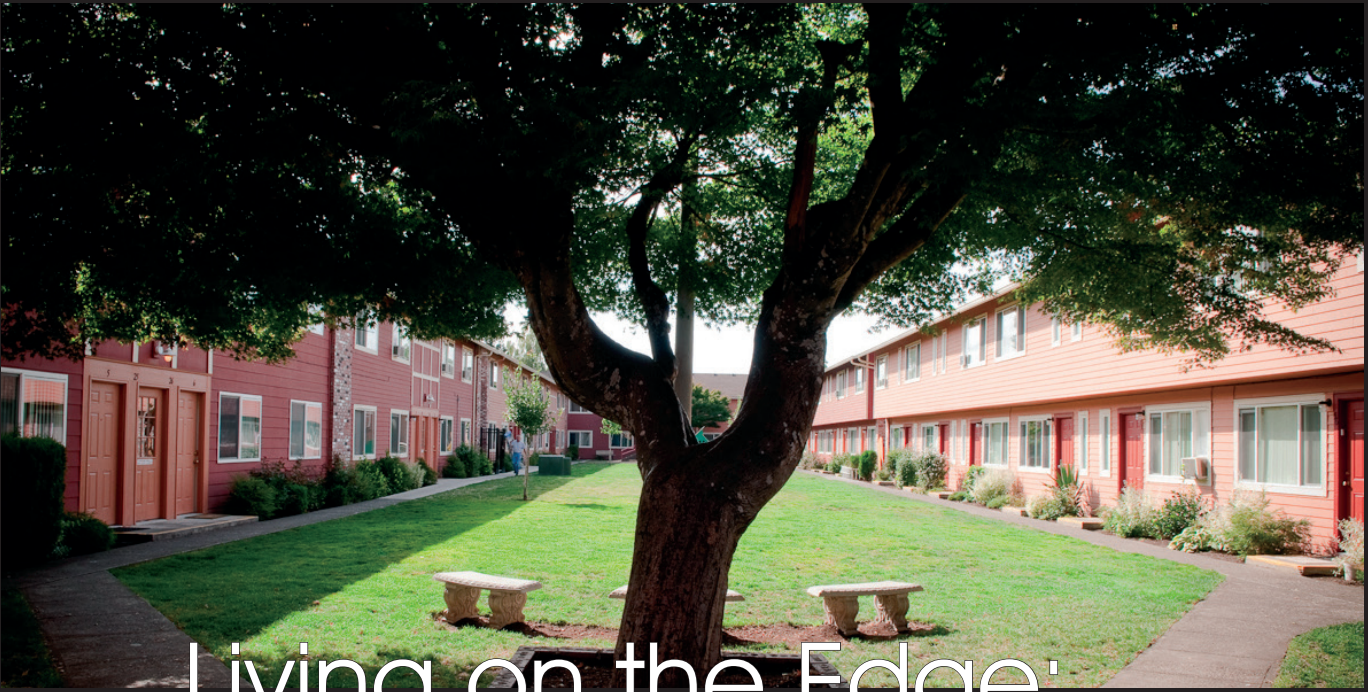
Part of the [Urban Studies Commons](#), and the [Urban Studies and Planning Commons](#)

Let us know how access to this document benefits you.

Recommended Citation

Davis, L. (2016) Living on the Edge: The Forgotten Tribulations of Affordable Housing in the Suburbs. Metroscope, p. 25-30

This Article is brought to you for free and open access. It has been accepted for inclusion in Metroscope by an authorized administrator of PDXScholar. Please contact us if we can make this document more accessible: pdxscholar@pdx.edu.



Living on the Edge:

The forgotten tribulations of affordable housing in the suburbs

by Linn Davis

Portland isn't the only place in the metro area struggling with rapidly rising rents.

Everyone knows about Portland's housing crisis. Even a newspaper halfway across the globe — *The Guardian* in the UK — ran a story last fall that wondered if the city was, in its words, “in mortal danger of being loved to death.”

But Portland isn't the only place in the metro area struggling with rapidly rising rents. According to a Metro housing report released in January, rental housing costs increased in some suburban areas as quickly as they did in parts of Portland. Between 2011 and 2015 in Hillsboro and Forest Grove, for example, rents shot up by the same amount as they did in Southwest Portland (34 percent). And they weren't far behind the 40 percent increases experienced in downtown Portland and the Inner Eastside.

In fact, rents all across the Washington County suburbs from Beaverton to Sherwood increased by nearly 30 percent on

average over those four years, while those in the Camas/Washougal area increased by 25 percent. Within the portion of the metro region covered by the report (only the urbanized parts of Multnomah, Clackamas, Washington, and Clark Counties), even those areas with the most modest increases — Clackamas County, East Portland, eastern Multnomah County, and Vancouver — showed rental price increases of around 20 percent. That's nowhere near the 70 percent increases seen in North and Northeast Portland, but a 20 percent rent rise from 2011 to 2015 is still almost four times the rate of inflation over that same period.

What's more, incomes have come nowhere near to keeping pace. According to the same Metro report, “between 2006 and 2015, rents in the Portland metropolitan area went up by 63 percent, while renter incomes increased by just 39 percent.” Homeowners have done better,

with owners' incomes somewhat beating housing sale prices over the same period, but it is renters who are far more vulnerable to displacement – so a discrepancy between rental prices and renters' incomes is rightly housing advocates' utmost concern.

And the Great Recession, of course, didn't help things.

"We observed profound impacts among our residents," said Ann Blaker, Executive Director of Bienestar, an affordable housing nonprofit with properties primarily in Forest Grove and Hillsboro. Things were bad enough during the downturn that the organization essentially transformed itself to double as a job center for unemployed residents and even hired a counselor to assist unemployed residents suffering from depression. "We did everything we could to keep people employed."

in an article last year: "The recession brought it out of hiding, and turned it into a crisis."

"In Washington County, for example," that article reported, "the total number of homeless people counted in biannual surveys rose from fewer than 200 in 2002 to more than 1,300 a decade later."

Meanwhile, just as housing needs were rising, the recession also put the brakes on new affordable housing development. No one would offer Bienestar financing for new projects, said Blaker, and "the executive director at the time ... kind of kept the organization going by getting grants for resident services."

Even after the recession, according to Blaker, its effects live on.

"I think [the recession] changed development in a lot of ways. You have to be a little bigger, and it's made development a little more challenging."

In other words, smaller affordable housing developers – which most of those working in suburban and rural areas are – building smaller-scale projects now have a harder time finding funding.

Funding Challenges

Recession or not, funding has always been a little tougher for suburban and rural affordable housing agencies. The Housing Authority of Yamhill County, for example, receives no money from either the county or the City of McMinnville, according to its Executive Director, Elise Hui. And whereas larger jurisdictions like Multnomah County and Eugene receive direct allocations of federal money, Yamhill County must

Recession or not, funding has always been a little tougher for suburban and rural affordable housing agencies.



Elm Park Apartments in Forest Grove, Bienestar's first development built in 1984.

For many low-income residents, however, no such help was available, and a new rise in economically driven homelessness, says Emily Lieb, who manages Metro's equitable housing initiative, has driven greater visibility of homelessness in Portland's suburbs. Or as the Oregonian wrote of suburban homelessness

compete constantly with most of the rest of the state for a limited pool of federal funds.

This adds an extra step – and therefore an extra burden – to receiving funding, and, according to Kim Travis of the state Department of Housing and Community Services, this pool of federal funds comes with strings attached. While larger jurisdictions that automatically receive federal cash — called “entitlement” communities — can decide on their own priorities, smaller communities competing for slices of the statewide pie cannot. Their funds have more strings attached and can only be used for certain eligible uses.

This system adds to an already significant discrepancy in resources and financial security between urban and suburban/rural affordable housing agencies. When federal or state grants require a local matching grant, small communities can find it very difficult to locate this companion funding. Often, “there just isn’t a local funding source to make that work,” said Joel Madsen, Executive Director of the Mid-Columbia Housing Authority and the Columbia Gorge Housing Authority, which work in a unique bi-state consortium to serve Hood River, Wasco, and Sherman Counties in Oregon and Skamania and Klickitat Counties in Washington.

Smaller communities not only have more limited funding options; they also have more limited staffing. In some towns, the planning department may simply be more of a “permitting department,” said Madsen, with little capacity to assist affordable housing developers.

But some suburban and rural communities are making changes. Beaverton and Clackamas County have both explored using urban renewal funding for affordable housing, and two housing experts mentioned Bend as a prime example of

how construction excise taxes can be funneled toward low-income housing development. Locally, Metro has established a similar grant program to support small affordable housing projects in the Portland metro area, funded by a regional construction excise tax.

Farmworker Housing

In addition to housing for the general public, farmworker housing is a particularly unique challenge on the outskirts of the metro region.

Farmworkers and their families are a surprisingly large and exceptionally vulnerable segment of the population. According to the Farmworker Housing Development Corporation, which builds and administers farmworker housing in Polk and Marion Counties (just south of the Portland area), Oregon farms and agricultural businesses rely on around 90,000 migrant and seasonal workers each year. Among residents in its housing developments, 76 percent do not have health insurance, 40 percent are “food insecure,” and the median household income is under \$16,000, about one-third of the median household income for Marion County as a whole.

In the past, much farmworker housing was provided onsite by farm employers themselves. When most farmworkers were male – and when most migrated seasonally – this arrangement worked better, although a system where employers had control over both the working and living situations of their employees was always open to abuse. But today, farmworkers have increasingly moved to the region with their families and prefer to live in town, closer to schooling and opportunities for their children, even if that means a long commute to work.

Farmworkers and their families are a surprisingly large and exceptionally vulnerable segment of the population.

Affordable housing providers at the edge of the metro area — like Bienestar, CASA of Oregon, and housing authorities in Yamhill County, the Gorge, and elsewhere — have stepped in to develop farmworker housing closer to town, but it is not without particular challenges. Much of the federal funding for farmworker housing, for instance, comes with stipulations relating to the type and duration of agricultural work at least one member of the household must be employed doing.

“When so many strings are attached to funding sources as far as who can be part of a community,” said Madsen, “it makes it hard to have inclusive communities. We have a diversity in our workforce, and we want to integrate within our developments and within our communities as a whole.”

Local Resistance

While public resistance to new affordable housing exists in places throughout the metro region, the independent power of wealthy suburban cities can make affordable housing initiatives particularly difficult there.

Two enclaves have been targets of particular criticism: Lake Oswego and West Linn.

And two enclaves have been the targets of particular criticism: Lake Oswego and West Linn. Each has a median household income about half again higher than the region as a whole and a white population about 10 percentage points higher than the regional average. And both have a far lower per capita quantity of affordable housing than the rest of the region.

Of the 34,000 affordable housing units Metro counted in Clackamas, Multnomah, and Washington Counties in 2011 (not counting Section 8 vouchers), just 0.1 percent of those existed in Lake Oswego and West Linn, despite those cities accounting for over 3.7 percent of the tri-county population that year.



Lake Oswego's affordable senior complex, Hollyfield Village.

“By contrast,” noted an *Oregonian* article at the time, “one census tract in Gresham, an area of about a half square mile and 5,600 residents, has 637 affordable units, not counting Section 8. That's three and one-half times the units in Lake Oswego and West Linn, which have a combined population of 62,000.”

“They're not providing sufficient housing for the people who work in their community,” said Tasha Harmon, a land trust expert who served on Metro's affordable housing task force in the early 2000s. “We can't have communities that exclude people — that exclude the people who drive the school buses, who work at Starbucks, even who work on the police force.”

And Harmon lays some of the blame for these discrepancies at Metro's feet. The regional government, she claims, “could have put requirements in place



Oakridge Park in



Lake Oswego.

"I wouldn't say Metro failed the region, I would say that the region failed itself."

Former Metro Council member, Rod Park

that they wouldn't approve comp plans or wouldn't add urban land unless [a city] had an affordable housing plan."

But despite an effort by Metro to inventory regional affordable housing and calculate a "fair share" number of affordable units for each municipality, "there were no regulatory changes that had any meaningful impact," Harmon said. "And without regulatory changes, it's not going to happen."

The situation, however, may be more complicated.

In a quote in the *Oregonian* in 2012, Rod Park, a Metro Council member from 1999 to 2010, argued that, "I wouldn't say Metro failed the region. I would say that the region failed itself."

Lieb, manager of Metro's equitable housing initiative, agrees.

"Metro has to walk a delicate balance. The politics in Portland are very differ-

ent than the rest of the region, and many of our councilors' constituencies are suburban. But as the political climate shifts, there may be more of an appetite for a more regulatory approach."

Still, she sees funding as perhaps the more significant obstacle.

"You can't regulate your way into affordable housing — there have to be resources behind it. So we've really shifted from that kind of regulatory conversation to more of a 'how can we support local jurisdictions and develop new partnerships.' There are some people who want stronger regulation and many who would like more funding. We're trying to develop more carrots."

And on both the regulatory and financial fronts, there have been local attempts toward housing provision. Lake Oswego set up an Affordable Housing Task Force, whose 2005 report detailed several dozen recommendations, from requiring a percentage of urban renewal funds be devoted to affordable housing to replacing discretionary standards for new accessory dwelling units (ADUs) with objective ones. It suggested establishing a housing trust fund, and it discovered that — despite the city's high land values — there were nonetheless a fairly large number of underdeveloped properties that could be good candidates for incorporation into a land trust.

Dan Vizzini, who chaired the task force, saw the city council at the time as "a receptive audience."

"I think that they were sincere about it," he said. "They were also fairly realistic. There was not any expectation that they would raise new revenue or redirect existing limited city revenue at least in any near term to address the problem. What the task force was hoping to do was just get the ball rolling."

Even this modest effort, however, ran into serious trouble.

“In the end, nothing was done. It may have been a combination of the Council feeling there needed to be more political work done because there was a pretty strong grassroots movement on the ground to oppose it, innocuous as it was.”

There were also other complex issues on the Council’s plate at the time, said Vizzini, including a major sewer project and a controversial streetcar connection to Portland, but the effort’s primary downfall was public opposition.

“It’s a serious lift to have a conversation in a suburban community like Lake Oswego where there is not a critical mass of public support for housing choice. You had a group in Lake Oswego of churches and synagogues that were actively involved in [providing emergency housing] and very supportive of affordable housing issues, and you had some community activists who were interested in it. But there was not a critical mass of support for it. Most of the populous was suspicious or openly hostile to even studying the issue, let alone having any policies or programs come out of it.”

Vizzini describes an incident at his daughter’s high school graduation ceremony, where he was verbally accosted on the floor of the gymnasium by the father of a boy who had grown up with Vizzini’s daughter.

“I had to stop him and say, ‘Look, can we just have this day to celebrate the lives of our kids?’ That’s how animated people get about this stuff. You couldn’t go into a grocery store without having someone debate with you the reasonableness of even investigating this. You couldn’t go to a soccer game or an open air concert in town without having someone take it up.”

Ultimately, little came of the task force’s

efforts. Even what Vizzini considered the “low-hanging fruit” of streamlining ADU permits was canned. Then in 2010, a political shift brought in a city council majority that was far less amenable to researching affordable housing. Little has happened locally since.

Looking Forward

While unique funding, demographic, and political challenges in suburban and ex-urban communities show no immediate signs of abatement, there have been a few hopeful recent developments.

Several experts pointed to the Oregon legislature’s removal in March of a state-wide ban on construction excise taxes — as part of SB 1533, which also legalized limited inclusionary zoning — as a positive step for small communities searching for local affordable housing funding sources. Earmarking urban renewal funds for housing is another promising option for mid-sized communities.

And even regional housing policy critics like Harmon see reason to hope that regulatory barriers can change.

“We’re at a moment now where we can stand on those foundations” built by Metro’s affordable housing work a decade ago, said Harmon. “At least the language is there, and at least there’s a way to calculate ‘fair share’ that I think is fair. And we have some data to look at – what it was then and what it is now. The question is now: do we have the guts to do something about it? It’ll be a lot harder to do now than it would have been 20 years ago, but how hard will it be 20 years from now?” **M**

Linn Davis is a recent graduate of the Master of Urban and Regional Planning degree program at Portland State University and freelance writer.

"It's a serious lift to have a conversation in a suburban community... where there is not a critical mass of public support for housing choice."

Dan Vizzini, Lake Oswego's Affordable Housing Task Force