

Meeting minutes

Meeting: Metro Housing Oversight
Committee Meeting 9

Date/time: Wednesday, November 6, 2019

Place: Metro, Council chamber, 600 NE Grand Ave, Portland, OR 97232

Purpose: Decisions on recommendations to Council regarding two LISs.

Attendees

Manuel Castaneda, Serena Cruz, Melissa Earlbaum, Dr. Steven Holt, Mitch Hornicker, Mesha Jones, Jenny Lee, Ed McNamara, Steve Rudman, Bandana Shrestha, Andrew Tull, Tia Vonil

Absent

None

Metro

Emily Lieb, Jes Larson, Ashley McCarron, Valeria Vidal, Megan Gibb, Patrick McLaughlin, Jonathan Williams, Choya Renata

Facilitators

Allison Brown, Hannah Mills

Next meeting

Wednesday, February 5, 2020, 9:00 a.m. – 12:00 p.m.
Metro, 600 NE Grand Avenue, Portland, Council chamber

Welcome and Agenda

Co-chair Steve Rudman welcomed Jenny Lee as the new co-chair. Emily Lieb, Metro, gave updates on the following:

- Metro Council actions
- Upcoming Metro Council dates
- Affordable homeownership

Public Comment

Allison Brown, facilitator with JLA Public Involvement, opened the floor for public comment. No members of the public submitted comment.

LIS Review – Home Forward

Allison explained that the Committee has three decision-making options. The options include recommendation for approval, recommendation for approval with considerations, and returning the strategy to the jurisdiction for further review and refinement.

Allison reviewed the questions submitted by the Committee that Home Forward would be answering during the presentation, and asked if the members would like to include any additional questions. Jonathan Trutt and Pamela Kambur with Home Forward briefly answered the questions put forth by the Committee. Questions and answers are summarized below.



600 NE Grand Ave.
Portland, OR 97232-2736

Meeting minutes

- How will seniors and people with disabilities be served by the unit mix?
 - *We intend to have a number of one-bedroom units in order to reach our unit goal. The building will have an elevator and there will be some units specifically designed for people with disabilities. All units will be adaptable in order to serve people with disabilities.*
- Can you provide more information about the site under consideration for Option 1?
 - *The County currently owns the site. The site is in Troutdale's commercial district and is roughly three acres. We are talking with the County and officials in Troutdale now. The site is well served by transit and could hold all 111 units.*
- Can you provide more information about the desired coordination with Metro's Site Acquisition Program?
 - *If we move forward with Option 1, the site would be free. We have roughly \$1.5 million allocated from Metro's program for site acquisition but if all of our gap funding is allocated to one site with free land, it's unclear how a second site acquired by Metro's program would be developed.*
- What commitments have been made or are being discussed with the Joint Office of Homeless Services (JOHS)?
 - *The reference in the LIS is conditional. We work closely with JOHS, but there have been no commitments from them.*
- Can you provide more information about the new "outreach and navigator" position and what the outreach and navigator strategies are as they relate to affirmative marketing?
 - *The goal of the position is to ensure follow through to accomplish fair housing. It's not just putting out ads, but being intentional and meeting people where they are to inform them about housing opportunities. We will report the success of this effort.*
- How are you ensuring people who rent the units are not abusing the system and occupying housing they don't need?
 - *We have occupancy standards. If a renter can afford a three-bedroom unit, but is only one person, we won't rent to them.*
- What are your workforce goals as they relate to equity?
 - *We have a workforce goal of 20%, but are always striving to achieve better. We also have the apprenticeship program and are tracking whether workers are learning new skills.*
- Can you provide more information about cost efficiency strategies?
 - *We are always looking for efficiencies in our project including relying on the architect to design based on what will be most cost efficient.*

LIS Review – City of Gresham

Allison reviewed the questions submitted by the Committee that the City of Gresham would be answering during the presentation, and asked if the members would like to include any additional questions. Brian Monberg and Eric Schmidt with the City of Gresham briefly answered the questions put forth by the Committee. Questions and answers are summarized below.

- There is an indication that you intend to have a separate solicitation and a strong commitment for Bond funding to support home ownership strategies. Is the expectation to give less funding for new construction likely creating a larger funding gap for those units?
 - *Our commitment is to deliver 187 units, 93 of which would be family-sized, and 77 of which will be deeply affordable. We are developing a portfolio of projects in order to deliver on those commitments. We think there will be at least one opportunity for*

Meeting minutes

homeownership. In terms of the funding gap, we've been working with some developers that focus on homeownership to develop out modeling.

- Are there numeric unit goals on the two anticipated project solicitations? Is the City considering a permanent supportive housing component with their developments?
 - *The LIS doesn't identify a specific unit target, but it does identify an initial target. We've been working with partners and developers to help make their investment with the total unit goal. We've had active discussions at the county level to encourage developers to consider permanent supportive housing.*
- How are you addressing prevailing wage at worksites?
 - *We will be consistent with prevailing wage, but are also making efforts to provide living wage. We want our dollars to support job creation.*
- How are you ensuring people who rent the units are abusing the system and occupying housing they don't need?
 - *We will have requirements built in about tenancy expectations.*
- How will this LIS address affirmatively furthering fair housing, with so much affordable housing centralized in Rockwood? Will you be bringing housing opportunities to other areas?
 - *The LIS is explicit about the City's goals related to affirmatively furthering fair housing and in the value of housing choice, which is why the City developed an opportunity mapping tool to identify strategic locations.*

Additional Committee Discussion of Gresham's LIS

While the Committee did not choose to incorporate specific considerations for ongoing monitoring of Gresham's LIS, Committee members did specifically request that the Committee's discussion of key concerns be captured in the meeting notes. Highlights from the Committee discussion, including related clarification from Metro staff, are provided below.

- Committee members reiterated the importance of prioritizing the unit production goals first and foremost, and also of being cognizant of framing language used to discuss housing types (i.e. rental vs. homeownership housing). Specific points raised include:
 - It's important that public agencies participating in implementation of bond funds are not reinforcing a stigma around rental housing when they talk about the value of affordable homeownership.
 - Affordable rental housing also provides stability. Many older adults and others who need smaller unit sizes live in rental housing long-term.
 - Housing affordable at 0-30% AMI is only possible in multifamily rental housing. If a majority of the higher income units were dedicated to homeownership, rental housing created by the bond would fail to achieve the benefits that income diversity can provide.
 - There is room for homeownership to be part of implementation. Local jurisdictions should also be looking at whether their policies encourage or discourage rental housing development.
- Some concerns were raised about lack of specificity in Gresham's LIS and how the unit production targets would be achieved with homeownership in the mix. That said, Committee members agreed that Gresham had made tremendous progress in moving the LIS forward.
- Concerns were raised about the ability of the City to deliver on the 0-30% AMI targets given the lack of dedicated vouchers or rental subsidy in Multnomah County.



600 NE Grand Ave.
Portland, OR 97232-2736

Meeting minutes

- *Metro staff clarified that a new agreement in Multnomah County would provide \$5.5 million in ongoing subsidy for supportive housing. It is estimated that 2/3 of this subsidy would need to be dedicated to rental subsidy for Metro bond funded units in order to fill the operating gap in Multnomah County.*

Considerations and Recommendations

Following of the question-answer sessions, the Committee was given time to discuss and determine their recommendations.

Voting Results

For Home Forward's LIS, Andrew Tull moved to recommend Metro Council approval with considerations, which was seconded by Manuel Castaneda. The Committee unanimously voted to approve recommending the Home Forward's LIS to Metro Council with the considerations for ongoing monitoring and additional guidance provided to all jurisdictions.

For the City of Gresham's LIS, Manuel Castaneda moved to recommend Metro Council approval with considerations, which was seconded by Andrew Tull. The Committee unanimously voted to approve recommending the City of Gresham's LIS to Metro Council with the considerations for ongoing monitoring and additional guidance provided to all jurisdictions, as well as one additional consideration (listed below).

Updates to the Equity Considerations for All Jurisdictions

The Committee agreed to add the following considerations to the additional guidance recommended for all jurisdictions:

- Jurisdictions should seek to sustain existing funding and identify additional local funding and incentives that could be implemented to support affordable housing, to expand the impact of the affordable housing bond program to exceed the minimum unit targets. Examples of local incentives/tools could include property tax abatement or exemptions, SDC waivers, local construction excise tax, reduced parking requirements, etc.

Committee Updates and Business

Emily gave program-related updates on the following:

- The Phase 1 projects submitted by the jurisdictions
- Construction Career Pathways Project (C2P2)
- Monitoring metrics for racial equity outcomes
- Ongoing coordination with jurisdiction staff

Next Steps and Close

The Committee agreed to postpone the next meeting until February 5, 2020 at which point the Committee will be reviewing the City of Portland's LIS. Committee meetings will be shifting to a quarterly schedule moving forward.

The meeting was adjourned.