

Portland State University

PDXScholar

Master of Urban and Regional Planning
Workshop Projects

Nohad A. Toulan School of Urban Studies and
Planning

6-9-2003

Old Town Fairview: A Neighborhood Analysis and Implementation Strategy

Kristen Godkin

Portland State University

Johanna Hastay

Portland State University

Eve D. Pecos

Portland State University

Cathreen Richards

Portland State University

Thomas Soppe

Portland State University

See next page for additional authors

Follow this and additional works at: https://pdxscholar.library.pdx.edu/usp_murp



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

Godkin, Kristen; Hastay, Johanna; Pecos, Eve D.; Richards, Cathreen; Soppe, Thomas; and Stiffler, Peter, "Old Town Fairview: A Neighborhood Analysis and Implementation Strategy" (2003). *Master of Urban and Regional Planning Workshop Projects*. 137.

https://pdxscholar.library.pdx.edu/usp_murp/137

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

Authors

Kristen Godkin, Johanna Hastay, Eve D. Pepos, Cathreen Richards, Thomas Soppe, and Peter Stiffler

OLD TOWN FAIRVIEW - BUILDING ON HISTORY

A Neighborhood Analysis and Implementation Strategy

June 9, 2003

Prepared for

City of Fairview
Community Development Department
1300 NE Village Street
Fairview, Oregon 97024
(503) 674-6206

Prepared by

2003 Planning Workshop Group
Master of Urban and Regional Planning
Portland State University

Kristen Godkin
Johanna Hastay
Eve D. Pecos
Cathreen Richards
Thomas Soppe
Peter Stiffler

**PORTLAND STATE UNIVERSITY
MASTER OF URBAN AND REGIONAL PLANNING**

Planning Workshop Statement

The Master of Urban and Regional Planning program at Portland State University provides practicing and aspiring planners with knowledge of history, practice, methodology and a consideration of ethical responsibility surrounding the planning profession. The Planning Workshop is the culmination of the Masters Program and it allows students the opportunity to put their knowledge and skills into practice.

Professors

Dr. Deborah Howe
Dr. Steven Reed Johnson
Dr. Connie Ozawa

TABLE OF CONTENTS

Background	Page
Executive Summary	1
Project Statement	2
Project Overview	3
Fairview: A Brief History	5
Neighborhood Analysis	
Demographic Profile	7
Land Use Analysis	9
Housing Condition Survey	14
Community Survey	17
Literature Review: Risk Assessment	20
Policy Review: Encouraging Housing Price Stability	22
Implementation Strategy	
Implementation Strategies	23
Neighborhood Character	24
Safety and Security	26
Rental Housing Issues	28
Housing Conditions	30
Existing Housing Stock	32
Appendices	
Appendix A: Demographic Analysis	34
Appendix B: Housing Condition Survey Methodology and Limitations	37
Appendix C: Letter of Intent	41
Appendix D: Old Town Neighborhood & Housing Assessment Survey	42
Appendix E: Community Survey Methodology and Limitations	44
Appendix F: Literature Review: Risk Assessment	45
Appendix G: Policy Review: Encouraging Housing Price Stability	48
Appendix H: ABC's of Home Buying Education Programs in Oregon	52
Appendix I: Down Payment Assistance Programs	54
Appendix J: Land Trust Resources	55
Appendix K: References	56

LIST OF FIGURES AND TABLES

Figures

- Figure 1: Fairview in the Region
- Figure 2: Map of Old Town
- Figure 3: Map of Building in Fairview Since 1990
- Figure 4: Educational Attainment, 2000
- Figure 5: Racial Composition, 2000
- Figure 6: Old Town in the City of Fairview
- Figure 7: Current Land Use in Old Town
- Figure 8: Old Town Zoning Map
- Figure 9: Old Town Housing by Year Built
- Figure 10: Housing by Year Built
- Figure 11: Old Town Housing by Number of Units
- Figure 12: Number of Houses by Score
- Figure 13: Map of Single Family and Multi-Family Housing Property Values in Old Town Compared to Neighboring Fairview Village

Tables

- Table 1: Income and Housing Costs, 2000
- Table 2: Old Town Land Use by Tax Lots
- Table 3: Potential Additional Housing Units on Vacant Land
- Table 4: Old Town Acres by Zoning Designation
- Table 5: Old Town Housing by Square Feet
- Table 6: Housing Conditions Survey Scores

Background

Background

EXECUTIVE SUMMARY

- Old Town was the original platted twenty-five square block area of Fairview. It currently provides 318 housing units which includes a significant amount of low-cost rental housing. There is a desire by the residents and City of Fairview to promote neighborhood change that keeps housing costs near present levels. This Neighborhood Analysis and Implementation Strategy builds on previous completed plans including the 1997 Old Town Renaissance Plan and the city wide "Vision Plan" completed in 2002.
- The Demographic Analysis found that Old Town is dominated by families with young children. The people of Old Town tend to be working class with 98% non-managerial or professional occupations. The minority population grew at a far higher rate than the rest of the region to almost 30% of Old Town's population. Forty-six percent of all housing units in Old Town are renter occupied and the median household incomes in Old Town have risen at a higher rate than the Portland/Vancouver metropolitan area.
- The Housing Conditions Survey found that the current condition of Old Town's housing is overall good. The survey included variables of housing and yard conditions and design characteristics.
- The Community Survey Assessment suggests that Old Town residents are generally very satisfied with their neighborhood. Many respondents want only minor improvements focused on assistance in maintaining the neighborhood's homes and yards and improved safety and security. Communications between homeowners and renters can also be improved.
- The Comprehensive Literature Review was conducted to assess the likelihood that Old Town will experience gentrification. The results of this review suggest that Old Town is not at an immediate risk for rapidly increasing housing costs.
- The community survey respondents and findings in the Renaissance and Vision Plans helped define themes for the Implementation Strategy, as did the housing condition survey and the literature and policy reviews. These themes include: neighborhood character, safety and security, rental housing issues, housing conditions and housing price stability. The implementation strategies are designed to be applied at a grassroots level that heavily emphasize community participation and are intended to provide guidance to the City of Fairview in their continued planning efforts of Old Town.

PROJECT STATEMENT

The purpose of this document is to develop, identify, recommend and prioritize the steps for an implementation strategy that promotes the ongoing revitalization goals for Fairview's Old Town neighborhood that is both tailored to current residents' needs and existing housing costs.

Communities are stronger when residents are actively involved. The Old Town project's effort utilized a community based collaborative approach that included Old Town residents, absentee land owners, the City of Fairview planners and the Portland State University project team. The specific steps included: a demographic profile, a land use analysis, a survey of current housing conditions, a community survey of residents' perceptions of their housing and neighborhood, a review of relevant literature regarding the risk of housing price increase and a review of policies that can influence housing price stability.

The demographic profile was used to illustrate the characteristics of the people the project was intended to serve and how they compare to the rest of Fairview and the Portland/Vancouver metropolitan region. A land use analysis was conducted to find the current proportions of different land uses, the distribution of housing types, current zoning designations and how well they fit together. The housing conditions survey revealed the overall housing characteristics of Old Town and the common problems found among individual houses, as well as gave an accurate count of total housing units. The housing conditions survey also included an overview of prominent architectural styles to assess the neighborhood's appeal to certain types of potential buyers. The community survey was conducted as a means to understand the residents' desires and visions for Old Town. The literature review informed a risk assessment of housing price increases that can result from the neighborhood's location, demographics and potential revitalization. The policy review was conducted to find policies that may aid the City of Fairview in maintaining housing price stability in Old Town.

PROJECT OVERVIEW

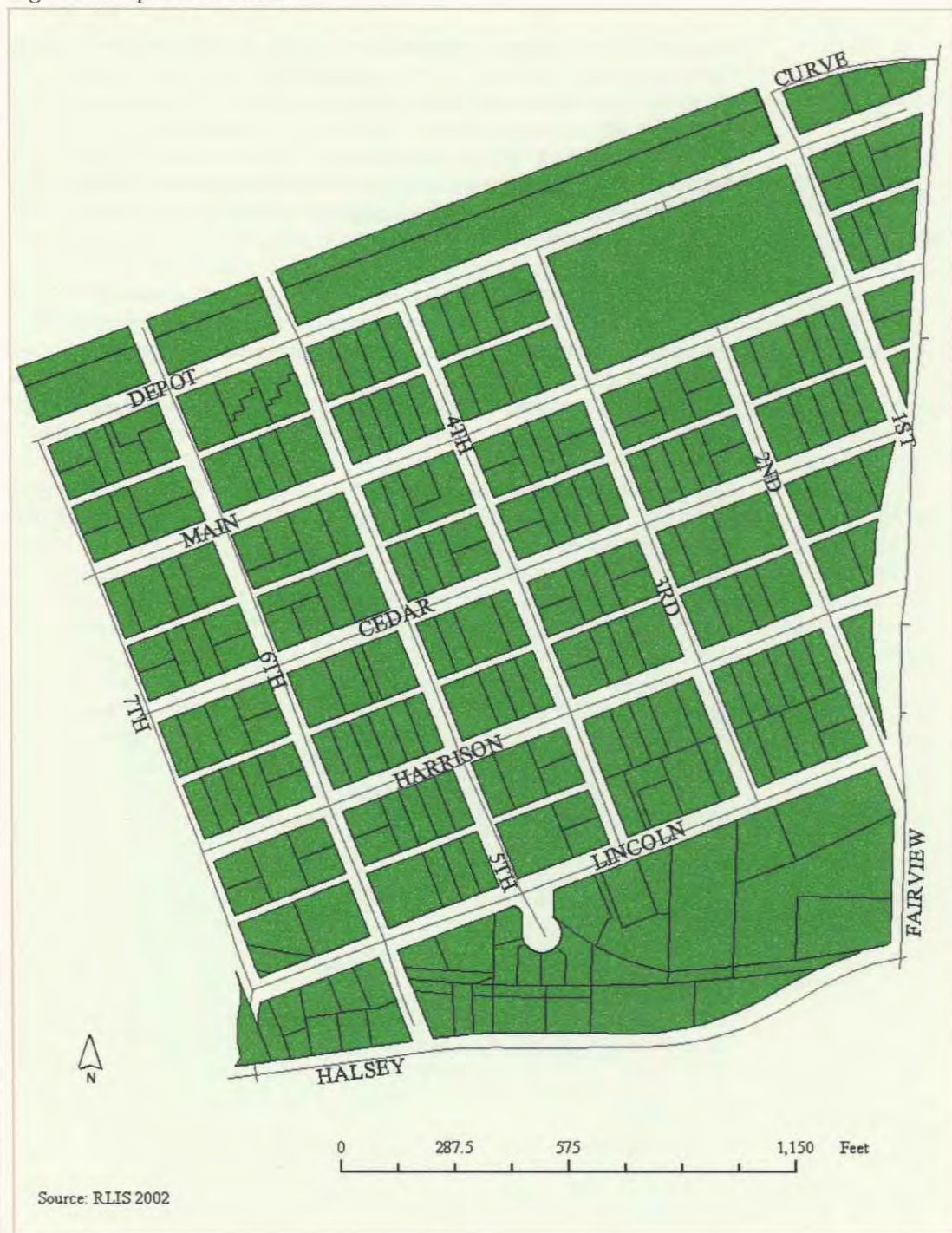
Located on the eastern outskirts of the Portland Metropolitan Area, the City of Fairview has experienced rapid population growth over the past decade (Figure 1: Fairview in the Region). Fairview's total population increased by over 220% between the years 1990 and 2000 to 7,667 people. In some of Fairview's new neighborhoods the growth has been associated with significant infrastructure improvements. Some of the older neighborhoods in Fairview have not seen the same level of improvement, including the original platted twenty-five square block area of Fairview called Old Town (Figure 2: Map of Old Town).

Old Town currently provides a significant amount of relatively low-cost rental housing in Fairview. Old Town's ability to maintain affordable housing can, in part, be credited to its current condition. Improving neighborhood appearance and sharing the benefits of the recent changes in the rest of Fairview with Old Town is important. It is equally important to promote neighborhood change that keeps housing costs near their present levels, as revitalization can ultimately lead to higher housing costs.

Figure 1: Fairview in the Region



Figure 2: Map of Old Town



FAIRVIEW: A BRIEF HISTORY

Established in 1908, Old Town is the original platted City of Fairview. It was quickly recognized for its access to the Columbia River and fertile soil by early settlers, which helped position it as a farming center, primarily for berry production, during the early 20th century. Old Town maintained its position as Fairview's city center as the area grew and was home to Fairview's city hall, post office, commercial center, residential area and the railroad depot. Although the area around Old Town continued to benefit from its close proximity to the Columbia River, the terrain was generally difficult to develop, mainly due to an abundance of natural water features including several wetlands.

In 1954, Fairview was bisected by the development of Interstate 84. There was no exit built for Fairview; therefore, I-84 essentially acted as a bypass. Industry and residential development migrated towards adjacent suburban areas including Gresham and Troutdale. The 1990s brought a rapidly growing population to the Portland region and Fairview was no exception. Development occurred primarily in areas outside of Old Town, primarily around Blue Lake and at Fairview Village (Figure 3: Map of Building in Fairview Since 1990). The Fairview Village development began in 1994 and subsequently replaced Old Town as the city center. Fairview's city hall, police department and post office were eventually relocated from Old Town to Fairview Village.

Renaissance Plan and Vision Plan

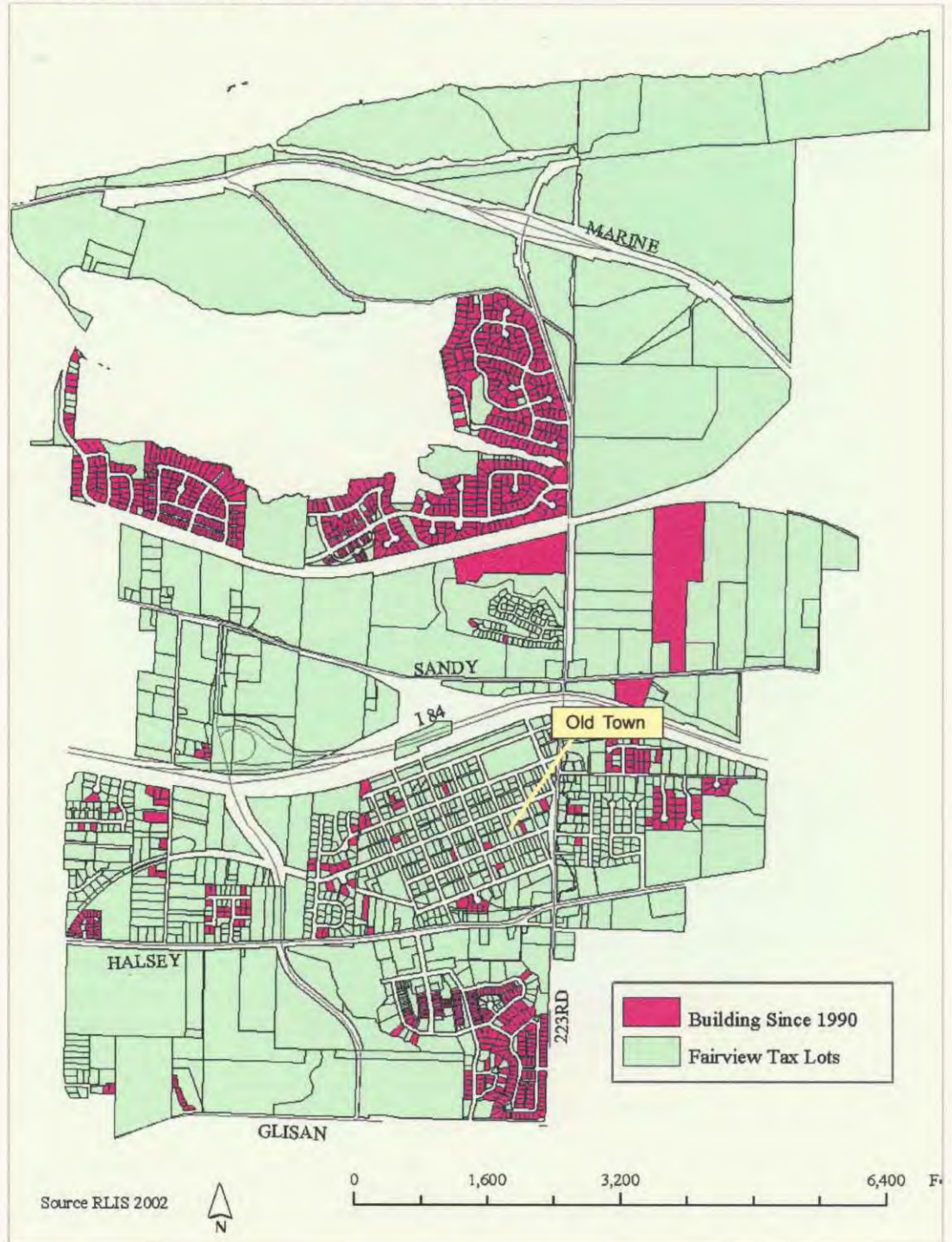
In 1997, Fairview worked with the community to create the Old Town Renaissance Plan. The plan was built around the unique characteristics and qualities of Old Town. It focused on determining what was important to the Old Town residents and identified potential enhancement projects to reestablish the historic character and sense of place. The Old Town Renaissance Plan's efforts included the addition of cobblestone crosswalks at major intersections. The old city hall, located in the heart of Old Town, was converted into a community center, and in 2003 the City of Fairview received a Community Development Block Grant to turn the adjacent parking lot and right-of-way into a plaza, which is currently being designed.

A citywide "Vision Plan" followed the Renaissance Plan. Completed in 2002, the Vision Plan outlines neighborhood goals to strengthen both Fairview's quality of life and economic development. The plan provides guidance to maintain the historic character, retain single-family residential housing, improve existing aesthetics and encourage community building in Old Town. Many of the action items outlined in the Renaissance and Vision Plans have yet to be addressed; therefore this project is intended to be the next step in the Old Town planning process.

Old Town Today

Old Town Fairview is dominated by single family residential housing with a few pockets of multi-family housing found along the edges. The street design is a basic grid pattern with grassy alleyways bisecting every set of blocks. Sidewalks are found infrequently and there are few public open spaces. Many mature landscape features are found throughout Old Town creating a sense of an established neighborhood. The housing stock is a combination of many styles and varying conditions. The few nonresidential properties include: the community center, Fairview elementary school, the abandoned post office building, a stretch of land alongside the Union Pacific railroad tracks and three small plots of city-maintained landscaping.

Figure 3: Map of Building in Fairview Since 1990



Neighborhood Analysis

Neighborhood Analysis

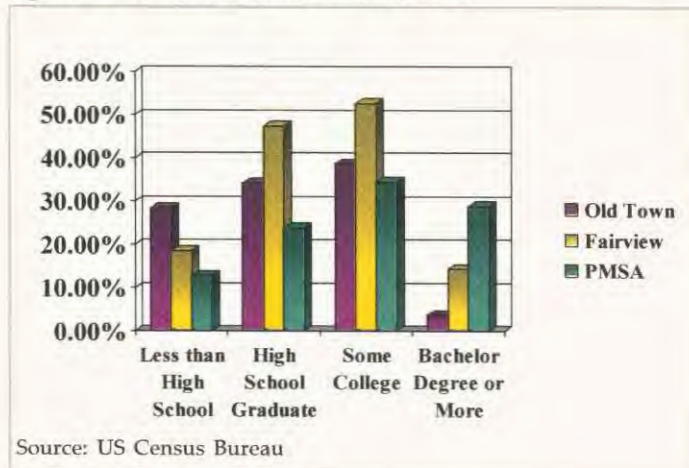
DEMOGRAPHIC PROFILE

Using both 1990 and 2000 U.S. Census data, a demographic profile of Old Town was performed. The profile allowed for a better understanding of the people who live in Old Town, which helped to guide the rest of the project. (Appendix A: Full Demographic Profile).

Old Town is a community of families with young children. Thirty-one percent of families in Old Town are married couple families with children. Almost one-third of Old Town's residents are under the age eighteen (2000). The large population of young families in Old Town is virtually the same as it was in 1990, characterizing it as an established family neighborhood.

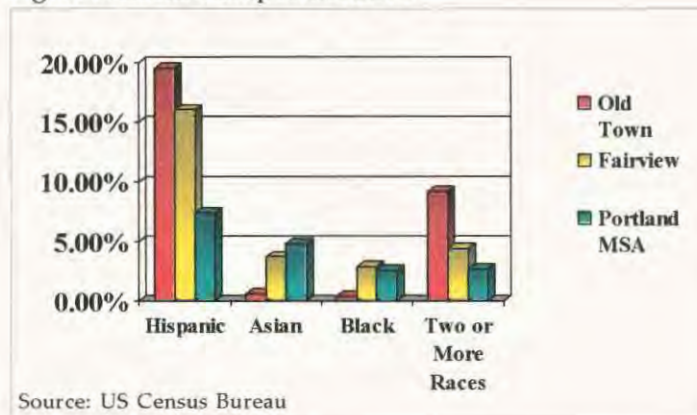
The educational attainment is quite a bit lower in Old Town than in Fairview as a whole (Figure 4: Educational Attainment, 2000). Twenty-eight percent of Old Town residents have not completed high school and only 4% have a bachelor's degree or higher. The people of Old Town tend to be working class with 98% in non-managerial or non-professional occupations. By contract, a third of Portland's population is employed in managerial or professional occupations.

Figure 4: Educational Attainment, 2000



Old Town's racial/ethnic composition is quite unique in the Portland metropolitan region (Figure 5: Racial Composition, 2000). The minority population grew at a far higher rate than the rest of the region's to almost 30% of Old Town's population. Much of the change in the ethnic composition has occurred in the proportion of the population that is Hispanic/Latino. The Hispanic/Latino population in Old Town has grown dramatically over the past decade to 19.5% of the total population. Old Town's second largest minority group is composed of those who claim two or more races (10% of the total population).

Figure 5: Racial Composition, 2000



Forty-six percent of all housing units in Old Town are renter occupied. One out of five Old Town renters live in overcrowded conditions (a housing unit with more than one person per room). The Hispanic/Latino group accounts for one-third of Old Town's renters. Thirteen percent of the Hispanic/Latino population lives in poverty - 9.8% of the total population (based on a sample population) lives in poverty.

Median household incomes in Old Town have risen at a higher rate than the Portland/Vancouver metropolitan area to approximately \$43,000 in 2000, but remain \$5,000 per year lower than the region. Old Town's housing values have risen at a similar rate to the region, but are \$45,000 below the regional average. Renters' costs have remained lower in Old Town as well, roughly \$100 per month less than the regional average (Table 1: Income and Housing Costs, 2000).

Table 1: Income and Housing Costs, 2000

	Old Town	Fairview	PMSA
Median Income	42,727	40,931	47,077
Median House Value	125,000	184,900	170,000
Median Rental Cost	594	710	672

Source: US Census. Figures reflect year-end 1999 dollars

The majority of people living in Old Town (58%) are native Oregonians.

LAND USE ANALYSIS

A land use analysis was conducted with a Geographic Information System (GIS) and Metro’s Regional Land Information System (RLIS) data, to better understand the current pattern of development in Old Town. The land use analysis was used to illustrate the acreage and location of specific land use types. It included a vacant and nonconforming lands profile to assess Old Town’s potential for future development. By understanding current land use patterns and zoning designations, a profile of Old Town’s future characteristics was able to be estimated.

The City of Fairview currently encompasses approximately 2,027 acres.¹ Old Town incorporates approximately 69 acres, representing 3.4% of land found in the City of Fairview (Figure 6: Old Town in the City of Fairview). Old Town’s 69-acre total includes acres in various land use designations (Table 2: Old Town Land Use by Tax Lots).

Figure 6: Old Town in the City of Fairview



Table 2: Old Town Land Use by Tax Lots

Land use	No. Tax Lots	Acres	Percent of Total Acres
Commercial	5	6.0	8.71%
Industrial	2	3.0	4.38%
Multi-family Residential	10	5.4	7.85%
Single Family Residential	218	45.0	65.42%
Vacant	31	9.4	13.64%
Total	266	68.8	

Source: RLIS 2002

Old Town Fairview has the majority of its tax lots and land acreage in the single family residential (SFR) land use category, representing 65% of the land acreage in Old Town. The multi-family (MFR) land use designation accounts for about 5 acres in Old Town, representing approximately 8% of the total land acreage (Figure 7: Current Land Use in Old Town). Old Town currently has about 9.5 acres of vacant land. To estimate Old Town’s capacity for further residential development a break down of vacant tax lot size by residential zoning designations was performed (Table 3: Potential Additional Housing Units on Vacant Land).

Figure 7: Current Land Use in Old Town



Table 3: Potential Additional Housing Units on Vacant Land

Zone	No. Tax Lots	Units/Lot	Total Potential Additional
R/OTOZ min. lot size > 7,500 s.f.	3	1	3
R/MF lot size > 6,000 s.f. < 10,000 s.f.	1 at 12,150 s.f.	3 per 6,000 s.f.	6
TCC lot size = 7,500 s.f.	1	1	1
TCC lot size > 7,500 s.f.	3 equaling 128,380 s.f.	3 per 6,000 s.f.	63
Total potential additional units			73

Units per square feet (s.f.) was derived from the City of Fairview's zoning code (6/2003)

TCC allows for mixed use commercial/residential

Currently there are 318 housing units in Old Town (total includes single and multi-family housing units). Old Town could support 73 additional residential units, a 23% increase in housing units. There are also 6 nonconforming tax lots that are zoned R/MF and currently have single family units on them. Four of these lots are large enough to support multi-family uses. There are 2 lots over 9,000 square feet that could allow up to 18 additional units (9 each) and 1 lot at 6,848 square feet that could support 3 units, for a total of 21 additional housing units. The addition of these units would require tearing down existing homes; therefore, they have not been added to the total of potential additional units.

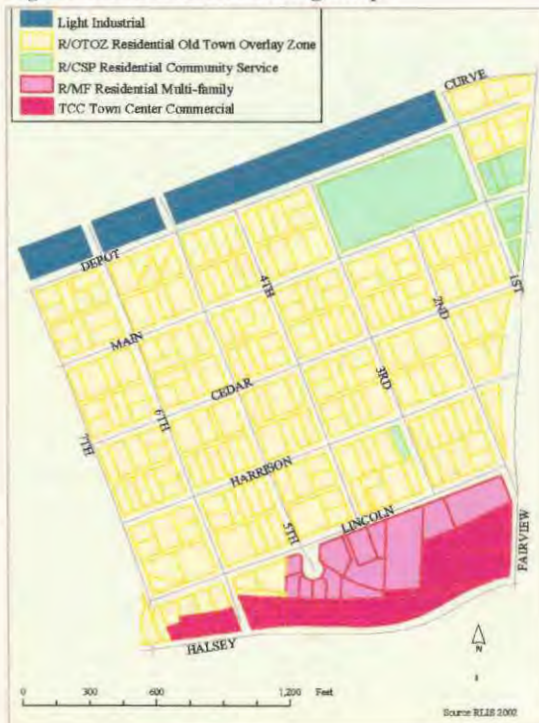
Most of Old Town Fairview is zoned Residential/Old Town Overlay Zone (R/OTOZ). (Table 4: Old Town Acres by Zoning Designation). R/OTOZ requires a minimum lot size of 7,500 square feet per single family unit. The minimum set back requirements are 30 feet at the front of the property, 15 ft. at the back and 5 ft. on each side. Duplexes are only allowed in R/OTOZ with a conditional use permit. R/OTOZ zoning accounts for about 45 acres, or 66% of Old Town's land area (Figure 8: Old Town Zoning Map).

Table 4: Old Town Acres by Zoning Designation

Zone	Tax Lots	Acres
LI Light Industrial	6	6.6
R/OTOZ Residential/Old Town Overlay Zone	220	45.3
R/CSP Residential/Community Service/Parks	8	6.1
R/MF Residential Multi-family	13	5.1
TCC Town Center Community	19	5.9
Total	266	69.0

Source: RLIS 2002. City of Fairview Zoning Code 2003

Figure 8: Old Town Zoning Map



The land use pattern in Old Town supports its identity as a suburban community. There is very little potential for the Old Town neighborhood to lose its suburban identity with its current zoning designations and established land use pattern. Commercial property accounts for 8.5% of Old Town's acreage and it is all located on the south end of Old Town along Halsey Street. All of the light industrial zoned land is located on the north side of Old Town. The parcels that line the railroad tracks are currently owned by the Union Pacific Rail Road Company. Two of the parcels adjacent to Depot Street account for 1.37 acres, are vacant and could support additional light industrial development. There is also some potential for mixed-use commercial/residential development along Halsey Street that is zoned TCC and there is opportunity for additional single family residential development scattered throughout.

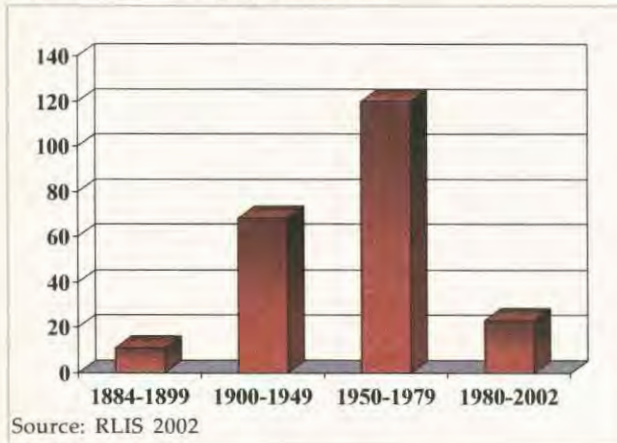
Old Town's current housing stock is a collection of varying styles that have been built over the past 120 years. An analysis performed with RLIS data and a GIS found that the majority of Old Town's housing was built between 1950 and 1979. The years 1900-1949 saw the next highest number of housing units built in Old Town. A map of Old Town's housing by year built, illustrates the variety of housing ages found in Old Town. (Figure 9: Old Town Housing by Year Built).

Figure 9: Old Town Housing by Year Built



The majority of Old Town's current housing stock is older than much of the rest of Fairview's. Few housing structures have been built in Old Town since 1980. If the additional vacant residential zoned parcels were built out in Old Town, units built after 1980 would total 96 and the amount of old housing and new housing would be roughly proportional, based on adding the 73 units determined by zoning and vacant land totals (Figure 10: Housing by Year Built).

Figure 10: Housing by Year Built



The analysis with RLIS data indicated that the majority of housing in Old Town is 1000-1499 square feet. It is also notable that 47 houses (20%) are less than 1000 square feet. The full break down of Old Town housing by size is as follows. Housing units include multi-family structures. (Table 5: Old Town Housing by Square Feet).

Table 5: Old Town Housing by Square Feet

Square Feet	No. Houses	Percent of Houses
528-999	43	19%
1000-1499	95	42%
1500-2000	67	29%
2000+	24	10%
Total	233	

Source: RLIS 2002

None of the buildings under 1000 square feet were found on lots large enough to support more than one separate unit under the existing zoning designations (except in the case of duplexes, which can be built with conditional use permits). Although these smaller homes do face the possibility of being torn down to make way for larger homes and, more likely, having additions built on to them, they are not found within a zoning designation that makes them likely candidates for replacement by additional housing in Old Town.

HOUSING CONDITION SURVEY

To further understand the residential characteristics of Old Town, a survey was conducted to qualify and quantify the current conditions of the housing stock. The survey included variables on housing and yard conditions and design characteristics. The condition of roofs, paint, siding, windows, doors, stairs, porches and outbuildings if present, foundations, walls, yard maintenance and storage issues were evaluated. All of the data collected during the housing conditions survey was tabulated and joined to the existing RLIS data set. Each tax lot was included in the Old Town tax lot data set and had a field for each of the analysis variables. The housing conditions analysis was conducted with a GIS (Appendix B: Housing Conditions Survey Methodology and Limitations).

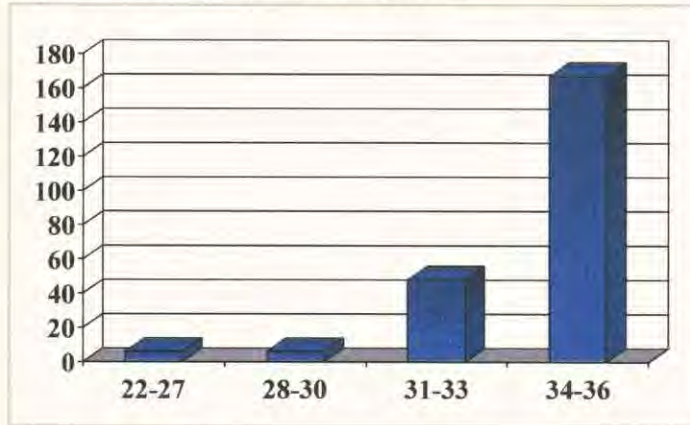
The survey results were used to update the RLIS data's number of units per structure field and were mapped with the GIS (Figure 11: Old Town Housing by Number of Units). A concentration of 2-unit housing is found along Depot Street between 3rd and 6th Streets. There is also a grouping of 2-unit housing on Harrison Street between 6th and 7th Street. Multi-family housing (3 units or more) is found primarily along Lincoln Street. There is one 3-unit structure located on the east end of Harrison Street. Other than this single structure, all multi-family housing is located on Lincoln Street. The location of housing by single family (1- and 2-units) versus multi-family (over 3-units) in Old Town shows a distinct and typical pattern that virtually concentrates all multi-family housing in one area of the neighborhood. The survey data also indicated that ranch style architecture is the most prominent style in Old Town.

Figure 11: Old Town Housing by Number of Units



The current condition of Old Town’s housing is, overall, good. The score for each unit was tabulated and grouped by quartiles (quartile groupings equal 100%-75%, 75%-50%, 50%-25% and 25%-0 of the total scores) based on the highest and lowest scores tabulated from the survey (36 was the highest possible score, 22 was the lowest tabulated score, zero was the lowest possible). The number of units in each quartile grouping illustrates that the majority of Old Town housing is in relatively good condition based on the survey (Figure 12: Number of Houses by Score).

Figure 12: Number of Houses by Score



The analysis conducted with the GIS illustrated that the houses with the lowest scores are dispersed throughout the Old Town neighborhood, indicating there is not a section in the neighborhood with a disproportionate share of poor housing conditions.

The housing analysis also found that the most frequently occurring housing problems were with roofs and gutters. Outbuildings, yards with trash and junk and paint quality were the next most troublesome housing problems. This was determined by the greatest number of houses with the lowest scores, per variable (Table 6: Housing Conditions Survey Scores).

Table 6: Housing Conditions Survey Scores

	Structure	Paint	Siding	Roof/Gutters	Wnd/Doors	Outbuilding	Landscape	Vegetation	Trash/Junk	Storage	Parking	Sidewalk/Driveway
Score	Number of Housing Units per Variable											
0	1	1	1	1	0	1	0	0	1	0	1	2
1	4	12	11	24	5	14	2	0	14	2	7	2
2	8	55	15	69	5	5	4	10	9	10	9	9
3	234	179	220	153	237	227	241	237	223	235	230	234
	Total of Variables by the Lowest Scores (0 and 1)											
	5	13	12	25	5	15	2	0	15	2	8	4

Conclusions

Old Town is currently, and is likely to stay, strictly a residential community due to its zoning and established land use pattern. It is dominated primarily by ranch style housing that was built between 1950 and 1979. There are also eleven houses in the Old Town neighborhood that were built before 1900 that could be recognized for their historic status. A majority of the houses in Old Town are 1000-1499 sq. ft. in size and are for the most part in good condition. It is also noted that Old Town has 47 houses (20%) that are under 1000sq.ft that may be replaced or expanded into larger homes. The most frequently occurring housing problems, as indicated in the housing survey, are with roofs and gutters, outbuildings, trash/junk in yards and the condition of paint.

COMMUNITY SURVEY

To better serve the residents of Old Town, a direct assessment of their neighborhood and housing perceptions was conducted with a door-to-door survey. The community survey was designed and implemented to document the residents' opinions. A Letter of Intent was sent out in early April to inform residents. (Appendix C: Letter of Intent). The survey was broken into two assessment sections: neighborhood and housing. Questions were directed at finding the perceived housing and neighborhood strengths and weaknesses (Appendix D: Sample Old Town Neighborhood and Housing Assessment Survey). There were sixteen questions total and the survey took approximately five to ten minutes to administer to each participant. Forty-eight surveys were gathered from respondents found at home. Copies of the survey were left at all other housing units for residents who were unable to participate on that date. Nine additional surveys were collected from those left at the houses. Surveys were also mailed to absentee property owners; seven were filled out and returned. A total of sixty-four surveys were completed and used for the analysis.

Generally, the survey respondents were owners of single-family dwellings who had lived in Old Town an average of 13.4 years. The findings generated from the community survey are a summation of the residents' descriptions and explanations in response to the survey. Early in the analysis, it was noticed that the mailed in and dropped off surveys tended to have more negative answers than those collected door-to-door. All results from all surveys; however, were included in the analysis (Appendix E: Community Survey Methodology and Limitations).

Respondents' Perception of the Neighborhood

Responses from the sixty-four surveys were categorized into seven total themes: community network, neighborhood character, public infrastructure, safety and security, renter's issues, housing conditions and intercultural relationships. The themes were identified from a series of positive and negative comments summarized below:

Positive comments

- strong community network: believed to be a strong and stable community, good family connections, child and animal friendly, and stable neighbors (41 comments)
- neighborhood character: quiet, beautiful, historic, personal freedom, and large yards (26 comments)
- public infrastructure: city maintenance, police and fire protection, churches, schools, library, and public resources (19 comments)
- safety and security: emergency response network, safety, security, no crime (13 comments)
- housing conditions: affordable housing, short commutes, proximity to services, and good housing conditions (7 comments).

Negative comments

- neighborhood character: low income residents and social problems, noise, trash, upkeep, transitory neighbors, neighboring areas, high volume of parked cars, child and animal unfriendly (34 comments).
- public infrastructure: speed bumps, storm drainage, street and street light maintenance, county/city property upkeep, signage, school funding, tax money allocation (34 comments).
- safety and security: crime, no police presence, vandalism, drugs/drug dealing, traffic volume and speed (19 comments)
- renters' issues: slumlords, upkeep and cost (7 comments)
- intercultural relationships: a lack of Spanish translation of public documents and meetings notices. Cultural conflict was also cited as an Old Town community weakness, which was specifically defined by the respondent in terms of ethnicity (1 comment).

A further and more detailed discussion of the survey responses is as follows:

Respondent's Perception of Crime as an Issue

Twenty-eight respondents identified that there is a lack of safety and security in Old Town. The respondents who claimed crime as an issue reported: vandalism, mail and identity theft, drug related activities, home break-ins, car theft, gang activity, arson, peeping toms, illegal fireworks and hit and runs as the crimes occurring in Old Town. Many of these same respondents also reported that most crime was committed by juveniles. Respondents stated that the perceived lack of police presence at night exacerbated the crime issue.

Awareness and Participation in Old Town Neighborhood Events

Thirty-six respondents stated that they were aware of neighborhood events and projects in Old Town Fairview. The events and projects identified included: activities at the Community Center, community newsletters, plaza development, annual neighborhood gatherings, restoration of the historic home on Fairview Avenue, riparian restoration efforts, and planning and zoning commission meetings.

- 23% of respondents belong to a neighborhood or community organization.
- 34 respondents indicated that they would participate in a neighborhood gathering, 27 in both trash and yard debris clean-up programs. Twenty-three responded that they would participate in a tree planting event.

Old Town Housing Assessment

One of the most inspiring findings from the community survey is the overall satisfaction the residents have in their neighborhood and homes. Sixty-five percent of the respondents indicated that the condition of their housing unit is good. Twenty-nine percent rated their housing unit as fair, and 6% as poor. Almost every respondent declared that they were personally satisfied with their current housing unit. Seventy-five percent of respondents stated that their housing unit is adequate for their household's needs. Most of those who found their housing inadequate stated size as the reason.

Sixty-five percent of renters that were surveyed stated that they would consider taking out a low-interest loan to purchase a home in Old Town. Thirty-seven percent of homeowners surveyed said they would consider taking out a low-interest loan to finance a remodel or renovation of their home. The most common reason for those not interested in loan programs was that they had already remodeled or were in the process of financing a remodel. Others responded that they would prefer to finance home improvements without taking on loan debt.

Thirty-two respondents stated that the condition of housing in Old Town Fairview has improved since they have lived there. Twenty-two thought that housing conditions had stayed the same and 9 thought that conditions had deteriorated.

Conclusions

The community survey assessment suggests that Old Town residents are generally very satisfied with their neighborhood. Most respondents want only minor improvements focused on assistance in maintaining the neighborhood's homes and yards. They also want crime kept to a minimum with additional police presence. Findings also indicate that some effort needs to be made by the city to address intercultural relationships, specifically language barriers. Communication between homeowners and renters could also be improved.

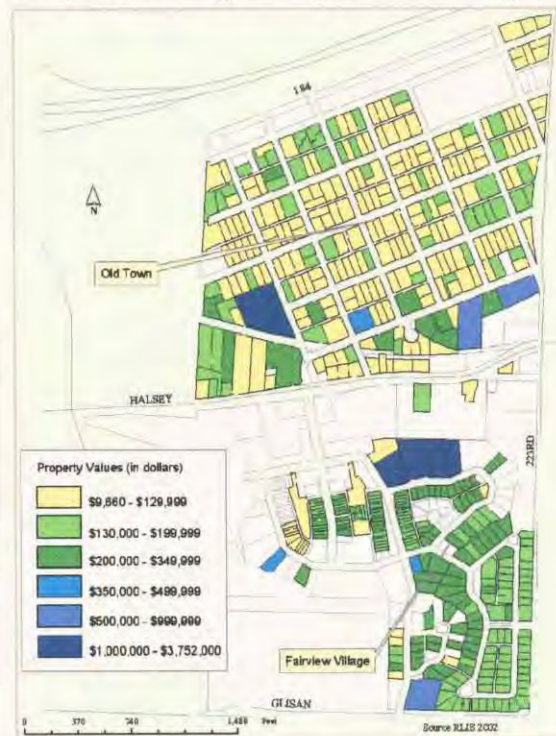
LITERATURE REVIEW: RISK ASSESSMENT

Historical evidence suggests that neighborhood revitalization efforts can often lead to increased housing costs. There are several reasons for this. For example, when a neighborhood and its housing are improved, the neighborhood may become more attractive to a larger group of people, as the neighborhood becomes more appealing, the demand for housing stock within it can also increase, subsequently raising housing values.

Often the people most affected by changes in housing costs are renters. Homeowners may choose to sell and take a profit, making the overall neighborhood more expensive. The owners of rental properties may respond to the higher housing costs by increasing rents. If a neighborhood has a significant number of low income renters, these changes in the neighborhood can induce costs above their ability to pay and ultimately force them to move.

This process of neighborhood change is often termed “gentrification” and it can occur gradually or quite rapidly. In general, Fairview and the entire Portland region have seen a substantial increase in housing prices since 1990. Although increases in the Old Town neighborhood have occurred as well, the housing costs in the Old Town neighborhood remain relatively affordable in comparison to neighboring developments. (Figure 13: Map of Single Family and Multi-family Housing Property Values in Old Town compared to Neighboring Fairview Village).

Figure 13: Map of Single Family and Multi-family Housing Property Values in Old Town compared to Neighboring Fairview Village



A comprehensive literature review was conducted to assess the likelihood that Old Town will experience housing price increases (Appendix F: Literature Review: Risk Assessment). The results of this review suggest that Old Town is not at an immediate risk for rapidly increasing housing costs. Growth in neighboring Fairview developments did not induce housing cost increases out of step with those seen in the region, thus far. Nor did these developments cause significant changes in the demographic mix of Old Town. For example, the neighborhood remains predominately working class, with relatively low educational attainment, a high rate of marriage, and the presence of many families with young children. The housing condition survey indicated that the architectural style of houses in the area is predominately ranch style, built between 1950 and 1979 – a style that has not been associated with rapidly escalating housing values. Research also suggests that small-scale rehabilitation, typical of a grassroots effort, is not likely to create a significant change in housing costs to the surrounding areas.

Since the entire Portland region is growing there is still an underlying potential for an increase in Old Town's housing values. For example, as the rest of Fairview grows, and vacant land becomes scarce, people may start looking to vacant or underutilized land in the Old Town neighborhood. The land use assessment indicated that there are tax lots with houses less than 1000 square feet and existing vacant land that could accommodate 73 additional units. Planners and public officials should remain aware of this possibility and be prepared to address the issue.

POLICY REVIEW: ENCOURAGING HOUSING PRICE STABILITY

To date, the City of Fairview has indicated that they have already met the voluntary affordable housing requirements of Metro. Some residents of Old Town have also indicated in the community survey and in the 2002 Vision Plan that they are not interested in more density or additional multifamily units. In fact, the City of Fairview recently created the "Residential/Old Town Overlay Zone," which increased the minimum lot size requirement from 7,000 square feet to 7,500 square feet (this does allow for duplexes with a conditional use permit).

The literature review also indicated that the Old Town neighborhood is not at a heightened risk for increasing housing values (at least based upon the most current academic research). Nonetheless, there is still a need to plan for affordable housing in the Old Town neighborhood. Many of the residents living in Old Town are relatively low income in comparison to the surrounding Portland region (median incomes are \$5,000 per year less), and the demographic profile illustrated that about 10% of Old Town residents subsist below the poverty level. Therefore, it is important to look at options for protecting these residents, when possible, from regional housing trends.

Through interviews with experts and the review of documents, from various organizations involved with affordable housing issues, several approaches were identified. Some of the approaches identified for sustaining existing housing prices were: maintaining the existing housing supply through policies requiring unit-for-unit replacement of housing lost to demolition; encouraging homeownership through down payment assistance programs, individual development accounts, employee assistance programs, and shared appreciation mortgages; retaining existing rental opportunities and considering more innovative options like land trusts. These policies have proven to be successful in the past in other communities and neighborhoods, individually and when packaged together. (For a complete discussion see, Appendix G: Policy Review: Encouraging Housing Price Stability. Appendix H provides financial and home buyer education resources in Oregon. Appendix I lists existing down payment assistance programs. Appendix J offers resources for developing community land trusts).

(Footnotes)

¹ This total is derived from the sum total of tax lot acreage.

Implementation Strategy

Implementation Strategies

IMPLEMENTATION STRATEGIES

The analysis previously conducted and outlined in this project, including the demographic analysis, land-use and housing conditions analysis, the community survey and the literature and policy reviews, were used to identify and focus implementation strategies. Specific themes for the implementation strategies were developed primarily from survey respondents and previous findings in the Renaissance and Vision Plans. The themes include: neighborhood character, safety and security, rental housing issues, housing conditions and housing price stability. The implementation strategies are designed to be applied at a grassroots level that heavily emphasize community participation and are intended to provide guidance to the City of Fairview in their continued planning efforts for Old Town.

Each implementation theme is accompanied by a brief discussion of what the neighborhood residents and City of Fairview have indicated they wish to accomplish in Old Town and a description of the current conditions. Each implementation strategy is followed by the identification of one primary implementer. Primary implementers may act as the project lead, provide funding and carry out the work involved. Secondary or support implementers are identified next. They may provide a strong role in the actual community effort.

A list of resources is also included to assist City staff in the development of each strategy. Estimated costs, in terms of personal investments of time, energy and city funding, are also identified after each strategy to help the City of Fairview in their prioritization process. The resource costs range from low to high.

This implementation strategy is offered with the hope that the City of Fairview will periodically review it with representative members of the Old Town neighborhood and will work together with the neighborhood to its completion.



NEIGHBORHOOD CHARACTER

Old Town residents expressed an appreciation for their community’s friendliness and strong social connections during the community survey. Several noted that Old Town is an attractive location for families that are looking for a quiet neighborhood that has large yards for children. The survey respondents also voiced pride in the numerous, beautiful, historic homes that added to the unique character of Old Town. This sentiment builds on what was reflected in the 2002 Vision Plan, which identified a strength of Old Town as its, “unique small town character.” The neighborhood is experiencing changes due to growth and some alterations in the demographic mix. The city and residents want to make the changes a positive experience. The community surveys identified some areas of concern that a sustained community effort can help to address.

Community Building

An important first step for the Old Town community is the development of a strong Old Town neighborhood association that includes a representative portion of all residents.

Second, ensuring the livability of Old Town Fairview can be accomplished by addressing cultural conflicts between residents and encouraging them to interact cooperatively in positive settings. Survey respondents noted cultural differences between Hispanic/Latinos and non-Hispanic/Latinos that have caused some stress in the community, effectively identifying the need to strengthen intercultural communication. The Hispanic/Latino community in Old Town currently represents almost a 20% share of the total population, which is too large of a proportion to be ignored. The Hispanic/Latino residents surveyed stated that they were unaware of how to access city resources and support. A network of Hispanic/Latino community liaisons could help to work with community leaders to address specific intercultural issues.

Good Neighbors and Property Maintenance

The community survey uncovered a lack of shared perceptions among Old Town residents regarding matters of land use, noise ordinances, public amenities, and neighborhood character. Several survey respondents also noted a dislike for some the neighborhood residents’ storing cars and other extraneous materials in their yards. These comments corresponded to findings in the housing conditions analysis that identified problems concerning nuisances, specifically yards with old automobiles and appliances stored in them. Some of the noted items can be dangerous, especially to children and animals. The city can reinforce regulations regarding noise and the upkeep of homes and yards. The City can also work together with the residents to provide incentives and help for them to better maintain their property.

*“We love Old Town
because it’s pretty quiet and
we know all of our
neighbors”*

Old Town Resident

NEIGHBORHOOD CHARACTER ACTION ITEMS

Community Building

- 1.1 Establish a neighborhood association to that will serve as a liaison between Old Town residents and the City of Fairview.
Implementer: City of Fairview, interested Old Town residents
Cost: High
Resources: City of Portland Office of Neighborhood Involvement
- 1.2 Establish a community development program targeting bilingual Hispanic/Latino youths in the Reynolds School District.
Implementer: Reynolds School District; City of Fairview
Cost: Medium
Resources: Reynolds School District and the Meecha Club, City of Fairview Community Center Latino Fair, Hansen coordinator, Community Development Network, Hispanic Action Committee (HACER)

Good Neighbors and Property Maintenance

- 1.3 Update and enforce the Nuisance Code to regulate trash, noise, and yard appearance. Continue annual Spring Clean-Up Day and add a Fall Clean-Up Day. Establish an incentive program with rewards to encourage compliance and offer assistance to elderly and disabled.
Implementer: Fairview City Council, City Nuisance Committee, community volunteers
Cost: Medium
Resources: Fairview Planning Commission, City of Fairview Nuisance Officer Tammy Shannon, community volunteers
- 1.4 Offer mediation services to help solve conflicts that occur between neighbors.
Implementer: City of Fairview
Cost: High
Resources: East Metro Mediation
- 1.5 Educate residents about opportunities to make tax deductible donations of unused automobiles and appliances to charitable organizations for tax incentives.
Implementer: Residents, City of Fairview
Cost: Low
Resources: City newsletter, Association of Retarded Citizens, Father Joseph's Village: Drive away Hunger program, Volunteers of America, Veteran's Association, Oregon Department of Revenue, United States Department of Internal Revenue Services
- 1.6 Utilize service-learning programs at local schools to provide auto repair, and other services.
Implementer: City of Fairview and Local Schools
Cost: Medium
Resources: Mt. Hood Community College Volunteer and Service-learning Center, Gresham Alpha High School to Work Program, Reynolds School District



SAFETY AND SECURITY

Old Town Fairview residents have the right to live in a safe and secure neighborhood. One of the most powerful security methods in any neighborhood is active community involvement. Communicating with neighbors, keeping eyes on the street and maintaining good communication with public agencies can thwart potential threats as well as build on the sense of community. There are numerous steps to strengthen community safety and security that are outlined below.

Neighborhood Watch and Police Presence

With the creation of Fairview Village, the Fairview City Hall and Police Department moved their headquarters out of Old Town. This may have created an increase or a perceived increase in crime and a threat to safety and security. The absence of significant police presence has created a perception within the community that crime has increased. Residents would like the police to patrol more frequently and leave police vehicles parked in the Old Town community center parking lot as an extra deterrent to crime.

Youth Programs

The survey respondents indicated that the majority of crime in Old Town is committed by juveniles. The demographic profile indicated that 30% of Old Town's population is under the age of eighteen increasing the odds of youth crime. The Fairview police concur and state that vandalism and juvenile crimes are the second most frequently occurring crimes committed in Fairview (together they account for approximately 11% of all crime). Often crimes conducted by juveniles can be prevented if there are more positive ways for them to spend their time, such as after-school sports, arts programs and youth clubs.

Signage

Many survey respondents noted unsafe road conditions and driving hazards based on a lack of safety signage. Some respondents noted that the new speed bumps/crosswalks are not well identified and cause a hazard. There is also a desire to reduce speed limits around the area, particularly near children's play areas and at school crossings.

"I'm a WWII veteran. There are alot of us in this area of Old Town, and we keep our eyes on the street."

Old Town Resident

SAFETY AND SECURITY ACTION ITEMS

Neighborhood Watch and Police Presence

- 2.1 Combine efforts of a neighborhood watch program with Community Policing to expand policing effectiveness. Target the policing at drug dealing and other recurring problems in the neighborhood.
Implementer: Fairview Police Department, Volunteer Residents, Home Owners Association
Cost: Medium
Resources: National Crime Prevention Council
- 2.2 Maintain parking facility for police vehicle at the community center to discourage vandalism and other crime.
Implementer: Fairview Police Department
Cost: Low

Youth Programs

- 2.3 Expand and promote extracurricular opportunities for community youth to decrease delinquency and loitering. Consider conducting a survey in collaboration with Reynolds High School and Middle School to identify extracurricular interests of local youth. Consider working with local parks and recreation districts to identify and promote possible youth programs.
Implementer: City of Fairview, Reynolds School District
Cost: Medium
Resources: Fairview Parks and Recreation, Department of Public Works, City of Fairview YMCA: contact C. Hansen, Fairview Police Department and the City of Fairview Vandalism Outreach Commission

Safety Signage

- 2.4 Improve signage for “children at play” areas, school crossings, crosswalks, speed bumps, speed limits.
Implementer: City of Fairview Public Works Department, Multnomah County Transportation Department
Cost: Medium



RENTAL HOUSING

Renters make up almost half of Old Town’s population. Community survey results revealed that renters were more likely than owners to rate the condition of their housing as fair or poor. These results indicate that landlords may need encouragement to improve, maintain, and keep an adequate level of concern for their rentals. These changes will not only improve housing safety and livability for renters, but also the overall character of the neighborhood.

The City of Fairview led stakeholders meetings that included absentee landowners, neighborhood tenants and other local residents to discuss the problems and visions for Old Town during the Vision Plan’s planning process. A renewed effort to work with an all inclusive stakeholders group is highly recommended.

Rights and Responsibilities

Renter respondents to the community survey indicated that landlords were not addressing their maintenance concerns. This reveals that there may be a lack of understanding of the legal rights and responsibilities of both tenants and landlords. The community survey identified a need for translation services in the area. Since almost 20% of all renters in Old Town are Hispanic/Latino, language could be a major reason for the lack of understanding regarding renters’ legal rights.

“We’ve lived in this apartment for a long time and our rent went up twice this year. Who can we talk to?”

Old Town Resident

RENTAL HOUSING ACTION ITEMS

Rights and Responsibilities

- 3.1 Educate renters and landlords about their rights and responsibilities by providing them with a copy of the booklet "Landlord-Tenant Law in Oregon" prepared by Oregon Legal Services. Supply both English and Spanish copies of this document in the community center.
- Implementer:* City of Fairview
Cost: Low
Resources: Oregon Legal Services, Oregon Tennant and Landlord Department, Community Development Department, City Attorneys Office
- 3.2 Facilitate all inclusive stakeholders groups that put renters and landowners together to work on Old Town visioning and problem solving.
- Implementer:* The City of Fairview Community Development Department
Cost: High
- 3.3 Form a tenant association to encourage shared knowledge among renters and provide renters with a more powerful stance in relating their needs to landlords.
- Implementer:* Renter Residents
Cost: Low
Resources: Oregon Legal Services, Maryland Renter's Guide: Tenant Organizing



HOUSING CONDITIONS

While the housing survey revealed that most houses in Old Town are in good condition, many properties are still in need of improvements. Providing a means to improve housing conditions in a neighborhood can elevate overall livability and pride in the neighborhood. Housing and yard conditions upgrades can also improve the overall safety of the neighborhood by eliminating the presence of unsafe elements, especially to children and pets

Community Cooperative

The housing conditions survey found some housing condition problems such as weathered roofs, siding and paint to be common throughout Old Town. Neighborhood income levels, as identified in the demographic profile, imply that many of the dwellings may be in disrepair due to residents' lack of financial resources. Organizational efforts to facilitate residents' sharing resources and expertise, along with identifying nonprofit organizations, could help to alleviate this situation.

Existing Home Repair Education Resources

The housing conditions survey also revealed that while many dwellings in Old Town are in need of repair, most needed repairs are superficial rather than structural in nature such as siding, roofs, paint, etc. There are resources that allow for housing to be repaired at little or no cost, and there are accessible establishments where education on do-it-yourself home repair is available. The city can help residents utilize such resources by providing the necessary information.

"Yeah! I'd volunteer to help community members with yard debris, especially if it was my neighbor."

Old Town Resident

HOUSING CONDITIONS ACTION ITEMS

Community Cooperative

- 4.1 Establish community financial pool to buy housing supplies in bulk.
Implementer: City of Fairview
Cost: High
Resources: Neighborhood Association, storage centers, owners of underutilized outbuildings
- 4.2 Create list of residents willing to provide improvement services for reduced price labor and/or barter exchange.
Implementer: City of Fairview or Neighborhood Association
Cost: Low
Resources: Newsletter, community center bulletin board, store bulletin boards
- 4.3 Organize tool cooperative
Implementer: City of Fairview or Neighborhood Association
Cost: Medium
Resources: Neighborhood Association
- 4.5 Strategies to directly improve conditions. Attract Community Energy Project to Old Town to bring weatherization improvements to residences.
Implementer: Community Energy Project
Cost: Medium
- 4.6 Establish annual community painting project.
Implementer: City of Fairview, city residents and other volunteers
Cost: Medium
Resources: Old Town Neighborhood Association

Existing Home Repair Education Resources

- 4.7 Utilize service-learning programs at local schools to provide carpentry and other home improvement services.
Implementer: City of Fairview, Mt. Hood Community College Volunteer and Service-Learning Center, Reynolds School District, Alpha High School
Cost: Medium
- 4.8 Provide notices/ads about Home Depot's free classes on various aspects of home maintenance and improvement.
Implementer: City of Fairview
Cost: Low
Resources: Home Depot, Metro (painting assistance)



HOUSING PRICE STABILITY

Although the literature review, in conjunction with the demographic analysis of Old Town, suggests the neighborhood is not likely to undergo severe housing cost increases in relation to the surrounding area, strategies for maintaining current housing costs are still important. Even if Old Town housing costs do not rise above the regional level, strategies can be employed to help lower-income and other residents deal with the housing price increases brought by normal inflation.

Preservation and Expansion of Supply

The first general approach to encouraging price stability addresses the fundamental mechanism for increases in housing costs – changing dynamics between demand and supply. Housing responds to basic changes in supply and demand much like any other product. In the face of increasing demand, available supply must expand to meet the new demand or housing costs will increase to reflect the scarcity of the existing supply.

Promote Homeownership

The literature showed that homeownership has several desirable qualities, including fostering a sense of community and increasing the stability of a neighborhood. There are multiple resources and means for facilitating homeownership opportunities including down payment assistance programs, individual development accounts, employee assistance programs, and shared appreciation mortgages.

Innovative Options

Another approach focuses on more innovative options for price stability. One of these options is community land trusts. A community land trust places the value of a piece of land in a trust held by a community non-profit. Any land improvements (the physical house etc.) can be owned privately. There is a very strong existing network for land trusts in Portland and Clackamas County which might serve as a resource for guidance.

"Since I bought my house ten years ago, it has tripled in value, but I can't afford that now."

Old Town Resident

HOUSING PRICE STABILITY ACTION ITEMS

Preservation and Expansion of Supply

- 5.1 Preserve existing housing stock by developing more restrictive requirements for new development that is consistent with "Old Town" character. Consider expanding restrictions on redevelopment of parcels that removes older, smaller, houses.
- Implementer:* City of Fairview
Cost: Low
- 5.2 Consider increasing neighborhood infill through streamlining existing allowances for duplexes and accessory units, as well as encouraging the development of the 9.5 acres of currently vacant properties consistent with existing zoning.
- Implementer:* City of Fairview
Cost: Medium

Promote Homeownership

- 5.3 Encourage use of financial education resources offered by private lenders throughout the Portland region. Consider outreach through feature coverage in the current newsletter; publish and provide informational resources at city offices and Old Town's community center.
- Implementer:* City of Fairview
Cost: Low
Resources: Homeowner Education Collaborative of Oregon, Community Development Network, Hacienda CDC, Portland Housing Center, Fannie Mae
- 5.4 Facilitate expanded homeownership options through a variety of proven approaches, including down payment assistance programs, individual development accounts, and shared appreciation mortgages. Work with local employers to develop employer-assisted housing programs for down payments and mortgage assistance. Inquire into the use of HOPE VI and Section 8 financing to assist current residents in directing their use toward monthly mortgage payments.
- Implementer:* City of Fairview
Cost: Medium
Resources: Housing Authority of Portland Fannie Mae, local lenders

Innovative Options

- 5.5 Develop Old Town Fairview Community Land Trust project. Build local knowledge about the land trust concept through feature stories in the community newsletter and outreach.
- Implementer:* City of Fairview, Multnomah County Department of Business and Community Services (BHC)
Cost: High
Resources: Habitat for Humanity



Appendices

Appendices

APPENDIX A - DEMOGRAPHIC ANALYSIS

According to the 2000 Census¹, Old Town Fairview had 892 people, a 14% increase from the 1990 Census count of 790 people. Comparatively, the City of Fairview had an increase of approximately 220%. Much of Fairview's growth can be credited to the annexation of new land by the City and the new housing units built around the Fairview Lake area and Fairview Village. Comparatively, the entire Multnomah County area grew by 13% between 1990 and 2000.

The age composition of Old Town Fairview has remained virtually the same since 1990. Thirty-one percent of Old Town's population is composed of children under the age of 18, the same as in 1990. Both Old Town and the City of Fairview encompass only a small percentage of persons over 65 (about 7%), which is much less than the proportion for the Portland Metropolitan Statistical Area (PMSA) of 10.3%. The majority of Old Town's population is aged between 20 and 65.

Compared to the Portland metropolitan region as a whole, Old Town is an ethnically diverse neighborhood, but not as racially diverse as Portland or the PMSA (Figure 5: Racial Composition, pg. 8). Although the majority of Old Town's population (70.2%) is white, there is also a higher than the regional norm (7.4%) of Hispanic/Latinos. Old Town's population is 19.5% Hispanic/Latino and the City of Fairview's is 16.0% Hispanic/Latino.

Old Town and the entire City of Fairview have experienced a considerable change in their ethnic compositions. The proportion of Hispanic/Latinos in Old Town grew 480%, from 30 people (3.5% of the population) in 1990 to 174 people (19.5%) in 2000. The City of Fairview's proportion of Hispanic Latino population was 4.6% in 1990 and 16% in 2000. Comparatively, the City of Portland's Hispanic/Latino population represents 6.8% of the population, an increase from the 3% in 1990.

About 72% of the households in Old Town Fairview are family households (a family household is defined by the U.S. Census as a group of people living together that are related to the householder by birth, marriage, or adoption). Old Town Fairview has a smaller proportion of single person households (18.5%) than the PMSA (26.3%). Approximately 43% of all households in Old Town include children. This proportion is much greater than the city of Fairview (36%), and the Portland PMSA (32.3%). Thirty-three of the 302 households (10.9%) are single parent households.

Household Type, 2000

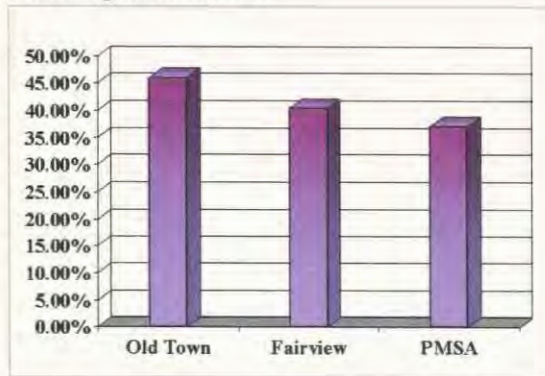


There are 318 housing units in Old Town Fairview, of those 302 are occupied. The proportion of owner occupied units rose from 51.3% in 1990 to 54.0% in 2000. Forty-six percent of occupied housing units are renter occupied, which is considerably higher than in the rest of Fairview and in the PMSA. The City of Fairview's housing is 59.6% owner occupied and the PMSA is 62.9% owner occupied. According to the 2000 Census, 5.0% of the housing units are vacant, slightly less than the Portland PMSA (5.7%).

The average household size in Old town is 2.95 persons per housing unit; the Portland PMSA is 2.54 persons and the City of Fairview's is 2.67 persons. Old Town Fairview has more overcrowded housing units (20%) than the PMSA (a household is considered crowded if there is an average of more than one person per room). Most overcrowding occurs in rental housing units. Comparatively, the PMSA has 9% of its rental units considered overcrowded. In 1990, Old Town had only 3% of renters in overcrowded conditions.

The average length of Old Town residents living in the same house has decreased since the 1990 Census. In 1990, 50.5% of residents had been in the same house for the past 5 years; in 2000, the proportion was down to 45.5%. Other areas in the region have not seen the same decrease in the time living in the same house. Portland's proportion of residents who had been in the same house for the past five years was 45% in both 1990 and 2000. The majority of Old Town residents who did not live in the house for the past five years (52%) had moved to Old Town from within the Portland PMSA. Only 34% of Portland residents that had moved in the past five years had moved from within the PMSA, indicating that residents moving into Old Town are moving from places inside the region and people moving into Portland are moving in from outside the area. The majority of Old Town residents (57.5%) are native Oregonians; conversely, 43% of Portlanders are.

Housing Tenure, 2000



From 1990 to 2000 many changes occurred in the housing and economic markets in the Portland Metropolitan region. Old Town had a greater increase in median income than both the City of Fairview and the City of Portland. To properly compare median incomes between the 1990 and 2000 Censuses the dollar values must be adjusted for the rate of inflation (inflation adjustments are based on the federal CPI index at 1.344 for 1989 to 1999 dollars). Old Town's adjusted median income for 1989 was \$35,448 and the median income for 1999 was \$42,727 a 21% increase. Comparatively, Portland's increased by 13.2% to \$47,077. Even though Old Town's median income rose at a higher rate than Portland's it remains \$5,000 per year lower.

The entire Portland metropolitan region experienced an increase in housing values between 1990 and 2000. Fairview's housing costs increased substantially between 1990 and 2000, although less than the PMSA. The median gross rent increased at a rate of 24% and the median housing unit value increased 76% (adjusted for inflation) in the City of Fairview. Old Town experienced a 21% increase in median rental costs, and a 74% increase in median housing values.

Approximately 9.8% of Old Town's population lives in poverty, a decrease from the 11.9% in 1990. The City of Fairview, as a whole, has 19% of its population living in poverty. Most of Old Town's population that lives in poverty (56.5%) is between the ages of 18 and 64.

The educational levels of Old Town Fairview residents are substantially lower than the City of Fairview's and the City of Portland's. The 2000 Census indicated that approximately 28% of Old Town residents had less than a high school education. In comparison, Fairview had 18.5% of its population with less than a high school education and Portland (12.7%), (population 25 years and older). Sixty-one percent of Old Town residents have at least a high school education, only 3.7% have at least a Bachelor's degree. Comparatively, approximately 14% of Fairview's and 29% of Portland's population have at least a Bachelor's degree.

APPENDIX B - HOUSING CONDITIONS SURVEY METHODOLOGY AND LIMITATIONS

Housing variables used for general descriptions included:

Number of units in structure

Style: Indicates buildings' architectural styles such as: ranch, manufactured home, snout, Victorian bungalow, split level and A-frame

Vacant or abandoned versus occupied

The variables used for the housing conditions ratings were based on a Good =3, Fair = 2, Poor = 1 and Very Poor= 0, evaluation scheme. The evaluations were based on the following criteria: Good condition: building needs no or only very minor repair (e.g. slightly weathered, or minor chips in the paint). Fair Condition: building is in need of moderate repairs, such as broken windows, large patches of unpainted surfaces, areas of damaged siding or roofing material etc. Poor Condition: building is in need of serious repair, such as: boarded up windows, missing siding, warped roof or large sections of roofing material missing etc. Very Poor Condition: building appears to be damaged to the point of recommending demolition.

Points were given for each variable and were added together for an overall description of each property. Variables and the conditions and points of observation included:

Foundation and frame: cracks, holes and structure obviously leaning, bows and warps etc

Chimneys and porches: cracks, leaning, missing boards, missing steps etc.

Paint: Missing sections, chips, cracks etc.

Siding: Missing sections, warped, holes rusted (if metal)

Roof: Warped, bowed missing shingles, too much moss and obvious holes etc.

Gutters: Presence of gutters, missing spouts, pulling away from structure, rusted, holes etc.

Windows and doors: Presence or absence of, broken glass, wood and other materials boarded-up etc.

The yards were rated with the same system (Good-Very Poor) as the housing units: conditions and points of observation included:

Out buildings: Detached garage, granny flat, trailers, storage sheds, green houses: the same criteria as used for the main buildings were used for the out buildings as well as notes on: used for storage, home business and living units.

Landscaping: Presence of intentional or professional landscaping, muddy patches/ overgrown, garden areas, lawns etc.

Vegetation: Overgrown, manicured, trees versus grass, rock gardens etc.

Trash and Junk: Old cars, garbage, old furniture and appliances.

Storage: Items obviously cared for but stored in yard such as cars and appliances that are covered, firewood piles, RVs etc.

Other points of note that were used for overall descriptions included:

Parking: on street, shoulder or sidewalk, driveway, garage, yard, presence of extra RV and trailer parking on or near property. Was parking activity blocking walking paths, streets or creating a nuisance?

Sidewalks, alleys and driveways: Presence and condition of: is it safe to walk and or park on? Bulges or pits in surfaces creating unsafe conditions: irregular gravel, uneven grading and/or pot-holes in dirt or paved surfaces.

Methodology

The housing conditions survey employed many categories in which to classify the housing and established a rating scheme. The first four categories, land use, style, number of units, and vacant/abandoned status were used to classify dwellings for the purpose of achieving a better picture of the housing in the neighborhood as a whole, and were not used to quantify conditions, as were the other categories.

Categorizing land use illustrates how much of the land in the neighborhood is being used for residential purposes and whether tax lots are being optimized to their zoning potential. For example: how many SFR tax lots are there in zoning that allows for MFR; and how much land could be used for housing that is currently vacant? The units' category helped to provide this information with an updated figure of the total housing units in Old Town.

The style category was included for two reasons. One was to allow a description of the neighborhood in the final document based on a quantitative study of what housing styles are most prevalent (i.e. "Old Town Fairview is a neighborhood of predominately ranch houses, with a sizable inventory of bungalow styles homes and the occasional farmhouse, Victorian, or any other of a number of styles."). Two, the style category was used to provide an idea of how Old Town would appeal to home buyers that are most likely to move in and revitalize, subsequently pushing up housing prices. Buyers are willing to pay more of a premium for housing with architectural character (Logan); therefore, a significant amount of historical and/or unusually styled houses in a neighborhood may lead to a greater likelihood of price increases. Old Town's location adjacent to Fairview Village could subject it to these price increases. Many of the older neighborhoods in the Portland area that have significant architectural character, have already experienced such price increases.

The vacant/abandoned status category was used to gauge the underutilization of existing properties. This category can show how much housing could be renovated in order to make room for more residents currently not being served. Underutilized property can also provide more housing supply in a neighborhood, where demand might escalate prices upon revitalization. It can also be used as a measure of the current demand in the neighborhood (i.e. the number of houses that are vacant because they are for sale or rent).

The categories used for the conditions scoring of the dwellings were chosen from a collection of similar housing studies (all studies used to base the evaluation scheme are listed in the reference section). The categories selected cover nearly every aspect of a tax lot's buildings and land. The structure, paint, siding, roof/gutters, and windows/doors variables covered the basic visual aspects of houses and apartment buildings. The structure category was also used to rate the condition of the foundation, frame, porch, steps, and chimneys of the dwellings. The outbuilding field was used to rate the condition of any outbuildings on the tax lots, using all of the same categories that were used for housing and combined into one 0-3 rating. The landscaping, vegetation, storage, sidewalk/drive-

way, and trash/junk categories were created because they cover major aspects of a tax lot's yard and any storage that the yard may be used for. The categories were also chosen due to their importance to the City of Fairview as aspects of the planned revitalization of Old Town. The parking category relates to the yard category, as it measures the amount of vehicles being kept by the households on each specific tax lot. It also illustrates whether off-street parking is being provided at each tax lot.

Limitations

While no major obstacles obscured the general viewing and subsequent rating of the properties in Old Town Fairview, it must be recognized that the following limitations may have skewed the results in less significant ways.

The majority of properties were only viewable from the front and side of the structure, therefore conditions on the backs and some sides may have been missed.

Outbuildings may also have been missed completely due the inability to see every part of the property.

Confusing addresses or lack of address postings for some properties caused some difficulty. Process of elimination was used to pinpoint which address on the address spreadsheet matched the unmarked tax lot. A surprising number of properties on corner lots had dwellings that faced one street but were addressed to the other. One house apparently had its address changed from a Harrison address to a 4th street address, the adjacent cross street. There were no address entries for some of the properties in the RLIS-based excel spreadsheet used for the survey, and a few properties had multiple dwellings with the same address on one tax lot. In some cases, streets had to be traversed several times before surveyors could conclude with a reasonable degree of accuracy which dwellings matched which entries and for which dwellings new spreadsheet entries had to be created.

Judgments on the condition of all the properties were based solely on outside appearance. There may have been major problems that were overlooked due to their only being visible from the interior.

Foundation, wall-leaning or structure buckling as well as porch and stair problems, were based on visual judgments of the surveyors, none of whom are experts on structural problems. While non-expert judgment calls had to be made for every condition category, the structure category stands out as the most problematic.

The arbitrary decisions of how to rate each condition category for each property is also a potential issue. While the tenets of how to rate each house a 0, 1, 2, or 3 for each category, was outlined prior to the survey, judgment calls still had to be made within each category. The scoring was subject to the surveyor's bias. For example, how large do "large patches of unpainted surfaces" have to be before a property's rating is docked accordingly? Each property was rated by one or a combination of three individual surveyors; therefore, no ratings were done by mutually exclusive groups of individuals, keeping judgment inconsistencies between individuals to a minimum. Despite this effort for built-in assurance of consistency, judgment even among the same individuals may have varied throughout the day.

The housing style category involved some arbitrary judgments, and while at least one individual participated in every rating and can ensure relative consistency in how the houses were rated, city officials or others using the results may interpret the categories differently. For example, many small, mid-20th-century houses could be considered either ranch or bungalow style depending on who categorizes them and what visual aspects of the dwelling they based their categorization on.

The housing conditions survey was conducted with no major obstacles. There was a complete lack of confrontation with residents, and favorable weather during most of the survey. Although methodology was limited by logistics and lack of in-depth knowledge among surveyors concerning some aspects of building conditions, the housing conditions survey did result in providing the necessary information to complete the analysis.

APPENDIX C - LETTER OF INTENT

April 7, 2003

Dear Old Town Fairview Resident and Landowners,

At the request of the City of Fairview, members of the Portland State University Urban and Regional Planning Masters program are conducting a project to assess the housing and community needs in Old Town Fairview. They will provide the City of Fairview Community Development office recommendations for revitalizing Old Town based on those assessments.

This letter is to inform you that four members of the team will be in your neighborhood to administer a community survey and observe physical characteristics of the neighborhood the weekend of April 12-13. The team will conduct short interviews at random houses and will leave copies of the survey at all other addresses that can be dropped off at the Old Town Community Center.

If team members should stop at your house, we would greatly appreciate your assistance. The survey is comprised of short answer questions and should take no longer than a few minutes of your time.

The information you give will be anonymously presented, with no addresses or identifying information included. If you would like a copy of the results, please request one from the Fairview Community Development Department.

Thank you in advance for your assistance.

John Andersen, Director
Community Development Department

APPENDIX D - OLD TOWN NEIGHBORHOOD & HOUSING ASSESSMENT SURVEY

Dear Resident and Landowner: At the request of the City of Fairview, members of the PSU Urban and Regional Planning Masters program are conducting a project to assess the housing and community needs in Old Town Fairview. They will provide the City of Fairview Community Development office recommendations for revitalizing Old Town based on this assessment. We ask you that you take a few minutes to complete the following survey and return it in the enclosed envelope by Friday, April 19th. The information you give will be anonymously presented, with no addresses or identifying information included. If you would like a copy of the results, please request them from the Fairview Community Development Department. If you have any questions regarding this survey please contact Johanna Hastay at 503-975-4440. Thank you for participating!

Neighborhood Assessment

1. What strengths does this neighborhood have?

2. What weaknesses does this neighborhood have?

3. Are you aware of any city or neighborhood events or projects in Old Town Fairview?
 (1) Yes, please list _____
 (2) No
4. Is crime an issue in Old Town Fairview?
 (1) No
 (2) Yes, please explain _____
5. Do you, or anyone in your household, belong to any neighborhood or community organizations?
 (1) Yes, please list _____
 (2) No
6. Would you participate in one or more of the following activities if organized?
 (1) Tree planting
 (2) Trash clean up
 (3) Yard debris clean up
 (4) Community social event
7. Do you have school age children?
 (1) Yes, how many _____
 (2) No

Housing Assessment

8. How long have you lived in Old Town? ____ Years
9. Do you rent or own the home in which you live?
 (1) ____ Rent
 (2) ____ Own
10. How would you rate the condition of your housing unit?
 (1) ____ Good, sound condition with few repairs needed
 (2) ____ Fair, functional house, major repair project scheduled in next two years
 (3) ____ Poor, major repairs are overdue
11. Is your present housing adequate for the household's needs?
 (1) ____ Yes
 (2) ____ No, if no, please explain why:
 (1) ____ Too small (4) ____ Too far from work
 (2) ____ Too old (5) ____ Other
 (3) ____ Needs major repairs
12. Would you like to move to different housing?
 (1) ____ Yes, only if it does not increase my costs
 (2) ____ Yes, even if it costs a little more
 (3) ____ Yes, even if it costs a lot more
 (4) ____ No, I am satisfied with my house unit
13. In the time you have lived/owned in Old Town, would you say that the housing has in general,
 (1) ____ Improved
 (2) ____ Deteriorated
 (3) ____ Stayed the same
14. If renting, would you consider taking out a low-interest loan to purchase a house in this community?
 (1) ____ Yes
 (2) ____ If No, why not _____
15. If property owner, would you consider taking out a low-interest loan to finance remodeling or renovating your home?
 (1) ____ Yes
 (2) ____ If No, why not _____
16. If you are a property owner in Old Town, but do not reside there, would you be willing to participate in a discussion about Old Town's future?
 (1) ____ Yes, name: _____
 (2) ____ No

Thank you for taking the time to complete this survey. Your opinions are essential to improving the Old Town Fairview community. Please return this completed survey to the Community Center by Friday, April 19th.

APPENDIX E - COMMUNITY SURVEY METHODOLOGY AND LIMITATIONS

Methodology

Old Town Fairview is made up of 318 housing units (including single family and multi-family units). The PSU project group planned on collecting forty to sixty completed surveys (decided on by a review of similar surveys and methodologies). Sixty-four surveys were actually completed, providing a 21% response rate. Of the sixty-four responses, fifty-seven were community members and seven were absentee landowners.

One week prior to the survey's execution a letter of intent was mailed to every housing unit in Old Town from the City of Fairview (Appendix C). Letters of Intent were also sent to absentee landowners. Surveys and self-addressed return envelopes were included in the absentee landlord's letter of intent packets.

The survey was designed to be as easy and comprehensible as possible to Old Town residents. The one-page survey began with a brief description of its purpose and process. A contact name and number from the project group, was also given for residents who had additional questions. Survey instructions included a request of the residents who were not home during the survey to please complete the survey and return it to the Old Town Community Center, by a specified date. The introduction was followed by sixteen brief questions; seven were open-ended and nine required Yes or No responses. The questions focused on: knowledge of Old Town community activities, ownership rates, renters' satisfaction, individual housing conditions and the overall opinion of the Old Town neighborhood. Prior to conducting the survey, the team tested the survey among each other to confirm that questions could be easily understood and that individual surveyors were able to explain the questions consistently (Appendix D).

Working in pairs, four project members conducted the door-to-door survey. Divided at Cedar Street one pair completed the southern half of Old Town, the other the northern. Each team approached every house in their respective section to conduct the survey. The door-to-door process elicited forty-eight responses. A survey was left in each door of the homes where no one answered; nine surveys were returned from those left at doors.

Limitations

The survey was not provided in Spanish, this factor excluded some Old Town residents from participating. Despite efforts to standardize the process by individual surveyors, the survey was not administered in a uniform manner. Due to constraints on time, inclement weather, and the comfort level of the individual surveyors: some surveys were administered in a way that elicited in-depth interviews while others gathered quick responses, resulting in a varying level of detail between the individual surveys.

The survey did not inquire or factor in information about income, gender, or age that may have had an influence on the respondents' answers. The survey did not include a question about the number of people residing in each housing unit; therefore, overcrowding issues were not addressed.

APPENDIX F - LITERATURE REVIEW: RISK ASSESSMENT

Planning for neighborhood revitalization can often lead to increased housing costs. There are several reasons for this. When a neighborhood is improved, both physically and aesthetically, it can often be perceived as a more attractive location for new people to relocate. As more people move in, the composition of the neighborhood can change dramatically, thus affecting the price of housing.

Often the people most affected by these changes in housing costs are renters. Those that own their own homes may choose to sell and take a profit, causing the overall housing costs in the neighborhood to rise. These rising costs may encourage landowners to charge more for rents. If an area houses a significant proportion of renters, many of whom are low income, these changes in the neighborhood can precipitate higher housing costs above their ability to pay.

This process of neighborhood change can be gradual or quite rapid. In general, the Portland region has seen a substantial increase in housing costs. The demographic analysis revealed that similar increases have been seen in the Old Town, with substantially greater increases in the City of Fairview as a whole. The proximity of Old Town to Fairview Village to the south and the burgeoning development in the Fairview Lake area to the north has heightened concerns that Old Town faces a similar increase in housing costs.

From conducting a literature review on cycles of neighborhood change, two important elements of discussion for evaluating the risk facing Old Town, in particular for renters, (renters comprise 46 percent of Old Town's population), were found. First, there is a need to evaluate the potential that nearby developments may have to act as a "contagion" for housing price increase, to the Old Town neighborhood. Second is the need to assess the likelihood that the population composition will become proportionally skewed toward higher incomes thus higher housing costs.

Fairview Village and Fairview Lake: New Development Contagion

There are very few studies that quantify the impact that new developments impose on the existing nearby neighborhoods' property values. Some studies suggest that although new development can cause increases in neighboring housing values, the effect declines with distance (Wheaton and DiPasqualie, 1999). The lack of quantitative studies has largely been due to data limitations (Clemmer, 2000). Recent findings do, however, empirically confirm a link to higher costs (positive externality) associated with nearby investment. Evidence from Cleveland Ohio finds that within 150 feet from a new development each dollar of additional new investment contributes 6.1 cents to higher values on neighboring units; the effect declines to 2 cents per dollar within a buffer of 150 to 300 feet of new development (Ding, Simons, and Baku, 2000).

The effect of Fairview Village's construction should already be evident in existing land values (see Figure 3, pg 8). Old Town's housing prices (adjusted for inflation) increased by 74% between 1990 and 2000, which is actually lower than the 93.7% for the Portland metro area, indicating that Old Town housing values are not rising at a higher rate than the rest of the region's.

The important question, for this study, is the degree to which rehabilitation (the purpose of this project) affects nearby housing costs. Empirical reference indicates that rehabilitation does affect the cost of neighboring housing, but the cost increases are confined to within 150 feet of the rehabilitation. Moreover, only large-scale rehabilitation projects (greater than \$75,000) were found to significantly impact neighboring property values. Small scale improvements (less than \$15,000) were found to have no significant effects (Ding, Simons, and Baku, 2000). This suggests that small-scale improvements are not likely to result in substantial increases in neighboring property values and are less likely to yield higher rental costs for existing residents.

Neighborhood Cycle Assessment

Most scholars find that neighborhood cycles are induced by a changing mix in the demographic characteristics of residents, in addition to the neighborhood's physical conditions (generally the aesthetics and architecture) (Clemmer, 2000). Indications of the potential for rapidly increasing housing costs are commonly associated with a higher than average increase in the following variables: income, property values, rent, educational attainment, percentage of professionals, and housing turnover (O'Sullivan 1996, Gale 1986 and DeGiovanni 1984). The residents who tend to precipitate escalating housing prices are generally: relatively young, Caucasian, and without children (Kerstein, 1990).² Potential buyers with these characteristics tend to be specifically attracted to architecturally appealing areas with relatively low housing values (Godfrey 1988 and Tobin 1987).

Median household incomes in Old Town increased by 32.7% between 1990 and 2000, which is higher than the 24.7% increase in the Portland metropolitan area, but remained \$5,000 per year lower. The 74% increase in median housing values in Old Town is consistent and even somewhat lower than the surrounding areas. Median gross rent increased by 24.4% in Old Town over the period, compared to 26.2% for the Portland region. By 2000, only 4% of Old Town's adult population had earned a bachelor degree or higher, and a mere 2% were employed in managerial/professional occupations. In Portland, almost 30% of the adult population had earned a bachelor's degree, and 35% were employed in managerial/professional occupations. For both Old Town and Portland, housing turnover in the last 5 years has been about 55%. Old Town's population is in fact relatively young; the majority is married, however (52%) and has children (43%).

Clemmer relates a concise set of variables in determining the process of housing cost appreciation stages. She computed changes in demographic and physical characteristics for Fairview between 1990 and 1996, and speculated that as of 1996, Fairview did not face rapid housing cost appreciation (at least not due to the demographic mix). Re-computing for change between 1996 and 2000, the trend continued to hold. The housing condition survey found that the majority of housing in Old Town is ranch style built in the 1950s through the 1970s and that the existing historic buildings are scattered throughout the neighborhood. Ranch style is not an architectural style that has been associated with rapidly increasing housing values.

Conclusions

The theories and evidence above suggest that Old Town is not at significant risk for rapidly escalating housing costs. Fairview Village did not induce housing cost increases in the Old Town neighborhood that were significantly higher than the rest of Fairview or the Portland Metropolitan area. Nor is the Village's development associated with significant changes in the demographic mix in the study area. The housing condition survey, while noting the presence of some older and "quaint" housing stock in the Old Town area, showed that the neighborhood is better described as containing a combination of different housing types and architectural styles. The changing demographic character of Old Town does not resemble the typical demographic pattern that has generally been found to precede increases in housing costs. Empirical research suggests that mild rehabilitation, typical of a grassroots effort, is not likely to yield a significant change in costs to surrounding areas. Application of these studies is not precise; therefore, planning recommendations include a number of options to offset the potential for future housing cost increases in the Old Town neighborhood.

APPENDIX G - POLICY REVIEW: ENCOURAGING HOUSING PRICE STABILITY

The risk assessment identified that Old Town is not at an immediate risk for substantially increased housing costs; the possibility does, however, remain. Therefore, a study of the approaches for encouraging housing price stability was conducted. The findings from this study are separated into four sections: maintaining the existing housing stock, expanding supply that is consistent with the existing neighborhood character, encouraging homeownership and more innovative ideas like community land trusts.

Maintain Existing Housing Stock

Encouraging stability and keeping housing costs low requires, first and foremost, the retention of existing older housing stock. Demolishing existing housing not only changes the appearance and quality of a neighborhood, but may also increase the cost of living there. Structural limitations and safety liabilities do at times require the removal of existing housing. The land use survey found that Old Town does have existing lots which have redevelopment potential. There are 47 tax lots with houses on them that are less than 1000 square feet, and there are 4 tax lots that have single family use on a multifamily zone, that if demolished could support 21 additional units. Many suggest that municipal policies requiring unit-for-unit replacement of housing lost to demolition can be effective in mitigating the supply lost to housing deterioration (CLF, 1999).

Expand Supply of Housing through Financing Incentives

Since the region is growing, additions to supply are necessary to keep housing prices stable. To expand housing supply, cooperation with the real estate industry and financial lending institutions is essential. The Community Reinvestment Act (CRA), written in reaction to the practice of red-lining by certain financial institutions, has elicited a significant response from the private sector. For example, Fannie Mae has invested over a trillion dollars in the last two years for purchasing loans from primary lenders. Local lenders like Washington Mutual have earmarked \$375 billion over the next 10 years for the same purposes.

These resources provide the opportunity for municipalities like Fairview to provide additional housing as needed. New construction is expensive; therefore, innovative financial tools are needed to keep the costs relatively low and provide a varied mix of housing for differing incomes and household sizes. Soft-second/shared appreciation is an important tool which allows for a mix of housing at different costs. For example, a developer may build a new housing unit and sell it below actual cost, but through the title retain a portion of the future appreciation of the housing unit. Another tool is low-income housing tax credits that allow developers to reduce the financial costs of development through deferred subsidies from local and state governments.

Alternatively, local governments can offer reduced System Development Charges (SDC) to offset development costs for projects aimed at specific income levels. Allowing flexibility in SDC rates which incorporate the social value of differing housing projects, not only helps to encourage the development of lower cost housing, but also provide incentives for responsible development which otherwise might not occur if left to the market to provide alone.

Much of the Old Town neighborhood is built out. The character is uniquely residential and most residents live in single family dwellings. Planning for additional supply should acknowledge this character and consider relatively low-cost infill styles, such as town homes, small duplexes, or manufactured homes as primary low-cost housing alternatives.

The type of housing built also affects the costs associated with expansion. Much of the Old Town neighborhood is built-out. The character is uniquely residential, and most residents live in single family dwellings. Discussions with residents indicate that they value their neighborhood character. Planning for additional supply should acknowledge this character, and consider relatively low-cost infill styles, such as town-homes, small duplexes, or manufactured homes as primary low-cost housing alternatives.

In some areas, particularly the Bay Area in California, Jobs/Housing linkage programs require commercial developers to provide for a share of relatively low-cost housing as a condition for receiving a building permit.⁴

Foster Homeownership in Old Town

Encouraging home ownership in Old Town should be another priority. When residents own their housing, they are more likely to attach personal investment to where they live. This will aid in improving some of the existing housing problems identified in the housing condition survey. Homeownership can also allow residents to build equity, which can help finance improvements, and better position them to reach financial stability.

Often there are barriers to owning a home, however. Although national surveys continually show that the largest barrier to homeownership is securing funds for down payments and closing costs, the provision of funds to otherwise qualified home-seekers through subsidy alone is inadequate. As Richard Anderson, Director of Fannie Mae Partnership in Portland comments, "predatory lending is always considered predatory after the fact." If potential homeowners are not armed the financial knowledge and wherewithal to manage the complexities of homeownership, default and foreclosure are likely. Therefore, expanding homeowner opportunities begins with education – from personal financial education to more specific home-buyer education.

There are a number of educational resources to prospective homebuyers of all income levels. As a part of the new attention paid to previously underserved populations, engendered by the CRA, ample resources from primary and secondary lending institutions have been earmarked to personal finance and homebuyer education programs. A complete listing of education resources in Oregon is provided (Appendix H). Services range from a statewide system of financial education to local lenders like Washington Mutual offering free classes in financial education at local schools.

Even after education, the barriers of adequate down payments and closing costs remain. Fortunately, there is a wide array of resources for financial assistance for these up-front costs. There are federal, state and local assistance programs as well as private for-profit and non-profit programs. In addition, there are a variety of special lending products available, which can be tailored to each individual's circumstances. Please refer to (Appendix I) for a listing of resources available to Old Town residents.

Other innovative solutions have recently been explored, such enabling the use of Section 8 housing subsidy for mortgage payments. Fannie Mae has created a secondary mortgage market for Section 8 financing, which has attracted conventional lenders to these traditionally underserved populations. Subsidies would build equity for the potential homeowner, perhaps helping to alleviate perpetual financial constraints over time.

Financial and homebuyer education is a prerequisite to homeownership. Predatory lending is always considered predatory after the fact. Providing resources to traditionally underserved populations – be it through down payment assistance or high ratio loan-to-value products – will not be helpful without the financial wherewithal to manage personal finances.

Continue to Provide Rental Opportunities

Even if there were unlimited resources, it would be unrealistic to assume that all people currently renting will be able or even willing to purchase a home. Even if ultimately homeownership is possible, transitioning from renting to owning takes time and not everyone chooses it. In either event, preserving rental opportunities for residents of Old Town is essential.

Existing federal and state programs, administered through the Portland Housing Authority for example, offer some resources to those who cannot afford market rental rates. These resources, including Section 8 public assistance, can provide the support municipalities need to meet at least some of the demand. However, these funds can often be targeted in a way as to maximize their benefit to a given community.

Community Land Trusts

Community land trusts are an innovative tool for creating homeownership opportunities, while at the same time mitigating housing price inflation for future generations. A community land trust acquires a site, retains ownership of the land in perpetuity, and sells only improvements to the land (the housing structure) to a private entity. A long-term lease agreement is entered into by both the private party who owns the housing structure and the community land trust which owns the land.

CLT Example Funding Sources:

- County housing authority (Clackamas)
- Donation of property foreclosures (Portland)
- City funding (Portland)
- Local lending Institutions (Centennial Bank, Washington Mutual)
- Community Development Corps/Non-profits (Sabin CDC, Habitat for Humanity)
- Grants (ICE)
- Secondary Mortgage Markets (Fannie Mae)
- Development subsidies, like reduced SDCs.
- Tax-abatement/credits
- Individual and private business contributions

Land trusts are an excellent tool for providing homeownership opportunities to low and moderate income individuals and families. Land Trusts potentially provide for a wide array of housing choices as well as help to encourage neighborhood stability through community investment. Land trusts are complicated products. Representatives at the Portland Community Land Trust reason, "Without community buy-in and understanding, land trusts are not an effective option." Another limitation is in establishing a criteria for who is allowed to enter into a community Land Trust; federal housing legislation limits discrimination in housing based upon race, ethnicity, disability, and other suspect classifications. In general, qualification criteria are established to target individuals and families based upon income, length of residence in the community/locale, and other demographic factors such as single-parent families.

There are a number of resources available to those interested in building political support for the land trust concept, as well as getting a land trust project off the ground (Appendix J). It was suggested by a number of contacts that a pilot project in Old Town for a Multnomah County Land Trust could be feasible, and the County has expressed interest in the idea.

Conclusions

There are a number of separate options to encourage price stability for Old Town in the future. The best approach identified through discussion with local experts is packaging the many options. Although land trusts are an innovative tool on their own, other low cost development strategies, such as tax-abatement and lower SDC charges; the use of low-cost manufactured housing and shared appreciation/soft-seconds, could be used together to create a new land trust at lower costs. Cost is currently the most significant impediment to more widespread use of land trusts. Ultimately, additions to housing supply at the local and regional level is necessary to mitigate recent increases in the demand for housing throughout the Portland region. Many of these strategies are already being employed, and a broad network of resources is available in many areas

APPENDIX H - ABC'S OF HOME BUYING EDUCATION PROGRAMS IN OREGON

Source: Home Owner Education Collaborative of Oregon

Contact: Teri Duffy 503-284-5569

www.hecoregon.org

Clackamas Community Land Trust

Staff Contact: Loretta Walker

2316 SE Willard

Milwaukie, OR 97222

503-654-1007 ext. 114

fax: 503-654-1319

Confederated Tribes of the Warm Springs

Staff contact: Jack Quinn

PO Box C

Warm Springs, OR 97761

541-553-2542

fax: 541-553-3515

Farmworker Housing Development Corporation

Staff contact: Laura Isiordia

1274 N. 5th St. Suite 1-C

Woodburn, OR 97071

503-981-1618

fax: 503-981-3662

Hacienda CDC

Staff contact: Jorge Alvarado

6856 NE Killingsworth

Portland, OR 97218

503-595-2111

fax: 503-595-2116

Housing Authority of Salem

Staff contact: Jill Washburn

P.O. Box 808

Salem, OR 97308

503-390-8008

fax: 503-588-646

Housing Authority of Yamhill County

Staff contact: Karen Brummert

P.O. Box 865

McMinnville, OR 97128

503-434-6571 ext. 307

fax: 503-472-4376

Housing for People (HOPE)
Staff contact: Denise Endow
1308 12th St.
Hood River, OR 97031
541-386-9144
fax: 541-386-9145

Open Door Counseling Center
Staff contact: Carol Berger
34420 SW Tualatin Valley Hwy.
Hillsboro, OR 97123
503-640-6689
fax: 503-640-9374

Portland Community Land Trust
Staff contact: Eden Isenstein
2300 NE Martin Luther King Blvd.
Portland, OR 97212
503-493-0293
fax: 503-493-7333

Portland Housing Center
Staff contact: Roserria Roberts
3233 NE Sandy Blvd.
Portland, OR 97232
503-282-7744 ext. 103
fax: 503-736-0101

APPENDIX I - DOWN PAYMENT ASSISTANCE PROGRAMS

"Pay it Forward" offers up to \$5,000 in down payment assistance for buyers of HOST homes.

Project Down Payment is a Portland Housing Center (PHC) program that offers up to \$7,500 for buyers' down payment and closing costs if several requirements are met.

Project Buy Down is a PHC loan meant to fill the gap between the sales price and the borrower's first mortgage amount. It is available in certain zip codes for buyers at or below 80% MFI.

HomeStyle loan program is provided by Fannie Mae. It is a purchase and rehabilitation loan with a loan amount available that is based on the post-improvement value of the property. It requires a down payment of 5% of the buyer's own funds.

The *MyCommunityMortgage* options from Fannie Mae offers low down payment mortgage options for low-to-moderate income borrowers.

The *Expanded Approval* mortgage from Fannie Mae lets eligible borrowers with past credit issues who do not qualify for low-rate conventional mortgages secure mortgages with rates up to two percentage points lower than conventional mortgages.

The *HomeManager* option from Fannie Mae helps borrowers with little cash savings receive loan approval that includes protection from unanticipated repair and maintenance costs.

HomeStay from Fannie Mae helps cash poor borrowers remain in their homes in the event of hardships caused by job loss, disability or death of the protected borrower.

PaymentPower allows for mortgage financing flexibility, allowing borrowers to miss mortgage payments when need be for a set amount of times.

Oregon State Bond is a purchase program with an income limit of \$57,200 and an interest rate typically 1% below market.

Oregon Mortgage Bankers offers *Home Purchase Assistance Program*, a program which allows borrowers up to \$1,500 forgivable grant for buyers who are at 80% FI or lower.

The *HOUSE* program offers "a temporary interest rate buy down for Oregon State Bond Programs."

APPENDIX J - LAND TRUST RESOURCES

Community Development Block Grant

A federal grant program for community development and urban renewal. Land trusts are one of many community development projects CDBG funding is allowed for.

Portland Community Land Trust Grant Program

Provides grants for down payment assistance for existing land trust projects. This can serve as a model for a potential pilot project in Fairview, in conjunction with Multnomah County funding.

Resources from the Institute of Community Economics

Managing the Money Side: Financial Management for Community-Based Housing Organizations. This deals with accounting and budgeting issues.

A Guide to Resident Selection and Education for Community Land Trusts.

Community Land Trust Homeownership Program Manual. A guide focusing on one land trust's "buyer-initiated" homeownership program.

Video: Homes and Hands: Community Land Trusts in Action explores several CLT's, the perspectives of staff, clients, etc., and the effects CLT's have had on their communities.

Brochure: Introducing Community Land Trusts explains essential tenets of CLT's and why they are useful and important.

The Community Land Trust Handbook describes the CLT model and its theoretical underpinnings and gives practical advice on starting and maintaining a CLT.

The Community Land Trust Legal Manual provides land trusts and their attorneys with legal information regarding organizational structure, separation of land and building ownership, ground leases, and equity limitation.

APPENDIX K - REFERENCES

City Documents

- City of Fairview, Renaissance Plan, 1997.
 City of Fairview, City of Fairview: Visioning Document 2022: A Community of History and Vision, 2002.
 City of Fairview, Development Code effective 2001.
 City of Fairview, Nuisance Ordinance of the Development Code effective 2001.
 City of Fairview Police: Phone Interview June, 2003
 City of Fairview, Zoning Ordinance of the Development Code - updates effective June, 2003.

Secondary Data Sources

- City of Fairview Crime Statistics, 2000.
 Metro RLIS Data, 2002
[United States Census Bureau. http://www.census.gov/](http://www.census.gov/). May 8, 2003.

Articles/Journals/Reports

- Alarie, Martha. (2001). The Costs Associated with Problem Housing in Elmwood: Residential Assessment Worksheet. Center for Environmental Studies, Brown University.
 Alvarez, Jose, Danelle Isenhardt, Mike Liefeld, Jeff Thierfelder, and Jesse Winterowd. (2001). "Shared-Resource Housing: A Contemporary Approach to Community Living." Portland, OR: Portland State University, MURP Workshop Project.
 Atkinson, Rowland. (2000). "Measuring Gentrification and Displacement in Greater London," *Urban Studies*. 37:1, pages 149-165.
 Atkinson, Rowland. (2002). "Does Gentrification Help or Harm Urban Neighborhoods? An Assessment of the Evidence-Base in the Context of the New Urban Agenda."
 Bailey, Nick and Douglas Robertson. (1997). "Housing Renewal, Urban Policy and Gentrification," *Urban Studies*. 34:4, page 516-578.
 Beauregard, Robert A. (1990). "Trajectories of Neighborhood Change: The Case of Gentrification," *Environment and Planning A*, 22, page 872.
 Betancur, John, et al. (1995). Development without Displacement Task Force Background Paper. Chicago, IL: Nathalie P. Voorhess Center for Neighborhood and Community Improvement report to The Chicago Rehabilitation Network.
 Buki, Charles, and Michael Pyatok, and Ed Robbins. (1999). "Creating Wealth: Revitalization and Gentrification," Presentation for Congress for New Urbanism VII: The Wealth of Cities. San Francisco, CA: The Congress for New Urbanism.
 Caston, Lizzy, John Dorwart, Alyssa Isenstein, Christina Robertson, Penelope Sanders, and Matt Wickstrom. (1999). "Portland Community Land Trust: Out Reach Strategy Contract." Portland, OR: Portland State Workshop Workplan.
 City of Affton. (2002) Affton Community Plan, St. Louis, Missouri: Department of Planning, June 2002.
 Clemmer, Gina and Gerard C. S. Mildner. (2000). "Quantitative and Spatial Analysis Techniques for Analyzing Gentrification Patterns," Independent Research Project, Portland State University, September 2000.
 Coalition for a Livable Future. (1999). Displacement: The Dismantling of a Community. Portland, OR: Author.

- Ding, Chengri, Robert Simons, and Esmail Baku. (2000). "The Effect of Residential Investment on Nearby Property Values: Evidence from Cleveland, Ohio," *Journal of Real Estate Research*. 19:1, pages 23-48.
- Godfrey, Brian J. (1988). *Neighborhoods in transition: the making of San Francisco's ethnic and nonconformist communities*. Berkeley: University of California Press.
- Hackworth, Jason. (2001). "Inner-city real estate investment, gentrification, and economic recession in New York City," *Environment and Planning*. 33:863-880.
- Halstead, Leah. (1999). "Gentrification in Multnomah County 1990 to 1996," *Field Area Paper*, Portland State University, June 1999.
- Hartman, Chester et al. (1982). *Displacement: How to Fight It*. Berkeley, CA: National Housing Law Project.
- Jacobs, Allan B. (1985). *Looking at Cities*. Cambridge, MA: Harvard University Press.
- Kennedy, Maureen and Paul Leonard. (2001). *Dealing with Neighborhood Change: A Primer on Gentrification and Policy Choices*, Washington, D.C.: Brookings Institute, April 2001.
- Kerstein, Robert. (1990). "Stage Models of Gentrification: An Examination," *Urban Affairs Quarterly*. Vol. 24, No. 4, page 620-639.
- Krinsky, John and Sarah Hovde. (1996). *Balancing Acts: The Experience of Mutual Housing Associations and Community Land Trusts in Urban Neighborhood*. New York, NY: Community Service Society of New York, Office of Information, Community Service Society of New York.
- Logan, Gregg. (2002). "Capitalizing on Smart Growth Trends," *Advisory (newsletter)*, Los Angeles: Robert Charles & Co. LLC Advisory, Winter 2002.
- London, Bruce, Barrett Lee and S. Gregory Lipton. (1986). "The Determinants of Gentrification in the United States, A City-Level Analysis," *Urban Affairs Quarterly*, 21:3. London, UK: Centre for Neighborhood Research.
- Marcuse, Peter. (1998) "Gentrification, Abandonment, and Displacement: Connections, Causes, and Policy Responses," *Journal of Urban and Contemporary Law*, 28, page 206-07.
- McCarty, Linda. (1992) *Neighborhood Housing Condition Survey Methodology*. Minneapolis: Neighborhood Planning for Community Revitalization (NPRC).
- Metzger, John T. (2000). "Planned Abandonment: The Neighborhood Life-Cycle Theory and National Urban Policy," *Housing Policy Debate*. Vol. 11, No. 1. Washington, DC: Fannie Mae Foundation.
- Portland Development Commission. (2000). *Lents Housing Study*, Portland Development Commission, June 14, 2000.
- Portland Development Commission. (2002). "Economic Revitalization & Involuntary Displacement in North-Northeast Portland: An Issue Analysis," Portland Development Commission, September 2002.
- Redden, Elisa. (1998). *Employer-Assisted Housing Program*. Portland OR: Portland State University, MURP Field Area Paper.
- Tobin, Caroline, Peter Moy, and Ruth Ann Dight. (1987). *Seattle neighborhood planning and assistance study: background report*. Seattle: City of Seattle Planning Commission.
- Trumbull County, Ohio, Planning Commission. (2001) *Housing Condition Survey Summary for the Target Investment Areas Community Assessment Strategy Planning Study*. <http://www.planning.co.trumbull.oh.us/leavittsburg>.
- University of Georgia. (2002). *Milledgeville Housing Survey 2002-2003*. <http://www.faculty.de.gcsu.edu/~rviau/ids/artworks/windshieldsurvey02.html>
- Washington State Department of Community Development. (1992). *Assessing Your Community's Housing Needs*. Olympia: Author.
- White, Betty Jo; Jensen, Marjorie; Cook, Christine. (1992). *Developing Community Housing Needs Assessments and Strategies: A Self-help Guidebook for Non-metropolitan Communities*. Kansas: American Association of Housing Educators.

Key Websites/Organizations Contacted

Albina CDC
Association of Oregon Community Development Organizations
Centennial Bank
City Housing Development, Inc
City of Fairview
Coalition for a Livable Future
Community Development Network
Community Partners for Affordable Housing (CPAH)
Downtown Community Housing Inc. (DCHI)
Fannie Mae Partnership
Hacienda CDC
Home Ownership a Street at a Time (HOST)
Home Street Bank
Homeowner Education Collaborative
Housing Development Center (HDC)
Human Solutions, Inc.
Innovative Housing, Inc.
Institute for Community Economics
Jubilee Communities
LINK CDC
Low Income Housing for Native Americans of Portland, Oregon (LIHNAPO)
Metro
Multnomah County
Neighborhood Pride Team (NPT)
Northwest Housing Alternatives, Inc. (NHA)
Peninsula Community Development Corporation
Policy Link
Portland Community Land Trust (PCLT)
Portland Community Reinvestments Initiatives, Inc. (PCRI)
Portland Development Commission
Portland Housing Authority
Portland Housing Center
REACH Community Development, Inc.
ROSE CDC
Sabin CDC
US Census Bureau
Washington Mutual

FOOTNOTES

¹ Summary Tape File 3 variables were estimated for Old Town using a proportional technique based on population.

² The agents of neighborhood change precipitating rapidly increased housing costs are often termed "rouge-gentrifiers" (DeGiovanni 1984 and Warde 1991).

³ These approaches have been used in some communities in conjunction with Planned Unit Developments. The projects are often best administered, however, by non-profit community development organizations. This is the approach the City of Portland has taken in a number of projects.

⁴ Inclusionary zoning is another option, whereby residential developers are required to contribute a certain share of low cost housing (within varying ranges of MFI income distributions based upon family size, etc.) as a part of a given proposed residential development project. However, in Oregon, constitutional challenges have tabled the tool for current use. These are certainly outside of the scope of Old Town as a neighborhood, but could be part of a larger policy for the City of Fairview as a whole, perhaps in consultation with Multnomah County and/or Metro.