

PDC

PORTLAND DEVELOPMENT COMMISSION

DATE: January 13, 2010

TO: Board of Commissioners

FROM: Bruce A. Warner, Executive Director

SUBJECT: Report Number 10-06
Renewal of Portland Regional Lead Hazard Control Program
Administration Interagency Agreement

EXECUTIVE SUMMARY

BOARD ACTION REQUESTED

Adopt Resolution No. 6761

ACTION SUMMARY

This action will authorize the Portland Development Commission (PDC) to enter into a \$1,490,532, 12-month Interagency Agreement (IAA) with the Portland Housing Bureau (PHB) to continue to administer the Portland Regional Lead Hazard Control Program (PRLHCP). The IAA will run from January 1, 2010 through December 31, 2010.

PUBLIC BENEFIT

The goal of the PRLHCP is to prevent children from becoming lead poisoned by reducing or removing lead hazards in and around their homes. The program will provide financial assistance to approximately 125 housing units over the 12 month contract.

This action will support the following PDC goals:

- Sustainability and Social Equity
- Healthy Neighborhoods
- A Vibrant Central City
- Strong Economic Growth and Competitive Region
- Effective Stewardship over our Resources and Operations, and Employee Investment

PUBLIC PARTICIPATION AND FEEDBACK

PDC has administered this popular grant program for 13 years and already enjoys widespread community support from the public and our partners. No specific public participation or feedback was needed given the noncontroversial nature of the action and the program's successful track record.

COMPLIANCE WITH ADOPTED PLANS AND POLICIES

Administration of the PRLHCP contributes to the following PDC's Strategic Goals:

- Sustainability and Social Equity
- Healthy Neighborhoods

It also contributes to the following PDC Housing Department goals:

- PDC activities contribute to wealth creation for all citizens
- Leverages PDC resources
- Non-Tax Increment Financing (TIF) resources sought and received
- PDC will produce and/or administer incentives and/or provide assistance for 20,000 units between July 2001 and 2011. The lead grant program supports both rental and ownership housing rehabilitation and can be used to provide lead hazard reduction at time of purchase.
 - Produce 1,500 units of rental rehab preservation housing units by 2011
 - Assist 3,000 first-time homebuyers by 2011
 - Repair 800 ownership units by 2011
 - Assist in identifying resources for regional housing development

Implementation of the lead program is also consistent with and supports the City of Portland's HUD- approved 2005-2010 Five Year Consolidated Plan.

FINANCIAL IMPACT

PDC will receive \$1,490,532 for implementation and administration of this program. This will cover all anticipated expenses, currently estimated at \$792,666 for financial assistance, \$674,532 in PDC operating support and \$23,334 for occupant relocation. PDC will be reimbursed 100% of the cost to administer this program consistent with PDC Cost Recovery Policy.

RISK ASSESSMENT

No significant risks identified. PDC has no obligation to continue the PRLHCP beyond the scope and duration defined in the IAA.

WORK LOAD IMPACT

The IAA provides adequate resources to pay for all positions. Existing PDC staff will be utilized to implement the scope of work described in the IAA and the work load impact is already a part of current work plans.

ALTERNATIVE ACTIONS

PDC could choose not to undertake this work, in which case PHB would need to find an alternate service provider to administer the program, or return the grant award to United States Department of Housing and Urban Development (HUD).

CONCURRENCE

PHB and the regional partners support PDC's continued administration of this program.

BACKGROUND

The PHB was awarded a \$4 million dollar Lead Hazard Control grant from HUD for the control of lead-based paint hazards in low income single-family and multi-family housing units in the Portland metropolitan area.

PDC was selected for this contract based upon having run the program successfully over the last 13 years and PDC having met or exceeded all performance goals. In addition, PDC has the qualified staff and internal infrastructure to administer this program on the behalf of the City of Portland.

The City has contracted with PDC to administer a HUD Lead Hazard Control grant since 1998, resulting in remediation of 1,176 housing units.

As part of the Regional Lead Hazard Control Program, PDC coordinates lead hazard inspections, relocation, and lead hazard control work in low and moderate-income homes independently and in association with other programs within the Portland metropolitan area.

This IAA is a one year agreement even though the program is a three year program. This is because the merger between the PDC's Housing Department and the Portland Housing Bureau is expected to be completed prior to the end of this IAA's expiration on December 31, 2010. Once the merger is final it is anticipated that this agreement will be terminated, since PDC lead program staff will then be transferred to the PHB. PDC and PHB management are also aware that they need to sort out how all related grant agreements and loan documents issued for this program prior to the merger will be serviced and transferred as a result of the pending merger.