

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ESTABLISHING AN)
AFFORDABLE HOUSING FUND AND FOR)
AMENDING THE FY 2018-19 BUDGET AND)
APPROPRIATIONS SCHEDULE)
)

RESOLUTION NO 19-4952
Introduced by Martha Bennett, Chief
Operating Officer, with the concurrence of
Council President Lynn Peterson

WHEREAS, voters in the Metro region approved a \$652,800,000 bond measure in November 2018 (the "Affordable Housing Measure") to create affordable housing in the greater Portland region, as described in the ballot title for the Affordable Housing Measure; and,

WHEREAS, the Metro Council has reviewed and considered the need to establish an Affordable Housing Fund to appropriate bond proceeds; and

WHEREAS, the need for the increase of appropriations has been justified; and

WHEREAS, Metro Code chapter 2.02.040 requires Metro Council approval to add any new position to the budget; and

WHEREAS, ORS 294.338(4) allows an increase in appropriations due to the sale of general obligation bonds approved by the voters during the current fiscal year when authorized by an official resolution or ordinance of the governing body stating the need for the recognition, now, therefore

BE IT RESOLVED that:

1. That the Affordable Housing Fund is hereby established as of FY 2018-19.
2. That the FY 2018-19 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Resolution for the purpose of recognizing bond proceeds, approving new FTE and providing for increased appropriations.

ADOPTED by the Metro Council this 17th day of January 2019.



Lynn Peterson, Council President

APPROVED AS TO FORM:



Nathan A. S. Sykes, Acting Metro Attorney

Exhibit A
Resolution 19-4952
Schedule of Appropriations

	<u>Current Appropriation</u>	<u>Revision</u>	<u>Revised Appropriation</u>
Affordable Housing Fund			
Housing		10,000,000	10,000,000
Non-Departmental			
Interfund Transfers		-	-
Contingency		-	-
<i>Total Appropriations</i>	-	10,000,000	10,000,000
Unappropriated Balance		-	-
Total Fund Requirements	\$0	\$10,000,000	\$10,000,000
Total Appropriations	563,730,150	10,000,000	573,730,150
Total Unappropriated Balance	111,789,917	-	111,789,917
TOTAL BUDGET	\$675,520,067	\$10,000,000	\$685,520,067

All Other Appropriations Remain as Previously Adopted

Exhibit B
Resolution 19-4952
Schedule of FTE

	Current <u>FTE</u>	<u>Revision</u>	Revised <u>FTE</u>
AFFORDABLE HOUSING FUND			
TOTAL FUND FTE	0.00	4.00	4.00
TOTAL FTE	923.46	4.00	927.46

All Other FTE Remain as Previously Adopted

STAFF REPORT

FOR THE PURPOSE OF ESTABLISHING AN AFFORDABLE HOUSING FUND AND FOR AMENDING THE FY 2018-19 BUDGET AND APPROPRIATIONS SCHEDULE

Date: January 17, 2019

Presented by: Lisa Houghton 503-797-1829

BACKGROUND

On November 6, 2018, voters in the Metro region approved a ballot measure directing Metro to issue \$652.8 million in general obligation bonds to fund affordable housing investments across the Metro region. Metro's Planning and Development Department is creating an Affordable Housing Bond Program team to manage program implementation, working in collaboration with staff at other designated implementing jurisdictions, including counties, public housing authorities, and eligible larger cities. The team, which will include a combination of existing and new staff, will be charged with building out and administering the program in accordance with the housing measure program framework adopted by Metro Council on June 7, 2018.

The team will be responsible for tracking, evaluating, and reporting on progress toward outcomes; administering and overseeing monitoring and compliance functions; managing a regional affordable housing site acquisition program; providing technical assistance and guidance to implementing jurisdictions and other partners; promoting innovation and results in advancing racial equity throughout implementation; and leading ongoing stakeholder engagement and public information efforts. In addition to current housing program staff, implementing the bond will initially require adding four new members to the team.

To begin the work essential to program implementation, this amendment request includes the following:

Establishment of a the Affordable Housing Bond Fund

Unlike other recent general obligation bond issuances, the planned spring 2019 issuance of the Affordable Housing bonds will be the first in a series of bond issuances. As such, there is not an existing fund to account for the program's transactions. The establishing of a new Affordable Housing Fund is necessary to provide appropriate oversight and accounting for the program's transactions.

Similar to the other general obligations bonds, all debt service payments will be accounted for in the existing General Obligation Debt Service Fund.

This action requests authorization to establish a new Affordable Housing Fund in the current budget year.

Principal Regional Planner, Associate Management Analyst, and two Senior Public Affairs Specialists

Planning and Development is requesting the following 4.00 FTE:

- 1.00 FTE for a Principal Regional Planner who will provide the essential leadership role of Housing Policy Manager. Working closely with the Housing Program Manager, the employee in this position will provide assistance and serve as a key liaison to stakeholders and partners in the bond program work, including community members and organizations, state and local governments, and business and philanthropic organizations. The person in this role will initiate

and lead projects and partnerships that help facilitate optimal use of housing bond funds. This person will work to identify legislative, policy or regulatory strategies that will help facilitate affordable housing supply in the region. The Housing Policy Manager will coordinate and integrate with other housing policy work of the Planning and Development department in growth management and equitable development as well as with work of Parks or other areas of Metro that relate to affordable housing.

- 1.00 FTE for an Associate Management Analyst to assist in ensuring transparency, accountability, and good stewardship of public funds in program investment activities. The employee in this position will help to develop and manage new systems for reporting, monitoring and evaluation to ensure compliance and to track progress toward unit production targets and other desired outcomes. The person in this role will perform program administration; policy and procedure formulation, manage the day-to-day program responsibilities, committee administration and records management for assigned area. Finally, the Associate Management Analyst will support a range of policy research and technical assistance activities, including identifying opportunities to advance racial equity throughout all aspects of the program.
- 1.00 FTE for a Senior Public Affairs Specialist to develop and implement community engagement strategies and partner support. The implementation of the affordable housing program requires public engagement support, especially in light of the commitment to advance racial equity as a key outcome of the program. Metro will be engaging more intentionally and intensively with communities of color and other historically marginalized communities as key stakeholders of the program, and jurisdictional implementing partners will need new guidance and support in their engagement of these communities.
- 1.00 FTE for a second Senior Public Affairs Specialist to focus on creating and disseminating written and multimedia content in support of all aspects of the housing bond program and ensuring its integration with other Planning and Development department communications activities. There are a wide range of stakeholders and interested parties involved in the housing bond program. Communicating effectively with these diverse audiences about the various issues and considerations involved in the housing bond program is key to successful implementation.

In addition to the \$173,176 personnel service costs associated with requested 4.00 FTE, other costs will occur as implementation moves forward. These costs include anticipated program purchases of \$6.0 million, contributions, grants and loans to other jurisdictions of \$3.3 million, contracted professional services of \$500,000 and other miscellaneous costs of \$200,000.

This action requests authorization to establish a new Affordable Housing Fund in the current budget year, the addition of 4.00 FTE and recognition of \$10,000,000 of bond proceeds and appropriations authority.

ANALYSIS/INFORMATION

1. **Known Opposition:** None known.

Legal Antecedents: ORS 294.338(4) allows an increase in appropriations due to the sale of general obligation bonds approved by the voters during the current fiscal year when authorized by an official resolution or ordinance of the governing body stating the need for the recognition. Metro code chapter 2.02.040 requires the Metro Council to approve the addition of any position to the budget.

2. **Anticipated Effects:** This action provides for anticipated issuances of bonds in the spring of 2019, recognizes bond proceeds, provides additional appropriations authority and adds 4.00 FTE.
3. **Budget Impacts:** This action has the following impacts on the FY 2018-19 budget:
 - Establishes the Affordable Housing Fund, adds 4.00 FTE, recognizes \$10,000,000 in bond proceeds and authorizes \$10,000,000 of appropriations in the Affordable Housing Fund.

RECOMMENDED ACTION

The Chief Operating Office recommends adoption of this Resolution.