



600 NE Grand Ave.  
Portland, OR 97232-2736

## Council meeting agenda

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Thursday, January 23, 2020

2:00 PM

Metro Regional Center, Council chamber

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**1. Call to Order and Roll Call**

**2. Public Communication**

**3. Resolutions**

- 3.1 Resolution No. 20-5067, For the Purpose of Setting an Effective Date of January 2025 for Prohibiting the Landfill Disposal of Commercially-Derived Food Waste Generated Within the Region [RES 20-5067](#)

Presenter(s): Jennifer Erickson, Metro

Attachments: [Resolution No. 20-5067](#)  
[Staff Report](#)

- 3.2 Resolution No. 20-5070, For the Purpose of Authorizing Execution of an Intergovernmental Agreement with the City of Hillsboro for Implementation of the Metro Affordable Housing Bond Measure [RES 20-5070](#)

Presenter(s): Emily Lieb, Metro

Attachments: [Resolution No. 20-5070](#)  
[Exhibit A to Resolution No. 20-5070](#)  
[Staff Report](#)  
[Attachment to Staff Report](#)

**4. Consent Agenda**

- 4.1 Resolution No. 20-5072, For the Purpose of Reappointing Five Members of the Metro Affordable Housing Bond Community Oversight Committee [RES 20-5072](#)

Attachments: [Resolution No. 20-5072](#)  
[Exhibit A to Resolution No. 20-5072](#)  
[Staff Report](#)

- 4.2 Consideration of the Council Meeting Minutes for January 9, 2020 [18-5355](#)

- 4.3 Consideration of the Council Meeting Minutes for January 16, 2020

[18-5356](#)

**5. Presentations**

- 5.1 Parks and Nature Annual Report

[18-5351](#)

Presenter(s): Dan Moeller, Metro

Attachments: [Parks and Nature Annual Report](#)

- 5.2 Committee on Racial Equity Annual Report

[18-5342](#)

Presenter(s): Raahi Reddy, Metro

Attachments: [Strategic Plan Progress Report](#)

[Diversity, Equity, and Inclusion Year in Review](#)

**6. Chief Operating Officer Communication**

**7. Councilor Communication**

**8. Adjourn**

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានកម្មប្រណាំងរើសអើងសម្រាប់សេចក្តីណែនាំ [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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**Resolution No. 20-5067**, For the Purpose of Setting an Effective  
Date of January 2025 for Prohibiting the Landfill Disposal of  
Commercially-Derived Food Waste Generated Within the Region

*Resolutions*

Metro Council Meeting  
Thursday, January 23, 2020  
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF SETTING AN )  
EFFECTIVE DATE OF JANUARY 2025 FOR )  
PROHIBITING THE LANDFILL DISPOSAL OF )  
COMMERCIALY-DERIVED FOOD WASTE )  
GENERATED WITHIN THE REGION.

RESOLUTION NO. 20-5067

Introduced by Acting Chief Operating Officer  
Andrew Scott in concurrence with Council  
President Lynn Peterson

WHEREAS, Metro regulates solid waste generated within the Metro region pursuant to Metro's constitutional, statutory, and charter authority and as set forth in the Metro Code; and

WHEREAS, Metro regulates the solid waste generated within the region that is transported outside of its jurisdictional boundary through non-system licenses and designated facility agreements, pursuant to Metro's statutory and charter authority as set forth in Metro Code Chapter 5.05; and

WHEREAS, food represents about 18 percent of the region's disposed waste and is the largest single recoverable material sent to landfills; and

WHEREAS, when sent to landfill, food waste generates methane, which is 25 times more potent a greenhouse gas than carbon dioxide; and

WHEREAS, food waste is identified as a primary material for recovery within the Regional Waste Plan, which guides Metro and local government work; and

WHEREAS, under ORS 459A.010, the State of Oregon established a minimum 25 percent material recovery goal for food waste; and

WHEREAS, a required food waste collection program for nonresidential generators is one option for local government compliance with state recycling program requirements; and

WHEREAS, pursuant to Metro Code Sections 5.10.410-5.10.470 (Business Food Waste Requirement), local governments must adopt a mandatory food waste collection program for certain business groups; and

WHEREAS, any solid waste facility that receives commercial food waste from the Metro region must manage the waste in accordance with Metro's requirements to ensure benefits to the public and to minimize environmental and human health impacts; and

WHEREAS, in Resolution No. 18-4864, the Metro Council directed staff to develop a commercial food waste disposal ban for Council consideration no later than December 31, 2019; and

WHEREAS, in a work session held on October 29, 2019, the Metro Council determined that it would be inadvisable to proceed with an Ordinance and Rule without an established disposal prohibition effective date that allows for appropriate stakeholder engagement; and

WHEREAS, at the October 29, 2019 work session the Metro Council directed staff to move forward with developing Ordinance and Rule with an effective date of January 2025; and

WHEREAS, Metro, through its solid waste management authority, has a key role in ensuring increased recovery of the region's food waste; now therefore,

BE IT RESOLVED that the Metro Council directs staff to develop Metro Code and administrative rule language to prohibit the landfill disposal of commercially-derived food waste generated within the Metro region with an effective date of January 2025.

ADOPTED by the Metro Council this 23 day of January 2020.

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Lynn Peterson, Council President

Approved as to Form:

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Carrie MacLaren, Metro Attorney

IN CONSIDERATION OF RESOLUTION NO. 20-5067, FOR THE PURPOSE OF SETTING AN EFFECTIVE DATE OF JANUARY 31, 2025 FOR PROHIBITING THE LANDFILL DISPOSAL OF COMMERCIALY-DERIVED FOOD WASTE GENERATED WITHIN THE REGION.

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Date: January 6, 2020  
Department: Property & Environmental  
Services  
Meeting Date: January 21, 2020

Prepared by: Jennifer Erickson, 503-797-  
1647,  
jennifer.erickson@oregonmetro.gov

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**ISSUE STATEMENT**

The purpose of this resolution is to set an effective date for a commercial food waste disposal prohibition.

**ACTION REQUESTED**

Adopt Resolution No. 20-5067.

**IDENTIFIED POLICY OUTCOMES**

Resolution 20-5067 directs staff to develop Metro Code and administrative rule language to prohibit the disposal of commercially-derived food waste generated within the Metro region with an effective date of January 2025.

In a work session held on October 29, 2019, the Metro Council determined that it would be inadvisable to proceed with an Ordinance and Rule without an established disposal prohibition effective date that allows for appropriate stakeholder engagement and directed staff to move forward with developing Ordinance and Rule with an effective date of January 2025.

**POLICY QUESTION(S)**

- Should Metro enact a prohibition on the disposal of food waste generated by businesses in order to increase the recovery of food waste for beneficial use and decrease the negative climate impacts of disposal?
- If so, is January 31, 2025 Council's preferred effective date for implementing the prohibition?

**STAFF RECOMMENDATIONS**

Adopt Resolution No. 20-5067, with an effective date of January 31, 2025.



## STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Much like existing bans on the disposal of hazardous and electronic waste, the goal of a prohibition on the disposal of commercial food waste is to protect human health and the environment and to help educate generators about the proper management of solid waste. In addition, a disposal prohibition provides a firm backstop to the business food waste collection requirement—local governments can leverage the future ban in their efforts to assist businesses with implementing collection programs now. The implementation of a disposal prohibition also helps to meet Regional Waste Plan and larger climate goals.

Relationship to Metro’s Regional Waste Plan:

- **Goal 6:** Reduce product environmental impacts and waste through educational and behavioral practices related to prevention and better purchasing choices.
  - **Action 6.5:** Assist households and businesses in the adoption of practices that prevent the wasting of food and other high-impact materials
  
- **Goal 10:** Provide regionally consistent services for garbage, recyclables and other priority materials that meet the needs of all users.
  - **Action 10.1:** Provide comprehensive collection services and supporting education and assistance for source-separated recyclables, source separated food scraps and garbage, in compliance with state, regional and local requirements, including the Regional Service Standard, Business Recycling Requirement and Business Food Waste Requirement in Metro Code.
  
- **Goal 12:** Manage all garbage and recycling operations to reduce their nuisance, safety and environmental impacts on workers and the public.
  - **Action 12.6:** Regulate facilities accepting garbage, recycling, food scraps, yard debris and other solid waste generated from the region to advance progress toward achieving Regional Waste Plan goals.

Support for climate goals:

- Landfills are significant emitters of methane, and food scraps are a primary contributor to the production of methane in landfills.
- Currently, food represents the single largest component of the region’s disposed waste stream (18%).
- Methane is a very potent greenhouse gas—28 to 36 times that of CO<sub>2</sub> over a 100-year period.
- Methane emitted today lasts a decade on average, which is much less time than CO<sub>2</sub>, however methane absorbs much more energy than CO<sub>2</sub>. The net effect of the shorter lifetime and higher energy absorption is reflected in methane’s much higher global warming potential.
- Methane also accounts for some indirect effects; it is a precursor to ozone, and ozone is itself a potent greenhouse gas.
- The goal of collecting food scraps is to capture the environmental and economic benefits of turning that material into useful products, creating energy and

supporting agriculture while reducing the negative environmental impacts associated with disposal.

Reducing food waste is not just a local issue. Project Drawdown, a world-class research project that measures and models the 100 most substantive and achievable solutions that exist today to stop global warming and reach drawdown (the point when greenhouse gas levels in the atmosphere start to decline).

- Of the top 20 global solutions, eight are in the food sector.
- The third most impactful climate solution is to reduce food waste.

#### Legal Antecedents

- *Metro Ordinance No. 18-1418*
- *Metro Resolution No. 18-4864*

### **BACKGROUND**

In 2014, the Metro Council reviewed the region's current business food scraps recovery efforts and staff introduced potential paths forward to ensure that the region has a stable and sustainable food scraps transfer and processing system for the long term. At that time, the Council confirmed its desire to increase the region's recovery of food scraps and its wish to process those food scraps in or as close to the region as possible.

To address the goal of required food waste separation, the Metro Council adopted the Business Food Waste Requirement (Ordinance 18-1418) in July 2018 which requires city and county governments, which oversee the collection of garbage and recycling, to ensure that food scraps collection services are available to businesses in their communities.

Implementation is phased according to the following schedule:

- Beginning on March 31, 2020, businesses that create 1,000 pounds or more of food scraps (the equivalent of four 60-gallon roll carts) per week will be required to separate their food scraps for collection.
- Beginning on March 31, 2021, businesses that create 500 pounds or more of food scraps (the equivalent of two 60-gallon roll carts) per week will be required to separate their food scraps for collection.
- Beginning on Sept. 30, 2022, businesses that create 250 pounds or more of food scraps (the equivalent of one 60-gallon roll cart) per week, along with K-12 schools, will be required to separate their food scraps for collection.

Businesses that create less than 250 pounds of food scraps per week will not be required to separate their food scraps from their garbage, but they may do so voluntarily.

During the food scraps collection policy development process, the Council decided that implementation of a disposal prohibition was necessary to strengthen the region's business food waste collection policy. Local government partners supported this approach; a ban provides leverage in their efforts to assist businesses with implementing collection programs over the next 5 years. To that end, the Metro Council also adopted Resolution No.

18-4864 in July 2018 which directed staff to develop an ordinance prohibiting the landfill disposal of business food waste by December 2019. However, the December 2019 date did not allow sufficient time for a thorough public input and program development process. In addition, an effective date for the disposal prohibition had not yet been set by Council.

**ATTACHMENTS**

1. Ordinance No. 18-1418 For the Purpose of Amending Metro Code Chapter 5.10 to Establish a Business Food Waste Requirement
  2. Administrative Rule 5.10-4000 through 4085 Business Food Waste Requirement
  3. Resolution No. 18-4864 Requiring Metro Staff to Develop Policy, Ordinance and Rule that Prohibits the Landfill Disposal of Commercially-Derived Food Waste Generated in the Region
- Is legislation required for Council action?  Yes  No

**Resolution No. 20-5070**, For the Purpose of Authorizing Execution  
of an Intergovernmental Agreement with the City of Hillsboro for  
Implementation of the Metro Affordable Housing Bond Measure

*Resolutions*

Metro Council Meeting  
Thursday, January 23, 2020  
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING	)	RESOLUTION NO. 20-5070
EXECUTION OF AN INTERGOVERNMENTAL	)	
AGREEMENT WITH THE CITY OF HILLSBORO	)	Introduced by Interim Chief Operating
FOR IMPLEMENTATION OF THE METRO	)	Officer Andrew Scott in concurrence
AFFORDABLE HOUSING BOND MEASURE	)	with Council President Lynn Peterson

WHEREAS, on June 7, 2018, the Metro Council adopted Resolution No. 18-4898, referring to the Metro area voters Ballot Measure 26-199 authorizing general obligation bond indebtedness to fund affordable housing (the "Housing Bond Measure"); and

WHEREAS, on June 28, 2018, the Metro Council passed Ordinance 18-1423 establishing that affordable housing is a "matter of metropolitan concern" and exercising jurisdiction over functions related thereto; and

WHEREAS, on November 6, 2018, the voters approved the Housing Bond Measure, providing Metro with the authority under the laws of the State of Oregon and the Metro Charter to issue bonds and other obligations payable from ad valorem property taxes for the purpose of financing and identifying funds to be used for affordable housing; and

WHEREAS, on January 31, 2019, the Metro Council adopted Resolution No. 19-4975, approving the Metro Housing Bond Measure Program Work Plan (the "Work Plan"), which, among other things, provided that the Housing Bond Measure program would primarily be implemented by local jurisdiction partners who have created individualized plans (each, a "Local Implementation Strategy") to (a) achieve certain unit productions targets, (b) advance racial equity, and (c) ensure community engagement in program implementation; and

WHEREAS, the City of Hillsboro has created a Local Implementation Strategy, which strategy was reviewed by the Affordable Housing Bond Community Oversight Committee and has been recommended to the Metro Council for approval;

WHEREAS, in accordance with the Work Plan, Metro staff has negotiated terms and conditions under which Housing Bond Measure funding will be provided to the City of Hillsboro, which terms and conditions are set forth in the proposed intergovernmental agreement attached hereto as Exhibit A; now therefore

BE IT RESOLVED that the Metro Council:

Authorizes the Metro Chief Operating Officer to enter into an intergovernmental agreement with the City of Hillsboro substantially in the form attached hereto as Exhibit A.

ADOPTED by the Metro Council this \_\_\_\_\_ day of January, 2020.

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Lynn Peterson, Council President

Approved as to Form:

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Carrie MacLaren, Metro Attorney



Metro

600 NE Grand Ave.  
Portland, OR 97232-2736  
(503) 797-1700

# Intergovernmental Agreement

## Affordable Housing Bond Measure Program IGA

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Metro Contract No. XXXXX

THIS INTERGOVERNMENTAL AGREEMENT (“Agreement”) is between Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 N.E. Grand Avenue, Portland, Oregon 97232-2736, and City of Hillsboro (“Local Implementation Partner” or “LIP”), located at 150 E. Main Street, Hillsboro OR 97123, and is dated effective as of the last day of signature set forth below (the “Effective Date”).

### RECITALS

A. The electors of Metro approved Ballot Measure 26-199 on November 6, 2018 (the “Bond Measure”), authorizing Metro to issue \$652.8 million in general obligation bonds to fund affordable housing (the “Bonds”).

B. On January 31, 2019, the Metro Council adopted Resolution No. 19-4956, which, among other things, provides that Metro will distribute a portion of the proceeds of the Bonds (the “Bond Proceeds”) to eligible local government affordable housing implementation partners, and LIP is a participating local government partner eligible to receive Bond Proceeds.

C. The parties desire to enter into this Agreement to provide the terms and conditions under which Metro will provide Bond Proceeds to LIP to implement the Bond Measure goals, requirements, and restrictions set forth in the Work Plan.

### AGREEMENT

**1. Definitions.** In addition to the definitions above, capitalized terms used in this Agreement have the definitions set forth in this Section 1.

1.1. “Administrative Costs” means Capital Costs that are not Direct Project Costs, including general program administrative expenses (e.g. staff support and overhead costs attributable to Bond Measure program implementation), expenses related to community engagement and outreach, and payments to third-party consultants (e.g. realtors, appraisers, surveyors, title insurers, environmental evaluators, designers, and engineers).

1.2. “Administrative Share” means that portion of the Bond Proceeds totaling \$855,939.

1.3. “Affordable Housing” means land and improvements for residential units occupied by low-income households making 80% or less of area median income, consistent with the intents and purposes of the Bond Measure.

1.4. “Affordable Housing Project(s)” or “Projects” means Affordable Housing that is developed, built or acquired by LIP using Bond Proceeds, or supported by LIP through grants or loans of Bond Proceeds, burdened by a Restrictive Covenant.

1.5. “Area Median Income” or “AMI” means median gross household income, adjusted for household size, for the Portland, Oregon metropolitan statistical area as established each year by HUD.

1.6. “Capital Costs” means costs of Affordable Housing that are capitalizable under generally acceptable accounting principles (GAAP), which costs include the costs of capital construction, capital improvements or other capital costs, as those terms are defined by the relevant provisions of the Oregon Constitution and Oregon law (including ORS 310.140).

1.7. “Concept Endorsement” is as defined in Section 4.1, below.

1.8. “Conversions” means conversion of existing, occupied market-rate housing units to Affordable Housing units burdened by a Restrictive Covenant.

1.9. “Direct Project Costs” means Capital Costs that are expended for the acquisition, development, or construction of an Affordable Housing Project.

1.10. “Disbursement Request” is as defined in Section 4.3, below.

1.11. “Eligible Share” means that portion of the Bond Proceeds totaling \$40,657,081.

1.12. “Final Approval” is as defined in Section 4.2, below.

1.13. “LIS” means the LIP’s local implementation strategy document adopted by LIP and attached to this Agreement as **Exhibit A**.

1.14. “LIS Annual Progress Report” is as defined in Section 9.1, below.

1.15. “New Construction” means development and construction of a new Affordable Housing Project.

1.16. “Oversight Committee” means the Affordable Housing Bond Community Oversight Committee created pursuant to Metro Code Section 2.19.260.

1.17. “Project Funds” means that portion of Eligible Share committed through the Project approval process set forth and distributed in accordance with Section 4.

1.18. “Property Acquisitions” means real property acquisitions by LIP to be used for future development of an Affordable Housing Project.

1.19. “Regional Investment” is as defined in Section 2.2, below.



1.20. “Regional Site Acquisition Program” means the program implemented by Metro to use Bond Proceeds to acquire and develop regionally significant sites for Affordable Housing.

1.21. “Restrictive Covenant” is as defined in Section 5, below.

1.22. “Term” is as defined in Section 11.1, below.

1.23. “Unit Production Targets” means those targets set forth in Section 2.1 below, and include the “Total Unit Target,” the “30% or Below Target,” the “31%-60% Unit Target,” the “61-80% Cap,” and the “Two-Bedroom+ Target,” each as defined in Section 2.1.

1.24. “Unit(s)” means residential units in an Affordable Housing Project.

1.25. “Work Plan” means Metro’s Affordable Housing Bond Measure Program Work Plan adopted by the Metro Council by Resolution 19-4956, as subsequently amended by the Metro Council on October 17, 2019 by Resolution 19-5015.

## **2. Unit Production Targets**

2.1. Unit Production Targets. LIP hereby agrees to adopt and take all necessary and appropriate action to implement the Unit Production Targets set forth below. The parties anticipate the LIP’s Unit Production Targets will be met using a combination of funds, including LIP’s Eligible Share and Metro’s Regional Investment. LIP’s failure to make reasonable progress towards meeting its Unit Production Targets, in accordance with the timeline attached hereto as **Exhibit B**, is grounds for termination of this Agreement by Metro as provided in Section 11, after which Metro shall have no further obligation to distribute the Eligible Share.

2.1.1. Total Unit Target: 284. This is the minimum total number of Units to be built or acquired using LIP’s Eligible Share. Should LIP build or acquire additional units above the Total Unit Target using its Eligible Share, those units may be occupied by households earning anywhere between 0-80% so long as 30% or Below Target and the 31%-60% Unit Target have been satisfied.

2.1.2. 30% or Below Target: 117. This is number of the Total Unit Target that will be restricted to households earning 30% or less of AMI, in accordance with the terms of the Restrictive Covenant.

2.1.3. 31%-60% Unit Target: 139. This is number of the Total Unit Target that will be restricted to households earning 31%-60% of AMI, in accordance with the terms of the Restrictive Covenant.

2.1.4. 61-80% Cap: 28. This is the maximum number of units contributing to the Total Unit Target that may be restricted to households earning 61-80% of AMI.

2.1.5. Two-Bedroom+ Target: 142. This is number of the Total Unit Target that will be two bedrooms or more.

2.2. Impact of Regional Program. Metro will use ten percent of the total Bond Proceeds to fund and operate its Regional Site Acquisition Program. The parties expect that Metro's Site Acquisition Program will spend approximately \$4,517,453 within LIP's jurisdictional boundary (the "Regional Investment"). Units created in projects that utilize Regional Investment will contribute towards LIP's Unit Production Targets, unless otherwise agreed to by the parties. Metro will make good faith efforts to coordinate and consult with LIP to ensure Metro's decisions regarding the Regional Investment support LIP in reaching its Unit Production Targets. Once LIP has spent or has committed to spend 75% of its Eligible Share, if Metro has not yet spent, or committed to spend, the Regional Investment, then the parties will meet to discuss potential alternative options for how the Regional Investment could be spent by Metro to support LIP's remaining Unit Production Targets. If following such meeting the parties are still unable to identify opportunities for collaboration or agreeable potential alternative options, then LIP's Unit Production Targets will be reduced by the lesser of (a) ten percent or (b) the proportionate share equal to the amount of Regional Investment Metro has not yet spent.

### **3. Local Implementation Partner's Eligible Share.**

3.1. Direct Project Costs; Consistency with LIS. Subject to the terms and conditions of this Agreement, including Section 4, below, and the requirements, limits, and restrictions set forth in both the Work Plan and the Bond Measure, Metro will provide to LIP the Eligible Share on a Project-by-Project basis. LIP may only spend the Eligible Share on Direct Project Costs that are consistent with its LIS, as determined by Metro, in Metro's reasonable discretion, and will spend no portion of the Eligible Share on Administrative Costs.

3.2. Public or Private Ownership. LIP may use its Eligible Share to support the creation of Affordable Housing that is either privately or publicly owned. The Eligible Share may be contributed to privately-owned Projects in the form of loans or grants on terms approved by LIP. The identification and selection of a Project will be at the discretion of LIP, provided, however, all Project selections must comply with the LIS and contribute towards the Unit Production Targets. Publicly-owned Affordable Housing financed with the LIP's Eligible

Share must contribute to the Unit production Targets and must comply with the LIS and the terms and conditions of this Agreement, including, without limitation, the same Project approval process and requirements provided for in Section 4 below.

3.3. Approved Project Types. LIP may use its Eligible Share only for the types of projects described in the Work Plan. As of the Effective Date, the Work Plan sets forth the following approved types of Affordable Housing Projects: (a) New Construction, (b) Conversions, and (c) Property Acquisitions.

#### **4. Metro Approval Process; Disbursement of Funds; Repayment**

4.1. Concept Endorsement. In order for LIP to receive a disbursement of its Eligible Share to fund a New Construction or Conversion Project, LIP must receive an initial funding commitment for such Project (the "Concept Endorsement") from Metro. LIP's request for a Concept Endorsement must include general project information, including a project narrative, preliminary sources and uses information, a draft project site plan, copies of relevant due diligence documents, and any other information Metro deems reasonably necessary to issue a Concept Endorsement. Metro will issue the Concept Endorsement to LIP upon Metro's determination that (a) the Project will reasonably contribute to the Unit Production Targets relative to the amount of the Eligible Share LIP proposes to use for the Project; and (b) the Project will be consistent with the LIS, the Work Plan and the Bond Measure.

4.2. Final Approval. In order for LIP to use its Eligible Share for an Affordable Housing Project, LIP must have received final approval from Metro, as described in this section ("Final Approval"). Metro will issue Final Approval to LIP upon Metro's determination that (a) the proposed Project reasonably contributes to the Unit Production Targets relative to the amount of the Eligible Share proposed to be used for the Project; and (b) the Project is consistent with the LIS, the Work Plan, and the Bond Measure. LIP's request for Final Approval will include the Project information described above in Section 4.1, as well as any additional information Metro reasonably requests related to the finalized development program, including design development drawings and an updated sources and uses budget. If after receiving Final Approval, the amount of the Eligible Share initially proposed and approved increases or the Project's unit count, bedroom mix, or affordability level changes, then LIP must submit an amended request for Final Approval for the Project. Metro will review such an amended request (along with any related Disbursement Request) expeditiously, making best efforts to accommodate LIP's anticipated Project closing timeline.

4.3. Disbursement. Following Metro's Final Approval of LIP's proposed use of its Eligible Share for an Affordable Housing Project, LIP may request disbursement of the Project Funds from Metro ("Disbursement Request"). Such request will be made in writing (a) no more than 45 days and (b) no less than 10 business days prior to any anticipated closing or need for use. The Disbursement Request will include: (a) a certification from LIP to Metro that the Project information LIP provided to Metro in connection with its request for Final Approval has not changed or been modified in any material way; (b) a completed draft of the proposed Restrictive Covenant that LIP intends to record against the Project in accordance with Section 5 below, (c) a list of finalized sources and uses, (d) a final construction contract schedule of values, if applicable, and (d) wiring instructions or other instructions related to the transmittal of funds. LIP will provide to Metro any other information as Metro may reasonably request related to the Project. Metro will review Disbursement Requests expeditiously and will disburse funds within 10 business days of receiving a completed Disbursement Request.

4.4. Project Failure and Repayment. LIP will use the Project Funds strictly in accordance with the manner and method described in the Final Approval. If the Project financing transaction for which disbursement was sought fails to close within sixty (60) days after Metro disburses the requested funds, then, unless otherwise directed in writing by Metro, LIP will immediately repay to Metro the amount of its Eligible Share disbursed for the Project, including any interest earned thereon. If LIP uses Project Funds for a Property Acquisition, and is thereafter unable to make substantial progress, as reasonably determined by Metro, towards the development of Affordable Housing on the property within four (4) years following the closing date of the Property Acquisition (or such other time period agreed to in writing by Metro), LIP will repay to Metro the amount of the Eligible Share disbursed for the Property Acquisition. LIP acknowledges and expressly affirms its repayment obligations set forth in this section even if such failure is through no fault of LIP. LIP's remaining Eligible Share will be adjusted and increased to reflect such repayment.

## **5. Affordable Housing Restrictive Covenant.**

5.1. General Provisions and Recording Obligations. For all Projects that receive Bond Proceeds, LIP will ensure an affordable housing restrictive covenant (a "Restrictive Covenant") is recorded on the title to the land that comprises the Project. The Restrictive Covenant must be recorded at closing, or upon its contribution of the Bond Proceeds to a Project. LIP will provide Metro a copy of the recorded Restrictive Covenant within ten (10) business days following its recording. If for any reason LIP fails to record a Restrictive Covenant

in accordance with this section, Metro may, at its sole option and upon written notice to LIP, terminate this Agreement in accordance with Section 11, in which case LIP will refund Metro the Bond Proceeds disbursed to LIP for such Project.

5.2. Form for Property Acquisitions. For Property Acquisitions, the Restrictive Covenant will be granted to Metro directly, be recorded in such priority approved by Metro, and shall be substantially in the form attached hereto as **Exhibit C**, or as otherwise approved by Metro.

5.3. Form for New Construction and Conversion Projects. For New Construction Projects and Conversion Projects, the Restrictive Covenant will (a) acknowledge the use of Bond Measure funds, (b) include applicable long-term affordability restrictions, (c) burden the property for a minimum duration of sixty (60) years or thirty (30) years for Conversion Projects where the building is more than ten (10) years old), (d) provide monitoring and access rights to LIP and Metro, (e) name Metro as a third-party beneficiary and (f) unless otherwise agreed to in writing by Metro, be recorded in a priority position only subject to and subordinate to a primary first mortgage or deed of trust and a State low-income housing regulatory agreements. The monitoring, access and third party beneficiary language will be subject to Metro's review and approval during the Final Approval process. LIP acknowledges that such language will require Projects to provide to Metro certain data (including financial reports, physical inspection reports, and tenant data) typically collected and prepared by Oregon Housing and Community Services. Metro acknowledges that the Restrictive Covenant may provide for a waiver or temporary relief from the limitations on qualifying income, in accordance to address incomes rising in place to avoid undue hardship or displacement, or to conform to other regulatory or policy requirements.

## **6. Project Information Reports; Funding Recognition**

6.1. Project Information and Updates. Upon Metro's disbursement of Eligible Share for any particular Project, LIP will provide Metro with regular updates regarding Project construction and completion. LIP will notify Metro of any events during construction that materially affect the Project, including (a) significant extensions of the Project schedule, (b) significant increases to the Project budget, (c) any notices of default issued by LIP or other Project lenders, or (d) any other changes that impact the quality or nature of the Project described in the Final Approval process. If any such material events occur during Project construction, LIP will provide Metro with any additional information Metro reasonably requests related to such events. In addition to providing the general Project updates and information

described above, LIP will provide Metro with the documents listed on the attached **Exhibit D** at the Project milestones referenced therein.

6.2. Funding Recognition. LIP will publicly recognize Metro and the Bond Measure in any publications, media presentations, or other presentations relating to or describing Projects receiving Bond Proceeds. LIP will coordinate with Metro in selecting the date and time for any event recognizing, celebrating or commemorating any Project ground-breaking, completion, ribbon cutting or opening, and provide Metro an opportunity to participate. LIP will ensure that the Bond Measure is officially recognized as a funding source at any such event, and will provide a speaking opportunity for the Metro elected official representing the district in which the Project is located, if such opportunities are provided to LIP or other public officials.

**7. Administrative Funding.** Subject to the terms and conditions of this Agreement, and the requirements and restrictions set forth in both the Work Plan and the Bond Measure, Metro will provide LIP the Administrative Share. Within thirty (30) days of the Effective Date, Metro will disburse to LIP its Administrative Share in accordance with the schedule set forth on Exhibit B attached to this Agreement. Interest earnings on the Administrative Share while held by LIP may be retained by LIP, provided such interest is used for affordable housing, residential services, or supportive services for residents of affordable housing. Metro's obligation to distribute the Administrative Share is conditioned on LIP making reasonable progress towards its Unit Production Targets, as reasonably determined by Metro in accordance with the timeline set forth on the attached Exhibit B.

**8. General Obligation Bonds.** All Bond Proceeds disbursed to LIP pursuant to this Agreement (including both the Eligible Share and the Administrative Share) are derived from the sale of voter-approved general obligation bonds that are to be repaid using ad valorem property taxes exempt from the limitations of Article XI, sections 11 and 11b of the Oregon Constitution. LIP covenants and agrees that it will take no actions that would adversely affect the validity of the Bonds or cause Metro not to be able to levy and collect the real property taxes imposed to repay these bonds, which are exempt from Oregon's constitutional property tax limitations. LIP further covenants and agrees that (a) all Bond Proceeds disbursed hereunder will be used only to pay for or reimburse costs that are of a type that are properly chargeable to a Capital Costs (or would be so chargeable with a proper election) to comply with the Oregon Constitution and other applicable laws with respect to the permitted expenditure of general obligation bond proceeds; and (b) within ten (10) days of the event, LIP

will disclose to Metro any events that are required to be included in Metro's continuing disclosure obligations as the issuer of the general obligation bonds. If LIP breaches the foregoing covenants, LIP will immediately undertake whatever remedies or other action may be necessary to cure the default and to compensate Metro for any loss it may suffer as a result thereof, including, without limitation, repayment to Metro of Project Funds.

## **9. LIP Required Annual Reporting**

9.1. Local Implementation Strategy Progress Reports. By the end of each calendar year of the Term, or until LIP has fully expended its Eligible Share, LIP will provide a report to Metro summarizing its LIS progress and outcomes (the "LIS Annual Progress Report"). LIP will create the LIS Annual Progress Report using a template provided by Metro, which template Metro will develop with input from all participating local government partners receiving Bond Proceeds. The Oversight Committee will review the LIS Annual Progress Report and may recommend changes to the LIS to achieve the Unit Production Targets and to better align the LIS with the Work Plan. LIP agrees to participate fully in such annual review process; provided, however, the LIS may be revised or amended only upon written agreement by both LIP and Metro. Failure by LIP to agree to a proposed amendment will not constitute an event of default.

9.2. Financial Eligible Share Reports. Beginning with Metro's first disbursement of any portion of the Eligible Share to LIP for a Project, and continuing each year thereafter, on or before September 15 of each year during the Term until Unit Targets are completed and/or all Eligible Share is disbursed, LIP will provide an annual financial report to Metro containing (a) an itemized list of LIP's expenditure of Project Funds (and interest earnings thereon) through the end of the applicable fiscal year and (b) a certification from LIP to Metro that the Eligible Share was used only to pay for or Capital Costs.

9.3. Administrative Share Reports. On or before September 15 of each year during the Term, LIP will provide an annual report to Metro containing (a) an itemized list of LIP's expenditure of its Administrative Share (and any investment earnings thereon) through the end of the prior fiscal year detailing each entity LIP paid any portion of the Administrative Share and (b) a certification from LIP to Metro that the Administrative Share was used only to pay for or Capital Costs.

**10. Audits, Inspections and Retention of Records.** LIP will keep proper books of account and records on all activities associated with the expenditure of all funds disbursed by Metro under this Agreement. LIP will maintain these books of account and records in accordance with generally

accepted accounting principles through the date that is three (3) years after the anticipated maturity date of the Bonds or the anticipated maturity date of any obligations issued by Metro to refund the Bonds. Metro expects the Bonds will be outstanding until approximately May of 2039. LIP will permit Metro and its duly authorized representatives, upon prior written notice, to inspect books and records, properties, all work done, labor performed and materials furnished during normal business hours, and to review and make excerpts and transcripts of its books of account and records with respect to the receipt and disbursement of Bond Proceeds received from Metro. Access to these books of account and records is not limited to the required retention period. Metro's authorized representatives will have access to records upon reasonable notice at any reasonable time for as long as the records are maintained

#### **11. Term; Termination; Default Remedies; Dispute Resolution**

11.1. The term of this Agreement commences on the Effective Date and terminates on ten years after the Effective Date (the "Term"). The expectation of the parties is that LIP will spend its Eligible Share within seven (7) years after the Effective Date and that all Projects will be completed within the Term of this Agreement. Metro will have no obligation to disburse any remaining portion of LIP's Eligible Share or Administrative Share after the expiration of the Term. The repayment obligations and indemnities set forth in Sections 4, 5, 8 and 14 survive the expiration or earlier termination of this Agreement.

11.2. Metro and LIP may jointly terminate all or part of this Agreement based upon a determination that such action is in the public interest. Termination under this provision will be effective only upon the mutual, written termination agreement signed by both Metro and LIP.

11.3. If Metro reasonably believes LIP is not spending its Eligible Share according to the terms herein or otherwise has otherwise failed to comply with the terms of this Agreement, in addition to any other rights and remedies set forth herein or available at law, or in equity, Metro has the right to immediately withhold or suspend future distributions of Eligible Share and Administrative Share. In such an event Metro will provide LIP with written notice of such determination and will thereafter proceed with the dispute resolution provisions set forth below in Section 11.4.

11.4. Metro and LIP will negotiate in good faith to resolve any dispute arising out of this Agreement. Subject to the provisions set forth below, Metro or LIP may terminate this Agreement during the term if it reasonably determines the other party has failed to comply with any material provision of this Agreement and is therefore in default. Before terminating this Agreement in accordance with this section, the terminating party will provide the other party with



written notice that describes the evidence of default and include a description of the steps needed to cure the default. From the date that such notice of default is received, the defaulting party will have 30 days to cure the default. If the default is of such a nature that it cannot reasonably be cured within 30 days, the defaulting party will have such additional time as required to cure the default, as long as it is acting in a reasonable manner and in good faith to cure the default. If the parties are unable to resolve any dispute within thirty (30) days of after receipt of a written notice of default or such additional time as may be needed to reasonably cure the default, the parties will attempt to settle any dispute through mediation. The parties shall attempt to agree on a single mediator. The cost of mediation will be shared equally. If the parties agree on a mediator, the mediation must be held within 60 days of selection of the mediator unless the parties otherwise agree. If the parties cannot agree on a mediator, or the matter is not settled during mediation, the parties will have all other remedies available at law or in equity.

## **12. Notices and Parties' Representatives**

12.1. Any notices permitted or required by this Agreement will be addressed to the other party's representative(s) designated in this section and will be deemed provided (a) on the date they are personally delivered, (b) on the date they are sent via electronic communication, or (c) on the third day after they are deposited in the United States mail, postage fully prepaid, by certified mail return receipt requested. Either party may change its representative(s) and the contact information for its representative(s) by providing notice in compliance with this.

Metro:

Emily Lieb

600 NE Grand Ave.

Portland, OR 97232

503-797-1921

[Emily.Lieb@oregonmetro.gov](mailto:Emily.Lieb@oregonmetro.gov)

City of Hillsboro:

Chris Hartye

150 E. Main Street

Hillsboro, OR 97123

503-681-5233

[Chris.Hartye@hillsboro-oregon.gov](mailto:Chris.Hartye@hillsboro-oregon.gov)

## **13. Compliance with Law**

13.1. LIP will comply with all applicable federal, state, and local laws, regulations, executive orders and ordinances applicable to its investment and expenditure of the Bond Proceeds.

13.2. LIP further recognizes that investing Bond Proceeds (through either a loan or grant) could result in a Project being a "public works" for purposes of Oregon's prevailing wage

rate law, ORS 279C.800 to 279C.870, as it may be amended from time to time. LIP will be solely responsible for ensuring that all Projects receiving Bond Proceeds comply with prevailing wage rate law, as applicable.

13.3. No recipient or proposed recipient of any services or other assistance under the provisions of this Agreement or any program related to this Agreement may be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with the funds made available through this Agreement on the grounds of race, color, or national origin, 42 U.S.C. §2000d (Title VI), or on the grounds of religion, sex, ancestry, age, or disability as that term is defined in the Americans with Disabilities Act. For purposes of this section, “program or activity” is defined as any function conducted by an identifiable administrative unit of LIP receiving funds pursuant to this Agreement.

#### **14. Insurance; Indemnification; Limitation on Liability**

14.1. Metro and LIP will self-insure or maintain general liability insurance and workers compensation insurance coverage. Each party is responsible for the wages and benefits of its respective employees performing any work or services related to this Agreement. LIP will add Metro as an additional insured to all commercial general, excess and umbrella liability policies. LIP will provide a certificate of insurance listing Metro as a certificate holder within 30 days of execution of this Agreement.

14.2. Subject to the limitations and conditions of the Oregon Constitution and the Oregon Tort Claims Act, LIP will indemnify, defend, and hold harmless Metro, its elected officers and employees, from and against any and all liabilities, claims, demands, damages, actions, costs, penalties, losses and expenses (including any attorney’s fees in defense of Metro or any attorney’s fees incurred in enforcing this provision) suffered or incurred as a result of third-party claims arising out of LIP’s performance of this Agreement or resulting in whole or in part from any act, omission, negligence, fault or violation of law by LIP, its officers, employees, agents, and contractors. This indemnity includes any third-party claims related to the development, construction, operation, repair, or maintenance of Affordable Housing Projects. This indemnity provision does not apply to third-party claims resulting from the sole negligence or willful misconduct of Metro.

14.3. In no event will either party be liable to the other for, and each party releases the other from, any liability for special, punitive, exemplary, consequential, incidental or indirect losses or damages (in tort, contract or otherwise) under or in respect of this Agreement, however caused, whether or not arising from a party’s sole, joint or concurrent negligence.

**15. Oregon Law, Dispute Resolution, and Forum.** This Agreement is to be construed according to the laws of the State of Oregon. Any litigation between Metro and LIP arising under this Agreement will occur, if in the state courts, in the Multnomah County Circuit Court, and if in the Federal courts, in the United States District Court for the District of Oregon located in Portland, Oregon.

**16. No Third Party Beneficiaries.** LIP and Metro are the only parties to this Agreement and are the only parties entitled to enforce its terms and the sole beneficiaries hereof. Nothing in this Agreement gives, is intended to give, or will be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons any greater than the right and benefits enjoyed by the general public.

**17. Relationship of Parties.** Nothing in this Agreement nor any acts of the parties hereunder will be deemed or construed by the parties, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture or any association between any LIP and Metro. Furthermore, Metro will not be considered the owner, contractor or the developer of any Project funded with Bond Proceeds. This Agreement is not intended to be a contract that provides for the development or construction of any Project, either directly with a construction contractor or through a developer. Metro specifically waives any provision contained in this Agreement, to the extent it is construed to provide Metro the right to manage, direct or control the developer, general contractor or the subcontractors. The rights and duties of the developer, the general contractor and the subcontractors are the subject of a separate contract or contracts with LIP to which Metro is not a party. LIP waives and releases Metro from any claims and actions related to the construction, operation, repair, or maintenance of any Affordable Housing Projects. If LIP obtains an indemnification agreement from any third-party developer or general contractor receiving Bond Proceeds under this Agreement, LIP will contractually require such party to indemnify Metro to the same extent as LIP.

**18. Assignment; Merger; Entire Agreement.** This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstance, be assigned or transferred by LIP without Metro's written consent. This Agreement and attached exhibit(s) constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified

herein regarding this Agreement. The failure to enforce any provision of this Agreement does not constitute a waiver by Metro of that or any other provision. No waiver, consent, modification or change of terms of this Agreement will bind either party unless it is in writing and signed by both parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, will be effective only in the specific instance and for the specific purpose given. The failure of a party to enforce any provision of this Agreement will not constitute a waiver by that party of that provision, or of any other provision.

**19. Further Assurances.** Each of the parties will execute and deliver any and all additional papers, documents, and other assurances, and will do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent and agreements of the parties hereto.

**20. Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which will constitute one and the same instrument.

**21. No Attorney Fees.** Except as otherwise set forth in Section 14 of this Agreement, in the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each party shall be responsible for its own attorneys' fees and expenses.

**22. Debt Limitation.** This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act, and is contingent upon appropriation of funds. Any provisions herein that conflict with the above referenced laws are deemed inoperative to that extent.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

**Metro**

**LOCAL IMPLEMENTATION PARTNER**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



# Local Implementation Strategy

For the Metro Regional Affordable Housing Bond

September 2019

**Hillsboro Local Implementation Strategy (LIS)**  
**Metro Affordable Housing Bond**

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## **I. Introduction**

Hillsboro is now home to nearly 102,000 residents, making it the largest city in Washington County and the fifth largest city in Oregon. Hillsboro residents are racially and ethnically diverse, with over 40% of the total population represented by communities of color. Hillsboro is often cited as the “economic engine” of the region, with high tech manufacturing and associated industries playing a prominent role in providing thousands of high wage jobs. Yet Hillsboro also has several of the lowest-income census tracts in Oregon and over 20% of renters are severely cost burdened. Even with an existing inventory of over 2,500 regulated affordable housing units, there is a clear need for more affordable housing in Hillsboro, particularly for our lowest-income community members.

This Local Implementation Strategy (LIS) will guide the efforts of the City of Hillsboro as it works to create affordable housing using the Metro Affordable Housing Bond. Hillsboro welcomes the opportunity to be an implementing jurisdiction in this program and expects that these resources will play a critical role in meeting a range of important housing needs in the community.

### **Principles of Autonomy & Collaboration for Participating Jurisdictions in Washington County**

Three jurisdictions in Washington County will participate in implementation of the Metro Affordable Housing Bond—Washington County, the City of Hillsboro and the City of Beaverton. While each will have a separate LIS, the jurisdictions have agreed to several principles and practices with respect to the development and operation of their implementation strategies.

- The three jurisdictions will receive an allocation of bond resources based on the share of bond revenue generated by each of the three jurisdictions.
- Each jurisdiction will have autonomy in project selection, commitment of bond resources, and oversight of bond funded projects. The jurisdictions may choose to collaborate on specific projects that will serve their individual as well as collective community needs. This may result in actual expenditure of the bond across the three jurisdictions in a different blend than envisioned at the outset.
- Recognizing that many community partners serve the larger Washington County area, the three implementing jurisdictions will collaborate on community outreach efforts and on developing partnerships that will help to ensure the success of all bond projects in Washington County.

### **Metro Affordable Housing Bond Resources and Framework Targets**

This LIS focuses on the City of Hillsboro’s efforts to deliver newly developed or acquired and rehabilitated affordable housing in Hillsboro with use of revenues from the Metro Affordable Housing Bond. It was formulated based on the input and needs of Hillsboro community members, policy goals of the Hillsboro City Council, as well as being guided by Metro’s Affordable Housing Bond Program Work Plan, approved by Metro Council in January 2019. The



Metro Bond Work Plan sets the regional goal of creating 3,900 regulated affordable units - 1,600 of which are for households earning 30% or less of the Area Median Income (AMI) and 1,950 housing units with two or more bedrooms.

From the regional total, **\$40,657,081** in bond revenues is dedicated to Hillsboro based on the percentage of assessed value (AV) generated by Hillsboro households and property owners. The overall goal for Hillsboro is to support at least **284 units of affordable housing** in the community with use of the bond revenues. These may be newly-built units or preservation of existing units that are at risk of rapidly rising rents. While many of these units are expected to provide rental housing, affordable homeownership projects may also be supported with the bond resources.

Recognizing that our lowest income neighbors have the greatest challenges in securing affordable housing, and consistent with the Metro Bond Framework, at least **117** of the Bond-funded units produced will be affordable for households with income at or **below 30% of area median income**. These units may serve people with special needs, people who earn low wages or live on fixed incomes. As least **43** of the deeply affordable units will be supported with rental assistance provided by the Housing Authority of Washington County, targeting the most fragile households. Hillsboro will encourage affordable housing developers, owners and operators to work with social service agencies and other community partners to link supportive services to the affordable housing to ensure that residents are stable and secure.

Because the need for affordable housing crosses many income levels, and because serving moderate-income households can effectively provide a source of cross subsidization for lower income households, Hillsboro may also explore options to include units appropriate for households with incomes from **61% to 80% AMI**. No more than **29** Bond-financed units at this income level (10% of regional target total) will be counted toward the regional targets, as outlined in the Metro Bond Framework.

The private rental housing market typically concentrates on producing smaller units, but the need for affordable housing crosses a range of household sizes. Particularly in Hillsboro where overcrowding is a key problem expressed by low-income communities of color and multigenerational households, the need for affordable housing with larger bedroom sizes is crucial. The Metro Bond Framework has set a goal that aligns with this local need - half of the units developed under the bond program must include two or more bedrooms. For Hillsboro, this means that at least **142 units** produced with the help of Bond funds will include **two or more bedrooms**.

The table on the following page outlines the unit production targets for Hillsboro to be produced with use of Metro Affordable Housing Bond revenues as per this Local Implementation Strategy, the Metro Affordable Housing Bond Framework, and Work Plan.

<b>Hillsboro Unit Production Targets</b>	
Total Affordable Units	284
Minimum number of 30% AMI Units (43 units with Project Based Section 8 rent assistance)	117
Maximum number of 60%-80% AMI Units	29
Minimum number of 2 Bedroom & Larger Affordable Units	142

These unit production targets are anticipated to be achieved through a portfolio of projects. Hillsboro expects that the Bond funds will provide support for approximately **two to five** affordable housing projects.

### **Advancing Racial Equity**

As noted previously, Hillsboro is among the most racially diverse cities in Oregon, with two of every five residents identifying as a person of color. Notably, 50% of low-income residents and 65% of individuals living below the poverty line are people of color. The Metro Council and the City of Hillsboro have made advancing racial equity a priority for implementation of the Affordable Housing Bond. Decades of housing policy from the federal to local level have contributed to disparate outcomes for communities of color in housing. As a result, people of color struggle with housing cost burdens, displacement and homelessness. Local studies have indicated that Latino, African American, Vietnamese, Filipino and Slavic communities in Hillsboro have higher percentages of severe cost burdening, paying over half of household monthly incomes on housing expenses. The implementation of the Affordable Housing Bond provides an opportunity to work toward addressing these inequities and striving to better meet the needs of historically marginalized communities.

Efforts and opportunities to address racial equity occur at many points in the implementation of the Affordable Housing Bond. The selection of projects, inclusion of minority and women-owned contractors in building housing, the formation of culturally specific partnerships for outreach and services, accessible tenant selection processes, and ongoing reporting of outcomes all provide opportunities to advance racial equity. Specific implementation strategies that Hillsboro will employ to advance racial equity are discussed in various sections throughout this plan.

### **II. Local Implementation Strategy Development – Phase I Community Engagement**

Meaningful community engagement, especially with communities of color and marginalized communities, serves as the basis of the Local Implementation Strategy. Washington County, Hillsboro and Beaverton jointly developed and implemented an outreach plan that focused on regional and local nonprofit partners as well as localized outreach to residents within communities. The collaborative work of the three jurisdictions resulted in hearing from over 500 community members and over 50 agencies, which provided perspectives on housing needs across Washington County that targeted racially-diverse, low-income and special needs populations.

As nearly one of every four Hillsboro residents identifies as Hispanic and/or Latino, the City of Hillsboro focused its efforts on community listening sessions with low-income Latino community members to discuss affordable housing needs and preferences. These sessions were conducted entirely in Spanish with translation available for English speakers. Two sessions were held with residents of Bienestar affordable/farmworker housing properties. The first was comprised of approximately 20 resident leaders in the *Promotores* program who provided feedback and distributed a housing survey to residents of multiple sites. This survey resulted in input from over 200 Bienestar residents. A second follow up session was held with approximately 35 Bienestar residents from various properties both in and outside of Hillsboro.

Themes and feedback from the surveys and sessions included the following:

- Overcrowding is a problem in Hillsboro, especially with low-income Latinos - there is a real need for family-sized affordable housing units;
- New affordable housing is preferred to be located within close access to public transit, health services, child care, shopping, schools, and parks;
- Challenges in affordable housing access include long wait lists, rent amounts, credit scores, legal immigration status, and application requirements (such as social security numbers);
- There is a strong interest in affordable homeownership, especially for families with steady employment and incomes who want to build wealth/equity and take pride in ownership.
- Challenges to being successful in affordable rental housing include rent increases, other cost of living increases and property rules that are too strict, especially for households with children.
- Many community members find out about affordable housing opportunities largely by word of mouth through family, friends and neighbors, and also through community organizations like churches and service providers.

Another affordable housing listening session was conducted with Latino parents from the Hillsboro School District with approximately a dozen total participating attendees. The feedback themes were similar to those listed above but also included a clear preference for family-friendly housing types, such as single-family homes, townhomes and duplexes and in geographic locations that provide ample opportunities and proximity to MAX transit, parks, family services and schools. The performance or reputation of individual schools was one key driver for the geographic preference of housing at this session.

The feedback provided by all of these key stakeholders, focused on low-income communities of color, directly informs the racial equity components of this LIS relative to geographic site and

project selection, affirmative and culturally competent marketing and services, and in approaches to low barrier screening criteria.

As mentioned previously, community engagement also included discussions with homeless and special needs communities, multiple community-based organizations, service providers, non-profit and for-profit developers and other groups. The attached Exhibit I details this community engagement activity and provides summary themes, which have been incorporated to develop this LIS.

### **III. Implementation Timeline and LIS Review**

Implementation of Bond-funded projects is expected to occur over a period of **five to seven years**. This timeline will allow for the identification of sites and acquisition as needed, securing needed resources for capital and services, developing partnerships with developers and service providers, and completing construction.

During this period, community needs and opportunities may change. New census data will become available, new community planning efforts will be initiated or completed (for example, the development of Washington County's 2020-2024 Consolidated Plan in which Hillsboro is a participant), and new resources or opportunities may become available while other resources or opportunities may not materialize as anticipated. In addition, certain framework goals may be easily fulfilled while others may prove more challenging. Because of the dynamic nature of this work, Hillsboro proposes to periodically review, and potentially reset, this Local Implementation Strategy.

Hillsboro proposes to monitor and adjust this LIS based on the commitment and/or expenditure of bond resources to specific projects. Hillsboro will use a tracking worksheet to monitor bond investments made into individual projects, the project's yield of unit production targets, and the overall portfolio of unit production relative to bond investments. This will provide an ongoing, up-to-date evaluation to guide selection of subsequent projects and keep resource investments on track with unit production. Another area of monitoring and review will be racial equity outcomes – namely, the performance of each project and the overall project portfolio in achieving the racial equity components contained in this LIS. If these ongoing reviews indicate that a modification to the LIS is advisable, the amendment process will include community outreach and engagement, review and amendment by the Hillsboro City Council and submittal to Metro for review and approval.

### **IV. Organizational Plan for Implementation**

Hillsboro will use a combination of staff and consultants to administer this Local Implementation Strategy. In-house staff will be responsible for community engagement and outreach, project selection, project documentation and funding processes, overall program implementation, monitoring and reporting. Hillsboro may engage consultants with expertise in financial packaging of affordable housing to review proposed projects during the selection and

commitment phases. Similarly, Hillsboro may engage consultants or partner with other project funders to leverage their expertise in construction management to help oversee project development. Some aspects of implementation will require the development of systems that are new to Hillsboro or that are not efficient for the handful of projects expected to be funded with Bond revenues. In these situations, Hillsboro may work with consultants and/or other jurisdictions for various components of project implementation.

Metro has committed a total of \$856,000 available in administrative funds over five-seven years to support Hillsboro's bond implementation. Initially, Hillsboro anticipates that these funds will support work related to project implementation (for example, contracting for underwriting and compliance).

#### **V. Leveraging Other Affordable Housing Resources**

While the Metro Bond resources are substantial, in order to accomplish the unit targets of the Bond Framework, the funds will need to be blended with other public and private funding sources. There are a number of principles that will guide our efforts to leverage the Bond funds:

- **Maximize the use of non-competitive resources.** The 4% LIHTC program is available on a non-competitive basis to provide equity for affordable housing development. This program is especially useful for larger projects or scattered site projects that can be bundled to achieve the scale desired by equity investors. Developing projects in Hillsboro's Qualified Census Tracts (QCTs) or Difficult to Develop Areas (DDAs) can maximize the usefulness of the 4% tax credits.
- **Maximize use of private resources.** Many projects will generate sufficient rental income to be able to make debt service payments on loans from private banks or other conventional financing. While ensuring that projects have appropriate operating budgets and reserves, private debt should be secured for projects whenever feasible. In the case of affordable homeownership projects, this could include home mortgages.
- **Maximize local resources.** A variety of local resources may be available to support capital and operating expenses:
  - **Project based rental assistance.** The Housing Authority of Washington County (HAWC) has committed project-based Section 8 assistance for 43 units to Hillsboro Bond projects. This assistance will allow residents to pay based on their household income, while the project will receive a set rental income based on their Section 8 payment standard. The City, in partnership with HAWC, will allocate available project-based Section 8 assistance in an approach that works to achieve the goals of this Local Implementation Strategy and Metro Bond Framework.

- **Affordable Housing Property tax exemption.** The City offers property tax exemption to developer/owners that are non-profits under the provisions of ORS 307.540.
- **Publicly owned land.** The City will prioritize projects that are developed on City-owned sites. The ability of the City to donate some portion of the value of the sites may vary, but discounted values would likely be available.
- **Seek other existing affordable housing resources (Federal, State and County resources).** The City recognizes that despite the availability of Bond funding, private equity and applicable resources from the City, projects may have financing gaps that are best filled with other traditional affordable housing program resources. Sources such as HOME funds, Oregon Affordable Housing Tax Credits, Local Innovation and Fast Track (LIFT) funds and other sources may be needed to complete financing packages for specific projects. Hillsboro and project developers will work with other funders in a transparent way to find the most effective and efficient way to bring these resources to Bond funded housing projects.
- **Complement existing regulated housing and support pipeline of other affordable housing projects.** This LIS and associated bond-funded projects are anticipated to help complement Hillsboro's base of existing affordable housing through new construction of projects especially in neighborhoods that do not currently have significant amounts of regulated affordable housing. While much of Hillsboro's efforts during the implementation of the Affordable Housing Bond will be focused on moving the pipeline of Bond funded projects forward, the ongoing availability of other Federal and State affordable housing resources will mean that there is a likelihood of other projects moving forward during the same timeframe. The City will monitor the pipeline of projects being proposed and funded in Hillsboro and will collaborate with developers to identify the most appropriate funding packages and other support that can be provided to those projects.

## **VI. Project Selection Process**

Hillsboro will work in partnership with developers/property owners that have demonstrated experience, skills and success providing and operating affordable housing. The City of Hillsboro itself does not intend to be a developer, owner, or operator of affordable housing. The primary role of the City in Affordable Housing Bond implementation will be to provide financing to private and nonprofit development partners for affordable housing projects through use of the allocated Bond funds. As indicated, the City expects that the Bond funds may provide support for approximately **two to five affordable housing projects**. The attached Exhibit 2 outlines a hypothetical Bond-funded portfolio of three projects that, in combination, achieves Hillsboro's unit production targets. The actual number of projects may vary.

The project selection process will be made through public and open solicitations via Notice of Funding Availability (NOFA), Requests for Qualifications (RFQs), and Requests for Proposals (RFPs). An initial City RFP/NOFA process is anticipated in the first quarter of 2020. Unsolicited proposals that conform to this Local Implementation Strategy and the Metro Bond Framework and Work Plan may also be considered as described on Page 10 under the heading “Sites Proposed by Developers.” The City of Hillsboro will create an Affordable Housing Project Advisory Committee that will provide feedback to staff on the solicitation and selection of affordable housing projects, with particular emphasis on reviewing all projects proposed to include Bond funds. The Project Advisory Committee will review proposed projects before consideration of approval by Hillsboro City Council.

Each solicitation and project selection process will include a set of expectations of developers/owners to ensure that selected projects align with this Local Implementation Strategy and help achieve both the Framework goals and racial equity outcomes. These requirements include but are not limited to:

- a 60-year affordability covenant for new construction and a 30-year covenant for acquired and rehabilitated projects
- the inclusion of Minority-owned, Women-owned, and Emerging Small Business (MWESB) contractor participation in the development process
- the use of best practice marketing, engagement and outreach to communities of color
- low-barrier tenant selection criteria.

Other requirements are described in the Project Selection Criteria and Project Implementation sections below.

### **Sites Identified by the City**

The City affordable housing team is exploring sites that the City already owns, controls or may purchase that have potential for bond-financed affordable housing projects. The City will prioritize such sites if they are viable for affordable housing development and will help to fulfill Local Implementation Strategy goals.

The City will take into consideration:

- the significant beneficial leverage of already controlled/owned land;
- high opportunity areas, defined by access to transit, schools, services and other amenities
- opportunities to meet community development goals, LIS and Bond Framework goals, and/or to develop beneficial service partnerships;
- opportunities to use 4% or 9% Low Income Housing Tax Credits (LIHTC) resources, especially in Difficult to Develop Areas, Qualified Census Tracts and Opportunity Zones.

Should the City identify, acquire or make available City-controlled development sites under this Local Implementation Strategy with associated Bond resources, the developer/owner of such sites will be chosen based on the competitive project selection processes described herein. As previously indicated, an initial City RFP/NOFA process is anticipated by the first quarter of 2020 related to this category.

### **Sites Identified by Metro**

The allocation of Affordable Housing Bond funds includes an allocation for land acquisitions carried out by Metro rather than by the implementing jurisdictions. Metro has allocated an estimated \$21 million for acquisition of sites in Washington County. While it is uncertain whether any such sites will be in Hillsboro, the City is committed to working closely with Metro should such sites be identified and agreed upon by both parties. If such sites are identified and meet LIS criteria, Hillsboro would plan to select a developer/owner and/or project through a competitive project selection process.

### **Sites Proposed by Developers**

As described, Hillsboro will conduct periodic NOFA, RFQ or RFP processes to competitively select projects with sites proposed or controlled by developers for funding under the Bond program. The City of Hillsboro may also consider unsolicited proposals from developers on a rolling basis for projects with potential for use of bond funds in some circumstances. In consideration of such proposals, the City expects that affordable housing developers will have site control on a proposed property through outright ownership, a long-term lease, or at a minimum, through an option to purchase the property through a purchase and sale agreement or other documentation. In addition, any unsolicited proposals will be expected to demonstrate the need for expediency in market or development conditions or other unique circumstances. Examples would include land or building acquisition opportunities subject to active market competition and/or for qualifying affordable homeownership development opportunities. Developers should be aware that, depending on progress against the Bond framework, such proposals may need to achieve specific targets for income levels, unit types, geographic area, racial equity, or other characteristics. To ensure transparency, the City will document findings and justifications for any project selection or endorsement awarded through an unsolicited proposal.

Developer/owners are encouraged to work closely with the City to ensure that their proposals are responsive to the evolving needs of the Hillsboro's Local Implementation Strategy and comply with all LIS, Bond Framework and Work Plan requirements.

## **VII. Project Selection Criteria**

### **Metro Framework Unit Production Targets**

Hillsboro will take a number of factors into consideration in the selection of Housing Bond-funded projects. The first consideration will be how each project contributes to the



accomplishment of the unit production targets of the Metro Bond Framework (outlined on page 4). The City does not expect that each project will reflect the exact unit ratios expressed by these targets, but instead that the overall portfolio of funded projects in Hillsboro will achieve this mix.

The ratio of unit bedroom sizes will reflect the characteristics of the target population of specific projects, and that in turn should reflect characteristics of the site in terms of suitability to individuals, smaller or larger families. The City does expect that most projects will include units that are two bedroom or larger in order to reflect local need and the Bond Framework production target requirements.

The City also anticipates that all multifamily rental projects will include some units with rents at or below 30% AMI. In some cases, projects will be targeted to low wage earners or people on fixed-income, while others may be targeted to people with disabilities or other special needs, or people who have experienced homelessness. Some projects may include higher concentrations of 30% units so long as there is an identified funding source for the corresponding supportive services needed.

Hillsboro anticipates including 60%-80% AMI units for mixed-income projects when appropriate for the project and depending on the project's place in the bond-funded portfolio. As mentioned previously, inclusion of these units may also help to cross subsidize lower income units or reduce the amount of Bond financing needed for a given mixed-income project. Hillsboro also hopes to see mixed-income and/or mixed-use projects where only a portion of the project is supported with Bond funds.

### **Furthering Hillsboro's Affordable Housing Goals**

In addition to fulfilling the Metro Framework, the City will work to align the affordable housing developed with Bond revenues to support a number of local goals and policies. These goals and policies are enumerated primarily in the Hillsboro Affordable Housing Policy and Action Plan, the Hillsboro Comprehensive Plan, as well as in this Local Implementation Strategy. Each of these policies and strategies is based on feedback provided through extensive community engagement.

Consistent with these plans and community needs, the City of Hillsboro:

- Will focus its Bond-financed affordable housing on new construction of affordable rental projects especially in neighborhoods that do not currently have significant amounts of regulated affordable housing. This will promote the dispersal of new affordable housing to help create mixed-income neighborhoods and communities.
- May consider new construction as well as acquisition/rehabilitation projects to prevent rent increases and displacement in low-income areas, especially in the downtown core area.

- Will prioritize projects in geographic locations with proximate access to public transit, schools, parks, shopping options, health care and other services as per the needs and preferences expressed by low-income communities engaged through outreach.
- Will consider investing bond resources in the development of affordable homeownership units with consideration given to how the proposed project adheres to this LIS and contributes to the accomplishment of the unit production targets of the Metro Bond Framework.

## **Racial Equity**

Hillsboro’s approach to racial equity in project selection will take into consideration factors such as:

- Increasing regulated affordable housing opportunities in areas with existing underserved diverse populations, especially in areas that may be subject to displacement.
- Providing new affordable housing in high opportunity neighborhoods and sites. This would include sites that have good access to public transit, jobs, quality schools, commercial services, parks & open space, etc.
- Supporting project teams that have a proven track record of:
  - Outreach, engagement and ensuring participation of minority and women-owned contractors in predevelopment, construction, and ongoing maintenance and operations of the building
  - Engaging targeted and/or marginalized communities including communities of color as part of its leasing process
  - Creating an inclusive tenant screening criteria process that minimizes barriers to communities of color and other underserved groups
  - Providing culturally specific resources and services. Hillsboro recognizes that culturally specific programs can achieve strong outcomes for diverse groups in the community.

Hillsboro will prioritize projects addressing historical racism and lack of housing access experienced by communities of color, whether that is represented by projects sponsored by culturally-specific organizations, projects in which culturally-specific organizations have a meaningful role in project design, resident services and operations, or when project sponsors provide proof of their ability to serve communities of color.

## **Connection to Resident/Tenant Services**

Hillsboro expects that some level of Resident Service Coordination will be provided at all projects, appropriate to the level of need of the target population. Resident Services will generally focus on eviction prevention, helping residents access mainstream services for which they may be eligible, and community building activities.

Projects serving high needs populations will require more robust supportive services to ensure resident stability and positive outcomes. While the City is not a provider or funder of supportive services, it is available in partnership with Washington County, to help connect developer/owners to public and private service providers in the community to create needed partnerships. Hillsboro will evaluate each project's target population and service plan to help ensure that it is appropriate and durable.

### **Project Cost/Leveraging Funds**

The City plans to use Bond funds to support a portfolio of projects that provide the best return on investment in the form of long-term, sustainable affordable housing. These projects will be characterized by quality design and durable construction. Wherever possible, they will use cost effective sustainable building measures to create efficient use of energy and water and select materials to create healthy living environments. They will be well-aligned with the needs of the target households in terms of space, amenities and service requirements, and will be valuable assets in the communities in which they are located.

The blend of funding sources will have an impact on both hard and soft costs. Hard costs will be impacted by development standards of investors, lenders and other public funders. Soft costs will vary with requirements for specific legal, accounting, reserve requirements, and fees. Leverage will also be impacted by the service needs of the residents.

The City will evaluate all proposed projects to ensure that the costs are reasonable and appropriate to the specific project, focusing on the amount of Bond funds requested relative to the housing product(s) delivered. This evaluation may consider:

- Scale appropriate to the target population and income levels of tenants.
- Scale appropriate to the size of the units, including number of bedrooms.
- Scale appropriate to the neighborhood in which the project is located.
- Costs associated with mixed-use or mixed-income projects.
- Quality of construction materials.
- Costs associated with service needs of the target population.
- Resident amenities and other services provided.
- Project-related public infrastructure costs.
- Reasonable fees and reserves.

The City recognizes that in order to accomplish the overall unit production target, it will need to have an average Housing Bond expenditure per unit of **approximately \$143,000**. Hillsboro expects that some projects may receive significantly less Bond funds than this amount, while

others may receive significantly more, depending in part on the factors listed above. Hillsboro will monitor the overall pipeline of projects to ensure that the target number of units will be achieved.

### **Capacity/Readiness to Proceed**

Hillsboro recognizes that the development of affordable housing differs in many ways from market rate housing or other real estate development. Hillsboro will seek to partner with non-profit, for-profit, or governmental organizations that have demonstrated skills as affordable housing developer/owners. Expertise with the framework target unit types and with the specific population proposed by a project will also be considered.

Timely implementation of the Housing Bond is critically important. In its project selection process, Hillsboro will prioritize projects that have a clear path to timely completion. This may include a priority for projects that have appropriate zoning, have secured much or all of the other financing sources, have secured needed service partnerships, and have a clear and achievable racial equity plan. While Hillsboro may not make a funding commitment until projects meet “ready to proceed” and all other applicable criteria, Hillsboro suggests that interested developers begin conversations with the City at the earliest stages of pre-development to ensure that project programming aligns with the Implementation Strategy.

## **VIII. Project Implementation**

### **Review & Approval of Projects**

Bond funded projects will go through a multi-stage review and approval process as follows:

- Hillsboro concept endorsement. To be considered for City of Hillsboro concept endorsement, a project must at a minimum have site control, a preliminary development plan, preliminary estimate of total development costs, preliminary estimate of needed Housing Bond funds, an identified development team and a preliminary racial equity plan. Hillsboro will process and determine recommendations for concept endorsements utilizing the Affordable Housing Project Advisory Committee and will present recommended projects to the City Council. If Council approves the concept endorsement, staff will submit the project to Metro for concept endorsement.
- Metro concept endorsement. Hillsboro staff, in conjunction with Metro staff, will present the project to Metro for endorsement by the Metro COO. Metro will review the project for conformance to the adopted Local Implementation Strategy and Bond Framework.
- Hillsboro project approval & funding authorization. As the project completes due diligence and moves to financial closing, Hillsboro will consider project approval by presenting final project details to the Affordable Housing Project Advisory Committee for final review and recommendation. These recommendations will be presented to

City Council for formal action appropriate to the project (for example, authorizing a Disposition and Development Agreement (DDA), funding commitment, etc.)

- Metro project approval & funding authorization. Hillsboro staff, in conjunction with Metro staff, will present the project to Metro for final approval and funding authorization.
- Release of Funds. Once a project has received approval by the Hillsboro City Council and Metro, funds will be released to the City of Hillsboro and disbursed to the project in accordance with the provisions of the project documents.

### **Project Closing**

- Metro-Approved Regulatory Agreement. All projects will be required to execute a Metro-approved Regulatory Agreement that acknowledges the use of Metro Housing Bond funds and the restrictions associated with the use of such funds. The Regulatory Agreement shall be recorded against the project at or prior to closing.
- Period of Affordability. The Regulatory Agreement will generally specify a 60-year period of affordability for new construction projects. For acquisition projects that are more than 10 years old, the City may consider a shorter period of affordability, but no less than 30 years. The Regulatory Agreement will provide a first right of refusal for qualified nonprofit organizations or government entities to acquire the project upon expiration of the affordability period.
- Accomplishment of Framework Targets. The Regulatory Agreement will also specify the level of affordability of the units and the unit bedroom sizes of the project.
- Reporting Requirements & Monitoring During Operations. The Regulatory Agreement or similar agreement will also provide requirements for the developer or owner/operator to periodically provide information relating to the project's financial performance, physical condition, occupancy, tenant income verification, and voluntarily collected tenant demographics. The agreement calling for these reports shall provide that reports will be made for the benefit of both Metro and the City of Hillsboro. The agreement shall also provide physical access to the property when requested by Metro, the City of Hillsboro, or other project financing partners.
- Jurisdiction Documents. The City of Hillsboro will require a variety of other documents relating to the project. These may include:
  - Disposition & Development Agreements. In the case of properties controlled by the City of Hillsboro, the City will develop agreements relating to the transfer of property to the developer/owner and associated development commitments.
  - Hillsboro will develop documents relating to the form of investment of Bond Funds. These may vary depending on projected cash flow of different projects and may take the form of cash flow dependent loans or grants. In general, Hillsboro will support the allocation of modest amounts of program income to restricted reserve accounts dedicated first to the provision of Resident Services.

Projects that are expected to have more significant program income may have requirements for cash flow dependent distributions to the City.

- Hillsboro will specify requirements relating to implementation of Racial Equity Strategies. Strategies will be developed for each project, and requirements will be documented in agreements with the City. This will include:

- **MWESB Contracting.** Project sponsors will be requested to achieve an aspirational goal of 20% of total development costs for contracts to certified minority, women, and emerging small businesses. Specific NOFAs, RFQs, or RFPs may have additional goals and/or requirements. Project sponsors will be required to provide documentation of contracting efforts and results.
- **Workforce Participation.** Hillsboro is interested in encouraging participation in project workforce hours by minorities, women and disabled veterans. Hillsboro will work with Metro, other implementing jurisdictions, and with project sponsors to explore ways to maximize participation in project workforce hours.
- **Affirmative Marketing, Tenant Selection & Lease-Up.** Consistent with the Bond Framework and with community feedback, Hillsboro will work with developers/owners to ensure that Bond financed housing serves communities of color, families with children and multiple generations, people living with disabilities, seniors, veterans, households experiencing or at risk of homelessness, and households at risk of displacement. Hillsboro will require that project developers/owners make units available to minorities and disadvantaged populations using best practices.

In general, this will require:

- Affirmative outreach and marketing to target populations. Developers/owners, and their property management companies (if applicable) will be expected to engage in proactive efforts to make disadvantaged populations aware of the availability of units, and the process and timeline for application. The City will work with project sponsors to help identify specific target populations for each project and will review the proposed outreach and marketing strategy for each project. Consistent with the feedback provided in the community engagement phase, affirmative marketing may include working with community-based organizations that serve communities of color, low-income and/or special needs populations.

- Hillsboro will require that project sponsors use low barrier screening criteria that balances access to target populations, project operations, and community stability. Typical requirements may include less than standard market apartment income-to-rent ratios, reduced credit history requirements, and criminal history requirements that are most directly tied to tenant success. Project sponsors will be required to review appeals to denials of standard screening criteria that take into consideration efforts of applicants that demonstrate stability and potential for tenant success. Project sponsors are also required to review appeals if the disqualifying aspects of a denial are related to a disability and make reasonable accommodations as appropriate.

### **Project Monitoring**

Projects will be subject to monitoring throughout the development process and period of affordability. The monitoring process and expectations will be documented in agreements with the City. In general, this will include:

- Monitoring During Development & Lease Up. Hillsboro will require monthly reports during the project development and will conduct monthly site inspections in coordination with other funding partners to ensure progress to on-time and on-budget completion. Hillsboro will sign off on any change orders and on monthly draw requests.
- During Operations. Hillsboro will require annual reports that include information about project physical condition, fiscal condition, occupancy, tenant income verification, and voluntarily collected tenant demographics. Hillsboro will conduct periodic site inspections in coordination with other funding partners.

### **IX. Ongoing Community Engagement – Phase II**

The completion and approval of this LIS will initiate the beginning of Phase Two for community engagement related to Bond implementation. Phase Two is the long-term and ongoing community engagement directly related to planning, identification and development of affordable housing projects. For this future effort, the City may partner with other jurisdictions such as in Phase I community engagement and/or may contract with a community engagement practitioner to provide additional capacity to continue efforts to engage under-represented communities, neighborhoods living in the area of the new affordable housing developments and the community in general.

The City will work to ensure that the ongoing community engagement will be timely, transparent and include materials in all appropriate languages and interpretation as needed.

Community engagement will target:

- Underrepresented communities who have historically faced systemic barriers to affordable housing such as communities of color, people with low incomes, seniors, people with physical or mental disabilities, people involved with the justice system, people with limited English proficiency, immigrants and refugees, tenants of affordable housing, people at risk of displacement, and people experiencing homelessness. Engagement will focus on community members providing advice about how the City can address and reduce these systemic barriers both in regard to a specific project(s) and also on an ongoing basis.
- Neighbors living in the area or adjacent to the new affordable housing developments – Engagement strategies will be focused on neighborhoods where a specific housing project is proposed. These efforts may coincide with, or may be separate from, outreach and notifications associated with land use processes.

To ensure that impacted communities are involved in decision-making the City will:

- Maintain an interested and affected group contact list.
- Promote, publish and share opportunities and updates in multiple formats and languages as needed. This may include electronically, hard copy, social media, and by telephone (as requested.)
- Ensure that in-person engagement opportunities are accessible to all by being held in the evenings and/or on weekends, in different community locations and places where people naturally convene, and include community support such as food, child care and translation services.

The City will also develop evaluation measures that allow adjustments to community engagement approaches related to ongoing bond implementation.

## **X. Reporting on the Implementation Strategy**

### **Annual Report**

Hillsboro staff will prepare an annual report to the Hillsboro City Council on the progress of the Local Implementation Strategy. This report will be made available to the public and interested stakeholders. The report will include information on committed and completed projects (e.g. project status, Bond funding amounts, total project cost, and units produced by unit size, type and income level served). The report will also include information on overall progress toward achievement of the framework goals and the balance of Bond funding available.

### **Reporting to Metro**

Hillsboro will submit annual reports to Metro in accordance with the Intergovernmental Agreement.



## EXHIBIT B TO IGA

### Schedule of Administrative Funding and Program Milestones

Total administrative funding available:  \$855,939

The following schedule is subject to annual review and may be revised with approval from the Metro COO.

Fiscal year	Administrative funding annual allocation	Percent of total share of administrative funding	Anticipated Program Milestones
2019-20	\$171,188	20%	<b>RFP/NOFA 1:</b> Release of RFP/NOFA for project on a City-owned site
2020-21	\$171,188	20%	<b>RFP/NOFA 1:</b> Developer selection, Disposition and Development Agreement <b>NOFA 2:</b> Release NOFA for sites/projects proposed by developers
2021-22	\$171,188	20%	<b>RFP/NOFA 1:</b> Groundbreaking <b>NOFA 2:</b> Developer selection, Disposition and Development Agreement
2022-23	\$171,188	20%	<b>RFP/NOFA 1:</b> Certificate of Occupancy <b>NOFA 2:</b> Groundbreaking <b>NOFA 3:</b> Release NOFA for sites/projects proposed by developers
2023-24	\$171,188	20%	<b>NOFA 2:</b> Certificate of Occupancy <b>NOFA 3:</b> Developer selection, Disposition and Development Agreement
2024-25	\$		<b>NOFA 3:</b> Groundbreaking
2025-26	\$		<b>NOFA 3:</b> Certificate of Occupancy

*Examples of program milestones:*

- *Release of Notice of Funding Availability (NOFA) or Request for Proposals (RFP)*
- *Site or building acquisition*
- *Developer selection*
- *Disposition and Development Agreement (DDA)*
- *Groundbreaking*
- *Certificate of Occupancy*
- *Lease up*

After recording return to:  
Office of Metro Attorney  
600 NE Grand Avenue  
Portland, OR 97232-2736  
Attn: \_\_\_\_\_

**DECLARATION OF AFFORDABLE HOUSING  
LAND USE RESTRICTIVE COVENANTS**

This Declaration of Affordable Housing Land Use Restrictive Covenants (this "Declaration") is entered into as of \_\_\_\_\_, 2020 (the "Effective Date"), by and between Metro, a municipal corporation of the State of Oregon ("Metro") and \_\_\_\_\_ ("Owner").

RECITALS

A. Owner is the owner of certain real property commonly known as \_\_\_\_\_ in \_\_\_\_\_, Oregon, and legally described on Exhibit A attached hereto.

B. Owner and Metro are parties to that certain Intergovernmental Agreement dated \_\_\_\_\_, 20\_\_ (the "IGA"), pursuant to which Metro provided to Owner certain funds applied by the Owner to acquire the Property, which funds were proceeds of certain general obligation bonds issued by Metro for the limited purpose of funding affordable housing projects as authorized by Measure 26-199 approved by the voters on November 6, 2019 (the "Ballot Title").

C. Owner plans to improve a \_\_\_ acre parcel [and modify an existing building from its current use as a \_\_\_\_\_] into [BRIEFLY DESCRIBE DEVELOPMENT PLAN].

D. The parties expect that the Property will be redeveloped and comprised of approximately \_\_\_\_\_ units of affordable housing (the "Project"). At initial occupancy, the Project will serve qualifying persons that earn \_\_\_% or less of area median income (AMI).

E. As required by the IGA, and as consideration for Metro's provision of general obligation bond funds to the Owner to acquire the Property, Owner agrees to the restrictions, covenants and obligations set forth herein.

SECTION 1  
PROPERTY USE RESTRICTIONS

1.1 **Affordable Housing Land Use.** For the term of this Declaration, the Property and the Project shall at all times be owned, developed, constructed, improved and operated solely as "Affordable Housing" within the meaning of the Ballot Title and as described in the Metro Housing Program Work Plan approved by the Metro Council on January 31, 2019 (the "Work Plan"). For

purposes of the Ballot Title and the Work Plan, “Affordable Housing” is defined as improvements for residential units occupied by households earning 80% or less of median gross household income, adjusted for household size, for the Portland, Oregon metropolitan statistical area as established each year by the U.S. Department of Housing and Urban Development.

1.2 **Nondiscrimination.** In accordance with Title VI of the Civil Rights Act, as amended; 42 U.S.C. Section 2000d; Section 303 of the Age Discrimination Act of 1975, as amended; 42 U.S.C. Section 6102; Section 202 of the Americans With Disabilities Act of 1990; 42 U.S.C. Section 12132, no owner of the Property shall discriminate against any employee, tenant, patron or buyer of the Property improvements because of race, color, creed, national origin, sex, age or disability. In addition, any such owner shall comply, to the extent applicable to the Property, with the applicable federal implementing regulations of the above-cited laws and other applicable state and federal laws. “Owner” shall mean the fee simple title holder to the Property or any part thereof, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

1.3 **Running with the Land.** Owner hereby declares that the Property subject to this Declaration shall be held, sold and conveyed subject to the forgoing land use restrictions and covenants, which shall run with the Property and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of Metro. Owner agrees that any and all requirements of the laws of the State of Oregon to be satisfied in order for the provisions of this Declaration to constitute deed restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements of privileges of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to ensure that these restrictions run with the Property for the term of this Declaration.

## SECTION 2 GENERAL PROVISIONS

2.1 **Enforcement.** Metro shall have standing, and may bring an action at law or equity in a court of competent jurisdiction to enforce all restrictions and covenants established by this Declaration and to enjoin violations, ex parte, if necessary. The failure to enforce any provision shall in no event be deemed a waiver of the right to do so thereafter. If legal proceedings of any type are begun so as to enforce the Declaration, the prevailing party shall recover reasonable attorney’s fees, including attorney’s fees on appeal. However, attorney’s fees shall not be recovered by a prevailing party that initiated the legal proceedings unless the initiating party provided 30 days’ written notice to the other party, its successors, and assigns, prior to filing any legal action.

Metro is the only party entitled to enforce the restrictions and covenants set forth herein. Nothing in this Declaration gives, is intended to give, or will be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons.

2.2 **Duration.** Subject to the provisions of the IGA providing for the early termination of this Declaration upon the occurrence of certain events or conditions, or otherwise upon mutual consent of the parties, the restrictions established by this Declaration shall run with and bind the Property in perpetuity.

2.3 **Amendment.** This Declaration may not be amended or revoked except by written

agreement executed by Metro and Owner, their respective successors and assigns, and duly recorded in the manner then provided for by law.

**2.4 Limitation of Liability of Metro.** Under no circumstances shall Metro have any liability to Owner, its successors and assigns, or other user or tenant, lessee, guest or invitee of Owner, its successors and assigns, by virtue of Metro's enforcement or failure to enforce the rights established by this Declaration, and Owner, its successors and assigns, should defend and hold harmless Metro from same.

**2.5 Choice of Law.** This Declaration shall be interpreted under the laws of the State of Oregon.

**2.6 Breach of Agreements.** Owner represents and warrants that this Declaration does not violate any of the terms or conditions of any other agreement to which Owner is a party, or to which the Property is subject.

The parties have caused this Declaration to be signed by their respective, duly authorized representatives, as of the Effective Date.

OWNER:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

State of Oregon                    )  
  ss.  
County of \_\_\_\_\_)

This instrument was acknowledged before me on \_\_\_\_\_, 2020, by \_\_\_\_\_, as \_\_\_\_\_, of \_\_\_\_\_, an Oregon \_\_\_\_\_.

\_\_\_\_\_  
(Signature of Notarial Officer)

METRO

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

State of Oregon                    )  
  ss.  
County of \_\_\_\_\_)

This instrument was acknowledged before me on \_\_\_\_\_, 2020, by  
\_\_\_\_\_, as \_\_\_\_\_, of \_\_\_\_\_, an Oregon \_\_\_\_\_.

\_\_\_\_\_  
(Signature of Notarial Officer)

**Exhibit A**

**Property Legal Description**

**Required Project Completion Reporting**

**Immediate Post Closing (within 10 business days after closing):**

- Copy of recorded Metro approved restrictive covenant
- Copy of settlement statement

**Post Construction Completion (within 3 months of recorded temporary certificate of occupancy):**

- Metro project closeout form attesting to use of Metro bond funds for capital costs
- Copy of temporary certificate of occupancy
- Resident Services Plan (OHCS form)
- Affirmative Fair Housing Marketing Plan (HUD Form)
- Community engagement report
- MWESB/COBID participation outcomes
- Workforce outcomes report, if project has stated workforce goals
- Draft project summary

**Post-Occupancy (within 3 months of 95% occupancy):**

- Marketing and application outcomes report
- Final project summary

IN CONSIDERATION OF RESOLUTION NO. 20-5070 FOR THE PURPOSE OF  
AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT WITH THE  
CITY OF HILLSBORO FOR IMPLEMENTATION OF THE METRO AFFORDABLE  
HOUSING BOND MEASURE

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Date: January 9, 2020  
Department: Planning & Development  
Meeting date: January 23, 2020

Prepared by: Emily Lieb  
Presenter(s): Emily Lieb  
Length: 10 minutes

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## **ISSUE STATEMENT**

As directed by the Program Work Plan, staff has prepared an intergovernmental agreement (IGA) setting forth the terms and conditions under which Metro will disburse Metro Housing Bond funding to the City of Hillsboro for eligible program activities. The proposed IGA is attached as Exhibit A to the Resolution.

The IGA is intended to provide clarity and accountability regarding the expenditure of bond funds to achieve specific Unit Production Targets.

### **Eligible funding amounts**

Hillsboro is eligible for the following funding amounts to support investment in Affordable Housing Projects that are consistent with the Bond Measure, Work Plan, and approved LIS.

- Eligible Share: \$40,657,081 to be disbursed on a Project by Project basis to support direct capital investments in eligible Affordable Housing Projects.
- Administrative Share: \$855,939 to be released in annual disbursements to support general costs associated with program administration activities.

### **Unit production targets**

Hillsboro agrees to direct the above funding resources toward the creation of Affordable Housing to achieve the following unit production targets:

- Hillsboro will support investments to create a total of 284 permanently affordable homes.
- At least 117 homes will be restricted to households earning 30% or less of area median income (AMI).
- At least 139 homes will be restricted to households earning 31% to 60% of AMI
- No more than 10% of units (28 of 284 total units) may be affordable to households making 61-80% of AMI.
- At least 142 units will contain two or more bedrooms.



## **General IGA provisions to ensure transparency and accountability**

- All projects selected for bond funding must demonstrate consistency with Hillsboro's Local Implementation Strategy (LIS), as confirmed through Metro staff review at the concept and final funding stage. See Hillsboro's LIS attached as Exhibit A to the IGA.
- Hillsboro will record a restrictive covenant ensuring long-term affordability and monitoring obligations for all approved projects.
- Hillsboro will submit annual progress reports to Metro, which will be utilized by the Housing Bond Community Oversight Committee as part of their annual review. Along with project progress information, these reports will include metrics and narratives describing outcomes related to advancing racial equity.
- Metro will disburse administrative funding to Hillsboro annually. See the Schedule of Administrative Funding Disbursement and Program Milestones attached as Exhibit B to the IGA.
- Hillsboro will submit annual end-of-fiscal-year reports to Metro summarizing direct project expenditures and program administrative expenditures, the latter of which is subject to the 5% administrative cap included in the Housing Bond Measure.

## **Hillsboro Local Implementation Strategy (LIS)**

In July, Hillsboro completed its Local Implementation Strategy (LIS). In accordance with requirements set forth in Metro's Housing Bond Program Work Plan, Hillsboro's LIS includes a development plan to achieve the City's share of unit production targets and strategies for advancing racial equity and ensuring community engagement throughout implementation. Key highlights of Hillsboro's LIS include:

- Portfolio approach to achieve the unit production targets through two to five projects;
- Priority for development of housing on existing City owned land;
- Focus on development of new affordable rental housing in neighborhoods that do not currently have significant amounts of affordable housing;
- Consideration for new construction as well as acquisition/rehabilitation projects to prevent displacement due to rent increases in low income area, especially in the downtown core;
- Consideration for affordable homeownership investments that meet the goals of the LIS and Metro bond;
- Creation of an Affordable Housing Project Advisory Committee to advise staff on project selection prior to approval by Hillsboro City Council;
- Developer selection criteria considering track record on hiring a diverse workforce, affirmative marketing to historically marginalized communities, low barrier screening criteria, and culturally specific resources and services;
- Goal of 20% of total development costs awarded to contracts with COBID certified firms.

The Hillsboro LIS was reviewed and discussed by the Housing Bond Community Oversight Committee at their September 4, 2019, meeting, where Committee members present voted unanimously to recommend the LIS to Metro Council for approval with considerations for ongoing monitoring. A copy of the Oversight Committee's recommendation and noted considerations is attached to this Staff Report.

## **REQUESTED**

Adopt Resolution No. 20-5070, authorizing the Chief Operating Officer to execute an intergovernmental agreement with the City of Hillsboro for implementation of the Metro Affordable Housing Bond Measure.

## **IDENTIFIED POLICY OUTCOMES**

Once the IGA is finalized, Hillsboro will be eligible to receive \$40,657,081 in Metro bond funding for disbursement on a project-by-project basis, and \$855,939 in funding for program administration costs between FY19-20 and FY25-26, including \$171,188 in FY19-20 administration funding to be disbursed within 30 days of the execution of the IGA.

Ongoing disbursement of funds will be contingent upon demonstrated progress toward achieving Hillsboro's share of the Unit Production Targets and Hillsboro's compliance with its LIS.

## **POLICY QUESTION(S)**

- Does the Council believe the IGA provides the necessary accountability structures and mechanisms to ensure the region's success in fulfilling the commitments articulated in the Housing Bond Measure?
- Does the Council believe Hillsboro's LIS (attached as Exhibit A to the IGA) meets the requirements established by the Council in the Program Work Plan, as recommended by the Community Oversight Committee?

## **POLICY OPTIONS FOR COUNCIL TO CONSIDER**

- Authorize the execution of an intergovernmental agreement with the City of Hillsboro for implementation of the Metro Affordable Housing Bond Measure by adopting Resolution No. 20-5070. Such authorization would effectively approve Hillsboro's LIS, which is incorporated into the IGA as Exhibit A.
- Reject proposed intergovernmental agreement with the City of Hillsboro for implementation of the Metro Affordable Housing Bond Measure, and direct staff to renegotiate the terms and conditions upon which funding will be provided.

## **STAFF RECOMMENDATIONS**

Staff recommends adoption of Resolution No. 20-5070.

## **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

The IGA was shaped through the direction provided in the Housing Bond Program Work Plan, adopted by Metro Council on January 31, 2019, and through consideration of applicable state laws pertaining to the program. Staff from Planning & Development; Office of Metro Attorney; Finance and Regulatory Services; Risk Management; and external bond counsel have all been consulted in development of the IGA.

Metro staff have worked with staff at all seven eligible local implementation partners over the past six months to develop IGA terms that protect the integrity of the program and ability for implementation partners to achieve prescribed outcomes. Hillsboro City Council approved the IGA, including the final LIS, on January 7, 2020.

To inform the creation of the LIS, the City of Hillsboro partnered with Washington County and the City of Beaverton to engage over 500 community members and over 50 agencies. The City of Hillsboro conducted a listening session with Latino parents from the Hillsboro School District. Engagement themes included housing barriers, service needs, and location criteria for affordable housing investments. Hillsboro City Council initially reviewed and discussed the first draft of Hillsboro's LIS at a July 2, 2019, Work Session. A second draft of the LIS incorporating stakeholder comments was provided to the Council in August 2019.

Oversight Committee members present at the September 4, 2019, meeting voted unanimously to recommend Metro Council approval of the LIS as part of the IGA. Staff are not aware of any opposition to Hillsboro's LIS or to the IGA.

The proposed Resolution is based on numerous policies previously adopted by the Metro Council, including but not limited to:

- Resolution No. 19-4956, approving the Metro Affordable Housing Bond Program Work Plan
- Resolution No. 18-4898, referring the Affordable Housing Bond Measure to Metro District voters

## **ATTACHMENTS**

Attachment 1: Metro Housing Bond Community Oversight Committee Recommendations for Hillsboro's Local Implementation Strategy

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# METRO HOUSING BOND COMMUNITY OVERSIGHT COMMITTEE

## RECOMMENDATIONS REGARDING HILLSBORO'S LOCAL IMPLEMENTATION STRATEGY

### RECOMMENDATION TO METRO COUNCIL REGARDING APPROVAL OF THE HOUSING AUTHORITY OF HILLSBORO'S LOCAL IMPLEMENTATION STRATEGY

The Oversight Committee recommends that Metro Council take action to approve Hillsboro's Local Implementation Strategy. The Committee has identified the following considerations for the City of Hillsboro's ongoing implementation and monitoring of outcomes:

- The City should further define strategies and outcomes that will be measured to demonstrate the advancement of racial equity, including low-barrier screening criteria, affirmative marketing, universal design, voucher prioritization, wraparound services, and contract and workforce diversity.

The Oversight Committee has requested an early response from the City of Hillsboro regarding the considerations above and ongoing updates as part of the City's annual progress report. The Oversight Committee expects to address these considerations in its annual program review.

### ADDITIONAL GUIDANCE FOR ALL JURISDICTIONS

In addition to the above considerations, Committee members have offered the following considerations for all jurisdictions participating in implementation of the Housing Bond. This list reflects considerations approved by the committee as of their November 6, 2019 meeting and may be further refined as the Committee discusses Local Implementation Strategies from other jurisdictions.

- When describing strategies to advance racial equity, be specific about prioritization among various strategies.
- Use language that acknowledges intersectionality of populations; avoid differentiating between homelessness, disabling conditions including physical and mental health, and addiction.
- Identify screening criteria not relevant to likelihood of successful tenancy that should not be considered.
- Provide further information about jurisdiction commitments to fund supportive services as needed to meet the needs of certain tenants.
- Additional resources need to be identified to successfully serve tenants who need permanent supportive housing.
- Consider further specificity about family sized unit production that includes goals or requirements to ensure three bedroom and larger homes.
- Measuring outcomes regarding workforce equity should include all workers, not solely apprentices.
- Many minority owned businesses need additional support to successfully participate in the COBID certification program.
- Consider sustainability/durability and life cycle costs, and incorporate findings from the 2015 Meyer Memorial Trust study on cost efficiencies in affordable housing in evaluating project.

Agenda Item No. 4.1

**Resolution No. 20-5072**, For the Purpose of Reappointing Five Members  
of the Metro Affordable Housing Bond Community Oversight Committee

*Consent Agenda*

Metro Council Meeting  
Thursday, January 23, 2020  
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF REAPPOINTING FIVE	)	RESOLUTION NO. 20-5072
MEMBERS OF THE METRO AFFORDABLE HOUSING	)	
BOND COMMUNITY OVERSIGHT COMMITTEE	)	Introduced by Interim Chief
	)	Operating Officer Andrew Scott
	)	with the Concurrence of Metro
	)	Council President Lynn Peterson

WHEREAS, at the general election held on November 6, 2018, the Metro Area voters approved a ballot measure authorizing the issuance of general obligation bonds in an amount not to exceed \$652,800,000.00 for the purpose of funding affordable housing (the "Affordable Housing Bond Measure"); and

WHEREAS, Metro Code Chapter 2.19 establishes the Metro Affordable Housing Bond Community Oversight Committee, whose members are appointed by the Metro Council President subject to confirmation by the Metro Council; and

WHEREAS, the Metro Council President has reappointed five members of the Metro Affordable Housing Bond Committee Oversight Committee;

WHEREAS, the Metro Council desires to confirm those reappointments; now therefore

BE IT RESOLVED that the Metro Council confirms the reappointments to the Metro Housing Bond Community Oversight Committee as set forth on Exhibit A, attached hereto.

ADOPTED by the Metro Council this \_\_\_\_ day of January 2020.

\_\_\_\_\_  
Lynn Peterson, Council President

Approved as to Form:

\_\_\_\_\_  
Carrie MacLaren Metro Attorney

**Exhibit A to the Resolution No. 20-5072**

**Affordable Housing Bond Community Oversight Committee  
Committee Member Reappointments**

The following five persons served an initial term of one year from January 31, 2019 to January 31, 2020, and shall serve a second term of two years starting January 31, 2020:

Andrew Tull	Principal Planner and Urban Designer at 3J Consulting
Bandana Shrestha	Director of Community Engagement for AARP Oregon
Dr. Steven Holt	Founding Principal of Try Excellence
Ed McNamara	Founder Turtle Island Development
Serena Cruz	Executive Director of the Virginia Garcia Memorial Foundation

IN CONSIDERATION OF RESOLUTION NO. 20-5072 FOR THE PURPOSE OF  
REAPPOINTING FIVE MEMBERS OF THE METRO AFFORDABLE HOUSING BOND  
COMMUNITY OVERSIGHT COMMITTEE

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Date: January 7, 2020  
Department: Planning & Development  
Meeting date: January 23, 2020

Prepared by: Emily Lieb

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## **ISSUE STATEMENT**

In January 2019, Metro Council established and appointed the Metro Affordable Housing Bond Community Oversight Committee, charged with providing independent and transparent oversight of affordable housing bond implementation.

The Metro Council President worked with Metro councilors and staff to identify 13 appointees who would represent the region and bring diverse expertise to the role. In order to ensure staggered committee terms, five of those 13 members were initially appointed for a one-year term, with the potential for up to two additional two-year terms.

Resolution No. 20-5072 reappoints five members of the Community Oversight Committee who were initially appointed for a one-year term. Metro Council Ordinance No. 19-1430, which established the Oversight Committee, states that Committee members may be reappointed for up to two additional 2-year terms.

Metro staff have confirmed interest and availability of the following Oversight Committee members to serve for an additional term of two years:

- Andrew Tull, Principal Planner and Urban Designer at 3J Consulting
- Bandana Shrestha, Director of Community Engagement for AARP Oregon
- Dr. Steven Holt, Founding Principal of Try Excellence
- Ed McNamara, Founder of Turtle Island Development
- Serena Cruz, Executive Director of the Virginia Garcia Memorial Foundation

## **ACTION REQUESTED**

Adopt Resolution No. 20-5072, reappointing five members of the Metro Affordable Housing Bond Community Oversight Committee.

## **IDENTIFIED POLICY OUTCOMES**

The Community Oversight Committee performs the following duties as charged by the Metro Council:

- Reviewing local implementation strategies for alignment with the expectations set forth in the Housing Bond Program Work Plan;



- Monitoring program expenditures and outcomes and providing an annual report and presentation to Metro Council;
- Recommending changes to implementation strategies as necessary to achieve Unit Production Targets and other priority outcomes, such as advancing racial equity.

### **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

The proposed Resolution is based on numerous policies previously adopted by the Metro Council, including but not limited to:

- Ordinance No. 19-1430 amending Metro Code Chapter 2.19 to establish the Community Oversight Committee, and describing the committee makeup, terms and charge
- Resolution No. 19-44957 confirming 13 members and co-chairpersons initially appointed by the Council President to serve on the Affordable Housing Bond Community Oversight Committee

### **ATTACHMENTS**

None

Agenda Item No. 5.1

**Parks and Nature Annual Report**

*Presentations*

Metro Council Work Session  
Thursday, January 23, 2020  
Metro Regional Center, Council Chamber



Metro

2018–19 Annual Report

# Parks and Nature



## Continued investments strengthen unique parks and nature system in greater Portland

When greater Portland voters first approved a natural areas bond measure in 1995, they helped put into action a vision of clean water, restored fish and wildlife habitat and opportunities for people to connect with nature close to home. Voters sent a clear message that parks and natural areas, just like housing and transportation, are an integral part of healthy, livable communities.

Today, Metro manages more than 17,000 acres of parks, trails, natural areas and historic cemeteries as part of a unique system with nature at its heart. This is possible thanks to voter support for the 1995 and 2006 bond measures and two subsequent levies to help care for the land. Funding from the second levy kicked in July 2018.

November 2019 marked another milestone, with voters approving a \$475 million bond measure to support land purchase and restoration, Metro park improvements, Nature in Neighborhoods capital grants, local parks

and nature projects, walking and biking trails and complex community projects.

While continuing to build on past investments, projects supported with bond money will include an emphasis on advancing racial equity, deepening community engagement and reducing the impacts of climate change.

“We are grateful for the support of voters throughout the region who recognize the value of these investments in our water quality, parks and open space, and the opportunity we have to improve equity and access for all the people of our region,” Metro Council President Lynn Peterson said on election night after results showed the bond had passed.

The work is guided by the Parks and Nature System Plan, a long-term strategic plan and framework, and the Parks and Nature Department’s Racial Equity, Diversity and Inclusion Action Plan. The action plan, completed in late 2018, comprises more than

80 actions aimed at improving economic, environmental and cultural equity.

With the passing of the 2019 bond measure, the work is just starting. Parks and nature staff will spend late 2019 and early 2020 to connect with community members and develop a work plan to implement the bond measure.

“The work that we do is important for now and future generations,” Jonathan Blasher, parks and nature director, said after the election. “We will take good care of the voters’ dollars, and we’ll do everything we can to keep their trust now and in the future.”

The impacts of current investments can be seen on the ground, with cleaner water, healthier habitats and new opportunities to enjoy parks and nature, like the popular new nature play areas at Oxbow Regional Park.

Learn more about how your tax dollars were spent from July 2018 to June 2019 and stay tuned for more.

Get the whole report online with more photos, stories and details at [oregonmetro.gov/parksandnature2019](https://oregonmetro.gov/parksandnature2019)

# Improving, planning access to nature

New parks provide more opportunities for people to connect with nature close to home, including Killin Wetlands Nature Park, which opened in September 2018. Projects begin with reviewing the scientific and cultural resources at a site and mapping areas compatible with access and areas where sensitive habitat and cultural resources would be unsuitable for development. Extensive conversations with

community members, partners and others ensure that access improvements provide the nature experiences and visitor amenities the community wants. After a thoughtful planning process, the Metro Council needs to approve a formal “master plan” before design, engineering and construction drawings can be completed. Land-use permits and funding must be secured before construction begins.



Killin Wetlands Nature Park



Children of varying abilities are now able to enjoy two nature play areas at Oxbow that opened in May 2019. One features climbing structures and water and sand play stations. The other is a kids “adventure camp” with a nature lab and small camp kitchen. Planners worked with FACT Oregon, an organization that provides resources and support to families experiencing disabilities.

## New welcome center, nature play areas greet Oxbow visitors

Visitors to Oxbow Regional Park can't miss the new welcome center at the park entrance that opened in January 2019. It's a hub for visitors to find maps and general information, and the center's educational elements are designed to spark curiosity about nature.

Children can follow 11 sets of wildlife tracks imprinted in the ground to discover the animal

that made them, a floor-to-ceiling engraved metal panel with hidden animals, a display of seasonal plant and wildlife cards and more. The 2,600-square-foot modernist timber frame building also houses staff offices, public restrooms, a locker room and a multipurpose room. Money for the new building came from voter-approved levies and revenue generated from prior salmon festivals at Oxbow.

Because of parent insight, play area designers were better able to accommodate how children could transfer from wheelchairs to play equipment. They planned accessible paths from parking areas, designed fencing around the play areas and chose building materials that won't interfere with the use of cochlear implants. The two nature play areas cost \$565,000. About \$375,000 came from the levies, with additional money from a federal Land and Water Conservation Fund grant.



**Direct investments in local communities** in the form of Nature in Neighborhoods grants continue to be one of the most popular programs. Summer 2018 marked the first round of grants awarded from the levy renewal, and the Metro Council awarded 14 nature education and outdoor experiences grants totaling \$800,000 to support ecology education, scholarships for nature-focused bike camps, urban

forestry job training programs and more. The Center for Diversity & the Environment received a \$60,000 grant for its Environment 2042 Emerging Leaders program, which identifies and develops people ages 18 to 25 to help build a more diverse, equitable and inclusive environmental movement in greater Portland. The grants emphasize building cultural, environmental and economic equity.

## A focus on equity

In fall 2018, Metro released the Parks and Nature Racial Equity, Diversity and Inclusion Action Plan. The plan brings together Metro's work to protect clean air and water and connect people to nature with its commitments to improve racial equity in the region.

The document sets down dozens of specific actions Metro will undertake over the next five years to increase racial equity, diversity and inclusion in its parks and nature work.

For Metro, achieving racial equity in greater Portland means that race would no longer be a reliable way to predict a person's life outcomes on measurements like education level, health or wealth, which are currently very closely related to race. In the process of creating racial equity, every group and community in greater Portland would see its well-being improve.

"It's important work that we have to take on individually and collectively," said Jonathan Blasher, director of Metro's Parks and Nature Department. "What gets me excited

is seeing the small successes people have... People see that this isn't some big magical or mystical work. It's about treating people with respect and integrity and acknowledging historic wrongs."

This means making sure that people of color feel welcome and safe when they visit Metro destinations. It means creating job training and mentoring for people of color so that the department's workforce looks like the people it serves, which isn't true now. It means that Indigenous people, both those with close historical ties to the region and those with tribal roots in other parts of the country, will have meaningful and easier access to cultural resources on properties that Metro protects and manages, all of which are land ceded by regional tribes in the early years of colonization. It means contracting with more minority-owned, women-owned and emerging small businesses.

Through these and other efforts, Metro is working to ensure that more people of color will gain the benefits of parks and natural areas.



**Connect with Nature:** As part of planning for the future East Council Creek and Gabbert Butte nature parks, Metro tried a different approach in an effort to encourage the participation of new and culturally diverse voices. Staff played a supporting role, giving control to community partners and empowering members from African-American, Latinx, Asian, Indigenous, and immigrant and refugee communities to sit in the planner's seat, help facilitate community

conversations, and guide the park design process and outcomes. For many, the series of workshops were a long overdue opportunity for people of color to take a more active role in the parks planning process and a chance for their ideas, critiques and aspirations to be heard. The lessons learned as part of the Connect with Nature initiative are now being turned into a resource guide for other park providers to use when they create a new public park space.



## Restoration and maintenance

Protecting clean water and restoring fish and wildlife habitat remain at the core of Metro's parks and nature mission.

Restoration and maintenance work includes controlling invasive weeds, planting native trees and shrubs, removing unnecessary or harmful culverts and roads, maintaining existing roads and infrastructure, decommissioning unauthorized trails, improving connections between streams and wetlands, and improving habitat for fish and wildlife.

The first levy provided money to complete weed assessments across Metro's entire portfolio, and crews treated weeds across the vast majority of parks and natural areas. That important work continues.

After Metro acquires a property, a stabilization plan is drawn up, invasive weeds start getting treated, and dilapidated buildings, septic systems and other structures are removed. This initial work is paid for with money from the 2006 natural areas bond measure.

After a site is stable, a site conservation plan is developed to identify the most important actions to improve water quality and fish and wildlife habitat. A site stewardship plan is also developed to detail weed treatments and maintenance of fence lines, signage and more. Restoration work can take years or even decades to complete, after which a site transitions to long-term maintenance.

Metro last year participated in nine regional conservation partnerships, such as efforts to protect oak prairies. In the Clackamas River Basin, an initiative now in its third year coordinates efforts between federal, state, regional, and local partners and private landowners in managing invasive species and preventing the introduction or spread of new species.

The Clackamas River Invasive Species Partnership, or CRISP, grew out of conversations between the nonprofit Clackamas River Basin Council, the Clackamas Soil and Water Conservation District and Metro in late 2015 and now includes 13 public and nonprofit partners. The partnership brings everyone together to identify and prioritize the weed infestations that pose the greatest threat to the watershed and focus limited resources where they would be most effective.

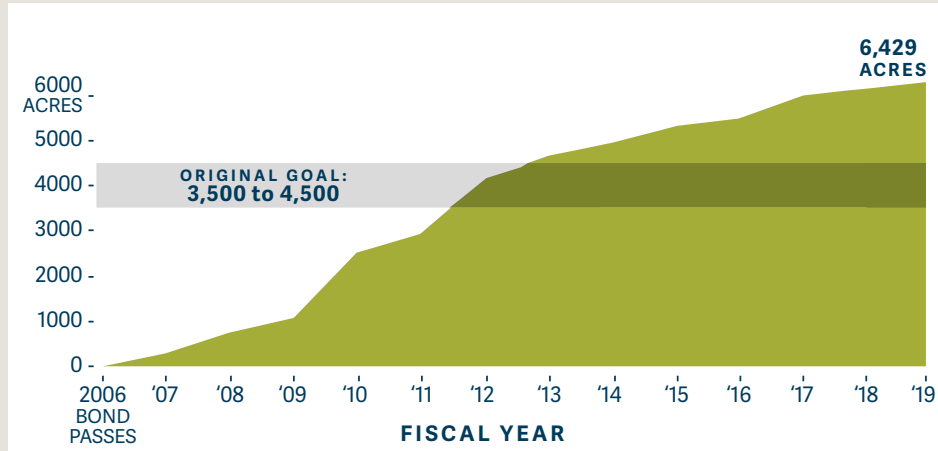
### By the numbers

**81** projects to restore habitat and protect clean water

**1,500** acres of completed restoration work

**48** planting projects

**79** weed treatment projects



### Land acquisition with 2006 bond (CUMULATIVE)

The biggest portion of the 2006 bond measure earmarked \$168 million for land acquisition from willing sellers. More than 6,000 acres have been acquired and protected – significantly surpassing the original goal. Thanks to voters, Metro has been able to conserve some of the last swaths of native prairies, wetlands and other valuable habitat – home to rare plants and endangered or threatened fish and wildlife. Other properties fill gaps in regional trails, providing key connections for commuters, bicyclists and joggers.

### Nature education FY 2019

**7,141**

Youth participants in nature education programs

**16**

Sites where nature education programs took place

### Volunteers FY 2019

**10,623**

Total volunteer hours at parks and natural areas

**46**

Sites where volunteers worked  
Target = 33 sites

## Promises made, promises kept

Metro's system of parks, trails, natural areas and historic cemeteries is the result of a more than a quarter century of commitment, action and investment by the region. It exists because of voter support for three bond measures and two levies.

Spending from the 2006 natural areas bond measure is winding down, and voters in November 2019 approved a new \$475 million bond measure to continue investments to protect land, improve parks and natural areas, support community projects and more.

The final year of funding from the original levy expired in June 2018, and money from the levy renewal kicked in the following month. Continued funding from the levy renewal builds upon the successes in the first levy. More sites are being restored to provide healthy habitat. New nature parks are welcoming visitors. And popular parks continue to see improvements with new facilities and more programming.

The work continues. Stay tuned for next year's annual report to track how your tax dollars are spent to improve parks and nature.



Metro Council, from left: Councilors Sam Chase, Shirley Craddick, Juan Carlos González, Metro Council President Lynn Peterson, Councilors Craig Dirksen, Christine Lewis and Bob Stacey

### Parks and Nature spending\* FY 2019

	General fund	2018 parks and natural areas levy	2006 natural areas bond	Total
Restoration/maintenance of parks and natural areas	\$2,564,761	\$4,386,330	\$0	\$6,951,091
Access to nature	\$663,216	\$563,742	\$1,349,230	\$2,576,188
Park improvements and operations	\$5,727,651	\$3,604,233	\$0	\$9,331,884
Cemeteries	\$892,200	\$0	\$0	\$892,200
Nature education and volunteer programs	\$265,384	\$787,870	\$0	\$1,053,254
Community investments	\$61,054	\$1,052,454	\$912,748	\$2,026,256
Land acquisition/stabilization	\$0	\$0	\$6,090,342	\$6,090,342
Administration**	\$4,136,642	\$4,672,456	\$4,013,635	\$12,822,733
<b>Total</b>	<b>\$14,310,908</b>	<b>\$15,067,085</b>	<b>\$12,365,955</b>	<b>\$41,743,948</b>

\* Unaudited  
\*\* Administration spending includes expenses for department administration and support services, such as the Office of the Metro Attorney, the Data Resource Center and Communications.

### 2018 parks and natural areas levy

#### Promised to voters



#### Actual levy spending THROUGH JUNE 2019



Improving public access to natural areas

Regional park operations

Nature in Neighborhoods grants

Restoring natural areas for wildlife, fish and water quality

Nature education and volunteers

Agenda Item No. 5.2

**Committee on Racial Equity Annual Reports**

*Presentations*

Metro Council Work Session  
Thursday, January 23, 2020  
Metro Regional Center, Council Chamber



# Memo

Date: January 9th, 2020  
To: Committee on Racial Equity (CORE) and Metro Council  
From: Raahi Reddy, DEI Program Manager  
Subject: Strategic Plan to Advance Racial Equity, Diversity and Inclusion – Progress report

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## General overview

Adopted in June 2016, the Strategic Plan to Advance Racial Equity, Diversity and Inclusion is a major building block in Metro's goal to advance equity in the Portland metro region. The plan set forth a clear agency-wide direction while also outlining actions to advance the work forward over its five year horizon. The 77 actions outlined in the plan are foundational and will require numerous additional actions in order to reach the plan's objectives and goals.

Metro has completed year three of the Strategic Plan implementation. This report details the status of actions that were slated to be completed in the first two years of implementation but were not yet completed at the time of last year's report. In addition this report details actions that were slated to be completed in years three through five of implementation. Actions that were completed in previous years are not included in this report. In total, 63 actions expected to begin fiscal year 2018- 2019 are outlined here. In previous years 14 actions of the Plan's 77 were completed. In the past year an additional three were completed, and work towards dozens more were started or continued. Only four actions outlined in the plan remain not started.

## Highlights

Metro's Committee on Racial Equity, along with the Diversity, Equity and Inclusion team, have selected the following highlights among the multitude of work done towards advancing DEI at Metro in the last year:

- Metro has committed to requiring DEI trainings for incoming and current managers.
- Metro deepened its commitment to the region's Indigenous communities by hiring its first Indigenous Community Liaison, within Parks & Nature, and a Tribal Relations Specialist in Government Relations.
- Departments across Metro continue to expand, deepen and evolve their work with Community Based Organizations who serve communities of color.
- Metro saw a significant expansion of our DEI training capacity, with 24 DEI trainings attended by 430 Metro staff.
- The DEI team hosted cultural awareness months that spotlighted the stories of women, the LGBTQ+ community, indigenous communities and communities of color.
- Metro Council formally adopted the Construction Career Pathways Framework to help the region's construction industry recruit, train, and retain women and people of color.
- Communications has worked to integrate trauma-informed approaches into their work.
- Property Environmental Services and Parks & Nature created new equity-centered committees to strengthen racial equity outcomes across their department's work.
- Parks and Nature has committed to piloting a participatory grant making process for the Parks and Nature Bond.

The detailed status of each action item is shared in the following section of this memo.

cc: Andrew Scott, Chief Operating Officer  
Heidi Rahn, Deputy Chief Operating Officer



**Status of actions**

*Goal A – Metro convenes and supports regional partners to advance racial equity*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
In partnership with the community, develop and pilot regional public engagement forums to connect Community -based organizations to resources, engagement opportunities, contracting opportunities and staff at Metro and other public agencies across the region.	In progress.	In the last year Metro has held a coordinated engagement event to connect CBOs to Metro project managers in order to support the development of the regional investment strategies. Similar efforts were completed during the Regional Transportation Plan update. Metro expects to conduct similar events as opportunities arise. Broader regional public engagement forums to connect CBOs to contracts and resources not been initiated.
Use existing committees and additional new opportunities to convene and work collaboratively with regional partners to advance equity related to public engagement, affordable housing, welcoming and inclusive parks and venues, safe transportation, equitable solid waste system and economic opportunity for communities of color through local government contracts and projects.	In progress.	This action item is in progress across a variety of areas. C2P2 has established a regional table to working towards multi-government construction careers implementation, which interfaced with Metro’s established advisory committees. Also Metro has created new committees to advance equity in Parks, Housing and Solid Waste.  Additional efforts to convene and work with regional partners include the technical assistance budget note, the weaving in of best practices for community engagement into IGAs with regional governments, and Parks and Nature’s collaborative efforts with regional partners related to the Parks and Nature Bond.
Convene regional partners to discuss solutions to increase the participation of local MWESB in government contracts.	In progress.	Informal collaboration on this topic has been initiated with The City of Portland, the Port of Portland and Multnomah County. The Planning and Development Housing team has set MWESB minimum requirements for housing bond projects. Finance is also learning best practices from the Construction Pathways project. Next steps include exploring ways to grow , Metro’s capacity internally to grow more COBID firm participation in small and large scale construction projects across the agency

cc: Andrew Scott, Chief Operating Officer  
Heidi Rahn, Deputy Chief Operating Officer

*Goal B – Metro meaningfully engages communities of color*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
Create a system to better coordinate engagement with communities of color across Metro departments. This system should include the maintaining of a record of community-based organizations' involvement with Metro to support relationship continuity.	In progress.	A decision about whether or not to invest in another relationship management tool project has been presented to Support Services Directors. Project requires ongoing staff and license funding that currently is not available. Decision to fund or not must be considered in the context of overall agency needs over the next year.
Work with communities to co-create community-specific public engagement plans that work to develop long-term community relationships, as opposed to episodic engagement.	In progress.	This work is redirected to the Community Capacity Building budget note, Get Moving Partnerships and ongoing agency-wide partnerships with Momentum Alliance and Bridges graduates.
Metro departments set aside resources for contracting and partnering with CBOs or community groups for engagement. Results are included in quarterly management reports.	In progress.	This work is successful and growing, with CBO contracts for engagement happening in departments across the agency. Quarterly management reports are no longer required.
Identify and propose ways to improve youth engagement and youth involvement in Metro decision-making.	In progress.	Work is being done through the youth led equity cohort with Momentum Alliance to improve youth involved decision-making, the Oregon Zoo has targeted youth engagement opportunities, and CORE added its first youth member to the committee in 2019.
Identify and propose the creation of new opportunities within public engagement activities for emerging and established community leaders to work with decision makers to help drive plan, policy and program outcomes.	In progress.	Work is being done through the youth led equity cohort with Momentum Alliance, the Bridges graduates, CORE, project-specific partnerships like Get Moving, grant programs and more.
Develop and apply criteria to consistently partner and invest in existing community leadership programs that have greatest benefit to community.	In progress.	This work is being considered through the Community Capacity Building budget note work, the Get Moving work, and more.
Create mechanisms to involve the community in the implementation and evaluation of the Strategic Plan.	In progress.	The DEI Program will continue involving Metro's Committee on Racial Equity as we co-create a framework for evaluating progress towards the Strategic Plan's goals.
Utilize the racial equity analysis and decision support tool on four pilot projects representing each of Metro's four lines of business.	In progress.	The DEI program will be rolling out the Government Alliance for Racial Equity's racial equity toolkit in spring of 2020, and supporting widespread adoption through a train-the-trainer event in summer 2020.

cc: Andrew Scott, Chief Operating Officer  
Heidi Rahn, Deputy Chief Operating Officer

*Goal B – Metro meaningfully engages communities of color - Continued*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
Develop equity performance measures to include in Metro's By the Numbers performance measurement program.	In progress.	Equity performance measures will be created during the Impact Evaluation project, which will restart in January 2020.
Provide training and support to Metro departments on the Racial Equity Analysis and Decision-Support Tool to most effectively meet specific departmental portfolio.	In progress.	The DEI program will be supporting widespread adoption of the Racial Equity Analysis and Decision-Support Tool through a train-the-trainer event in summer 2020 and subsequent trainings with Metro staff across departments.
DEI program creates, publishes and submits annual equity report to Council, for publication and broad distribution.	Completed.	The Equity Dashboard is live and DEI has established an annual equity report to Council.
With the direct support of the DEI program, expand the pilot for utilizing the racial equity analysis and decision support tool within each department.	In progress.	The DEI program will be rolling out the Government Alliance for Racial Equity's racial equity toolkit in spring of 2020, and supporting widespread adoption through a train-the-trainer event in summer 2020.
Identify barriers and propose solutions to increase participation of communities of color in Metro engagement opportunities. Such barriers may include: public meeting times, lack of food and childcare, and location of meetings.	In progress.	Many of the barriers described have been addressed when possible. The biggest improvement is agency-wide guidance on stipends for participation. Metro still needs to ensure line departments, DEI and Communications include budgets for these things.
Identify and propose the creation of new opportunities within public engagement activities for decision-makers to receive direct community input and to meaningfully consider and discuss what they've heard.	In progress.	Metro continues to evolve and increase opportunities to engage with Metro decision makers through forums, engagement activities, committees, granting and more. Additional opportunities have been implemented through the transportation task force, coalitions built for the regional investment measures, and the Local Investment Teams (LITs) as well as community partnership grants for the upcoming transportation measure.

cc: Andrew Scott, Chief Operating Officer  
 Heidi Rahn, Deputy Chief Operating Officer

*Goal B – Metro meaningfully engages communities of color – Continued*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
Create financially supported volunteer seats on advisory boards and committees for youth of color, community members, and community-based organization representatives.	In progress.	Three advisory committees, including the CORE, the Regional Waste Advisory Committee, and the Parks and Nature Equity Advisory Committee provide stipends for volunteer seats for community members and community-based organization representatives.
Conduct user testing to inform improvements to the accessibility and usability of digital tools for communities of color to get involved. Invest in outreach and promotion strategies to raise awareness of individual opportunities and online tools.	In progress.	Metro video, brochures, recruitment, Ask Metro and other promotional materials used more robust input from communities of color. The web upgrade work will include user testing. Our Big Back Yard and other parks content is in the process of being evaluated with an emphasis on younger people of color. PES content too was tested with a focus on communities of color. Comms is working to develop a more robust support system for translation and trans-creation. A Spanish trans-creation contract is in place.
Create a framework to track and measure equity actions and investments across the agency.	In progress.	The DEI team will continue to track and measure through the Impact Evaluation process, the Regional Barometer project and with Metro's Committee on Racial Equity. Expected evaluation measures developed by Fall of 2020 -which will set standard metrics to track racial equity outcomes across Metro's work.

cc: Andrew Scott, Chief Operating Officer  
 Heidi Rahn, Deputy Chief Operating Officer

*Goal C – Metro hires, trains and promotes a racially diverse workforce*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
Create a pilot employee resource group for staff of color. Explore possibility to expand this format to other employee communities.	Completed.	The People of Color and the LGTBQ+ ERGs began in 2018 and continues to meet monthly.
Staff and management from every department are actively involved in the implementation of the Strategic Plan and DAP through a clear and representative process.	In progress.	Staff and management primarily advance the Strategic Plan by implementing their department-level DEI plans. The Zoo, P&D, P&N, and PES completed their plans in 2018. OCC, Expo and P5 have begun work on their own plans, and Communications, IS, HR, FRS and the Research Center are slated to start their planning process in 2020.
Create opportunities for staff across the entire organizational structure to discuss how to improve the organizational equity structures at Metro.	In progress.	Metro's two employee resource groups provide spaces for staff from across the agency to discuss ways to improve organizational equity. The DEI team is also exploring the creation of an agency-wide DEI steering committee in 2020.
Adopt policy that Metro management positions must attend required DEI related trainings.	In progress.	Metro plans to establish mandatory DEI trainings for incoming and established managers in 2020.
Develop an internal and external communication strategy to convey Metro's leadership commitment to diversity, equity and inclusion.	In progress.	Metro has developed an internal Communications plan, has hired additional communications capacity to support DEI efforts, and will begin work on an external plan in 2020.
Diversify hiring committees by department including considering gender, age and cultural group. Include community members where appropriate.	In progress.	HR recently hired a new recruitment manager who will be responsible for drafting an SOP on Metro's overall recruitment practices. HR will also report on department demographic data with respect to race and compare that data with the available workforce in our market. Census data is currently being collected and draft metrics reports are being developed. These efforts will be completed by the summer of 2020.
Department leadership work with DEI program staff to determine how equity, diversity and inclusion can be addressed as part of staff's work duties.	In progress.	Informal meetings with department leadership around this issue are already occurring. HR and DEI are planning to assemble a workgroup to meet quarterly to discuss formalizing this process and assessing options to achieve this goal.

cc: Andrew Scott, Chief Operating Officer  
 Heidi Rahn, Deputy Chief Operating Officer

*Goal C – Metro hires, trains and promotes a racially diverse workforce – continued*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
Provide support and training for hiring managers to assess job requirements, create accessible job announcements and understand the value of diverse hiring.	In progress.	The HR recruitment team will be conducting a recruitment road show training hiring managers on recruitment best practices, which incorporate a DEI lens.
Review and adjust recruitment processes and the criteria for job descriptions using accessible language so that more value is placed on applicant’s skills and abilities beyond the purely technical.	In progress.	Starting in March of 2020, with each new recruitment, recruiters will work with classification staff to assess job description and job postings to ensure they are accessible and looking at overall skills and abilities. DEI and HR have also developed standard job application questions to highlight an applicant’s relevant lived experience, volunteer work and other non-professional experiences.
Identify and propose ways to connect existing community leadership programs with career opportunities as Metro.	In progress.	The agency-wide partnership program resulted in a number of youth of color and others getting employment at Metro. The work with Bridges graduates on recruitment will build on that success. Partnership projects (Get Moving, Parks, PES, etc. also are increasing the number of diverse applicants.
Reassess Metro values to ensure diversity, equity and inclusion are equally recognized as guiding principles.	In progress.	Communications has led an update of Metro's mission, vision and values that integrates DEI values. They have begun rolling out this update which will continue through 2020.
Incorporate equity discussions into all Metro advisory committees to ensure that these bodies uphold the same commitment to equity.	In progress	Metro piloted DEI trainings for our advisory committees and are setting up additional work and developing a strategy for sustained engagement and training.
Identify and propose new opportunities for staff across Metro to develop and deepen relationships in formal and informal settings.	In progress.	Metro Employee Engagement Program (MEEP) is providing opportunities for staff to collaborate (For example- all-staff, reuse fairs)
Identify and propose new ways to increase accessibility of DEI trainings for venue staff and temporary/seasonal/part-time/graveyard staff.	In progress.	Many departments have collaborated with DEI training to provide specific trainings for their team’s needs.
Identify and propose a variety of new learning methods and trainings to reach all regular status staff.	In progress.	Getting new online learning management system in Spring/Summer 2020. DEI training has discussed implementing more online training offerings among the suite of classroom offerings.

cc: Andrew Scott, Chief Operating Officer  
 Heidi Rahn, Deputy Chief Operating Officer

*Goal C – Metro hires, trains and promotes a racially diverse workforce – continued*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
Create agency-wide policies regarding intern diversity and compensation.	In progress.	Work has been done to include compensation guidelines in Metro’s internship policy, though the pay equity study has put this work on pause.
Further the job market preparation of interns by providing skill building opportunities	In progress.	Work is being done with hiring managers at intake meetings to make sure they are providing good learning opportunities, not just busy work.
Develop a succession plan for all levels in the organization.	Not started.	This will be incorporated into HR’s broader retention planning efforts in 2020.
Expand hiring interview format option for increased cultural sensitivity	In progress.	HR recently hired a new recruitment manager who has begun drafting a standard operating procedure (SOP) on Metro's overall recruitment practices. The SOP will be done by the summer of 2020.
Identify and propose new opportunities for potential applicants to learn more about job positions.	In progress.	HR recently hired a new recruitment manager who has begun drafting an SOP on Metro's overall recruitment practices. This will be done by the summer of 2020.
Create a pilot professional mentorship program to cultivate front-line staff of color for leadership positions.	Not started.	The POC Employee Resource Group has identified this item as an important need for staff of color. DEI will continue to explore the establishment of this program with HR.
Identify and propose ways to increase pathways for Metro staff to gain skills for career advancement.	In progress.	HR Training is implementing a new Learning Management System, rolling out a new Supervisor Boot Camp Program, and is looking to expand overall learning and development opportunities.
Communicate job announcements using culturally specific languages, channels and organizations.	In progress.	HR recently hired a new recruitment manager who has begun drafting an SOP on Metro's overall recruitment practices. This will be done by the summer of 2020.
Determine diversity, equity and inclusion criteria so that they can be clearly incorporated as part of the performance management review (PACe) for all staff.	Not started.	Some departments and venues have begun this work, but there is still a need to establish standard practice across the agency. HR will update the PACe program in the next year with the goal of more strongly integrating equity into the process. HR will be provide guidance to managers on how to better integrate equity considerations into their ongoing PACe goals.
Partner with and invest in local communities of color and CBOs to attract more diverse applicant pools.	In progress.	HR recently hired a new recruitment manager who has begun drafting an SOP on Metro's overall recruitment practices. This will be done by the summer of 2020.
Create a plan to address space limitations for interns	In progress.	MRC Campus Operations has been undertaking a MRC Space Planning Project to accommodate the growth in Metro staff. The planned MRC layout outlined in this project will include additional workstations for temporary employees and interns.

cc: Andrew Scott, Chief Operating Officer  
 Heidi Rahn, Deputy Chief Operating Officer

*Goal D – Metro creates safe and welcoming services, programs and destinations*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
With the direct support of the DEI program, expand the pilot for developing a specific plan of action to advance equity within the programs, services, plans, and policies of each department within 18 months.	In progress.	Racial equity planning is underway with Communications, EXPO, the Oregon Convention Center and Portland 5.
Communicate program and service announcements using culturally specific language and channels (e.g. tribal newspapers and Russian radio stations)	In progress.	It is not standard practice to translate formal notices into multiple languages, however, it is now standard to include an offer for translation in multiple languages with every formal notice. Outreach opportunities targeted to specific communities are always translated accordingly. Specific departments use culturally specific language and channels on a project specific basis. For example, the Ask Metro program has transcended culturally specific programming for Latinx, Russian and African American communities and communicated through culturally specific channels.
Use newly standardized demographic questions across the agency and establish methods for disaggregating results for agency-wide public engagement efforts.	In progress.	Standardized demographic questions were established in summer of 2019 and rollout will continue into 2020.
Identify and propose ways to increase community cultural events held at all Metro properties.	Not started.	Will be incorporated into the community engagement discussions for racial equity planning for OCC, Expo, and P5
Identify and propose new opportunities for communities of color to learn about Metro programs and services.	In progress.	Work is happening at the department level. For example, Property Environmental Services has an ongoing partnership with North by Northeast and workforce development partners to promote programs and services to communities of color.
Recognize the connection of Metro destinations to specific communities of color and visibly acknowledge how these connections are foundational to guiding Metro’s work.	In progress.	In 2019 Parks and Nature hired an Indigenous Community Liaison aiming to strengthen our recognition and acknowledgement of these connections; the DEI team and Communications is also working on standard territory acknowledgements for Metro public meetings and spaces; the Expo Center continues to honor the history of its site in relation to the Vanport Flood and Japanese Internment.
Reassess the guidelines for availability and usage of Metro properties for community-based organizations, and create awareness of those guidelines among communities of color.	In progress.	Metro currently provides space in the Metro Regional Center for community-based organizations, though a staff sponsor is required. OCC, Expo and P5 will be exploring this issue as part of their racial equity planning process.

cc: Andrew Scott, Chief Operating Officer  
 Heidi Rahn, Deputy Chief Operating Officer



*Goal E – Metro’s resource allocation advances racial equity*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
Require project managers to attend procurement training on developing RFPs.	In progress.	Finance and the Procurement Services division offer trainings throughout the year about increasing COBID (Certification Office for Business Inclusion and Diversity) certified business participation. Following an equity project with NAMC, FRS is working on recommendations of required trainings for supervisors about COBID utilization.
Develop and implement agency-wide equity criteria for grants, investments and sponsorships to increase impact and investment consistency.	In progress.	Continuing to assess the usage of the Racial Equity Assessment Tool through GARE.
Research and choose method to identify the contracting needs for firms in the region. These preparations include the identification of financial resources and coordination with jurisdictional partners, Metro’s attorney and procurement office.	In progress.	Collaboration with NAMC Oregon is complete and implementing with feedback from the report. This focused on construction only. Donaldson Enterprises completed an initial needs assessment based on COBID firm and Metro project manager feedback about working on contract with Metro. There are currently no staff resources to continue working on this goal.
If applicable, establish a process that requires an explanation as to why a COBID contractor was not utilized.	In progress.	Procurement is exploring options in regard to this work. Each contract is currently held by each individual department. More exploration is needed about how to resolve this issue. Explanation of choice is not enough to increase utilization.
Increase Metro staff participation in professional networking opportunities for communities of color.	In progress.	The DEI team currently communicates professional networking opportunities to staff of color through the POC ERG. The team will set up a dedicated webpage to advertise these opportunities in 2020.
Involve the COBID contractors in the development of RFPs and grants to increase accessibility, as long as they do not bid.	In progress.	Several COBID firms are interested in this opportunity. Need to establish compensation standard for participation. Next step is to convene a larger group of firms to educate about the opportunity. Internal education at Metro about working with these firms during proposal evaluation.

cc: Andrew Scott, Chief Operating Officer  
 Heidi Rahn, Deputy Chief Operating Officer

*Goal E – Metro’s resource allocation advances racial equity – continued*

<b>Action title</b>	<b>Status</b>	<b>More information</b>
Develop and implement a budget tool to assist in making resource allocation decisions, including discretionary budget allocation, investments, contracts, grants and sponsorships using a racial equity lens.	In progress.	Parks and Nature is piloting a participatory grant making model in a portion of their bond-funded projects.
Create an equity tool to legally determine waivers for contract requirements, such as insurance.	Completed.	Waivers are in place as an option. Determinations are made through Metro's Risk Manager within the requirements of our Insurance Policy. Finance is using this option for COBID firms.
Increase intentional outreach to communities and community-based organizations regarding contracting opportunities, working through business partners.	In progress.	Significantly expanded outreach to business community, community partners, and individual businesses. Also, implementing recommendation from NAMC Oregon report to have project managers also attend outreach events.
Conduct user testing to improve access to and awareness of digital tools to communicate all financial opportunities at Metro to communities of color.	In progress.	We currently produce reports on who we are currently reaching. Remaining challenges include finding best ways to reach firms that are owned by People of Color but are not registered within COBID system. Currently are utilizing tool called Procurement Search. Next steps are to continue to improve user access and awareness.

cc: Andrew Scott, Chief Operating Officer  
 Heidi Rahn, Deputy Chief Operating Officer



Metro



CALENDAR YEAR 2019

## Diversity, Equity, and Inclusion year in review

Metro's Diversity, Equity and Inclusion program is working to help the organization achieve its racial equity goals by providing support and tools to Metro staff, Metro Council and community partners. The program has an organizational impact team focused on developing a more inclusive culture, and a regional impact team focused on ensuring that Metro's externally-facing programs and investments deliver racial equity outcomes. Here are a few of the DEI program's major achievements from the past year – as well a look forward to what we'll be working on in 2020.

## Diversity, Equity, and Inclusion training courses

DEI training courses introduce Metro employees to new viewpoints, ideas and interpersonal skills. They establish a common vocabulary that makes it easier for people to discuss, and advance, workplace equity.

2019 saw a significant expansion of DEI's training capacity. Courses were held across departments and venues including the Convention Center, Portland's, the Expo Center and the Oregon Zoo, reaching a total of 430 people. Three new courses were added, covering disability awareness, how to create welcoming spaces for LGBTQ+ people, and the history and organizational significance of Metro's decision to "lead with racial equity."

In 2020, DEI's organizational impact team will focus on making core competency courses more available across the agency's venues and among Metro managers. New courses on building inclusive teams, responding to microaggressions, applying a racial equity lens to project planning, and understanding cultural humility will be introduced.



*"Would love to see more of this training in all Metro venues and a multi-part series."*

*- Bystander Intervention*

*"Thanks for the opportunity. This was a great training and the first of its kind that I have seen offered in my 10 years here at Metro."* - Disability 101



**430**

Number of staff trained on DEI concepts in 2019



**24**

DEI trainings offered to employees and community partners\*



## Employee Resource Groups

Employee Resource Groups provide places where Metro's LGBTQ+ employees and employees of color can support one another, develop professional skills, and provide feedback to senior leadership. They give voice to groups who have traditionally been left out of policy decisions, and play a vital role in recruitment and retention efforts.

Metro's Employee Resource Groups showed considerable growth in 2019. Attendance levels increased over 2018 for both groups, and both made significant progress in building their governance structures and clarifying their relationships to the Senior Leadership Team. In the coming year, the organizational impact team will continue to work with HR to support the growth and sustainability of Employee Resource Groups.

## Cultural awareness months

Cultural awareness months give Metro employees opportunities to share their cultures' histories, traditions, and contributions to greater Portland. This makes people feel seen and appreciated, and helps build community across the organization.

DEI's organizational impact team manages a yearly calendar of cultural awareness months that spotlight the stories of women, the LGBTQ+ community, and indigenous and communities of color. This year included several firsts. In June, Metro raised the transgender flag for the first time at Oxbow and Blue Lake Parks, in a public show of solidarity with transgender employees and residents. The DEI program also held its first community event at the Milagro Theater, which centered the work of Latinx artists. In 2020, expect more local speakers and artists, interactive events, and more outreach to the parks and venues.

## Construction Career Pathways Framework

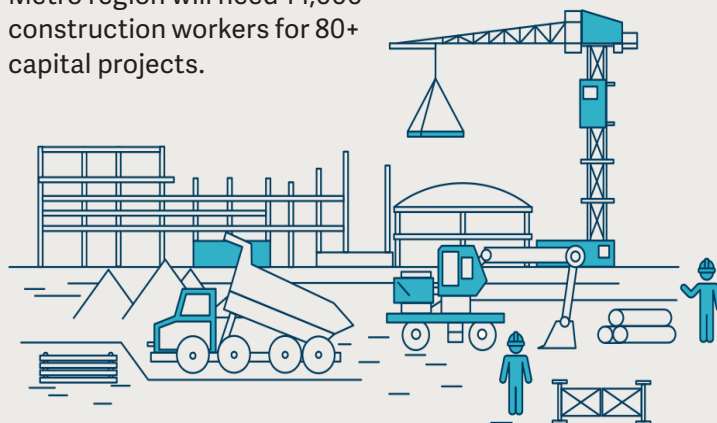
All of greater Portland's communities deserve comparable access to well-paying work. Metro can help realize this goal by taking advantage of its reach to coordinate across regional industries.

DEI's regional impact team spent 2019 working with 16 different public agencies to create the Construction Career Pathways Framework. Formally adopted by Metro Council in October, the framework outlines measures that will help the regional construction industry attract, hire, train, and retain women and people of color. By increasing these groups' access to family-wage careers, the framework will financially benefit their families and communities for generations, while at the same time addressing our region's urgent need for more trades workers. In 2020, the regional impact team will continue its work by convening regional stakeholders to begin the framework's implementation and help raise resources to support community-based workforce organizations.



Photo courtesy of Oregon Tradeswomen, Inc./Dawn Jones Redstone

Over the next 10 years, public agencies across the Portland Metro region will need 14,000 construction workers for 80+ capital projects.



## Committee On Racial Equity

Metro's decision making processes must center those who have historically been excluded from them. Only in this way can Metro truly reflect the diversity of the communities it serves.

In 2019, the DEI program's Committee On Racial Equity (CORE) helped Council incorporate diverse community perspectives in major regional investment decisions, including Parks and Nature and Housing measures. Additionally, with the appointment of seven new members in October, CORE's current roster is its most diverse yet. New members bring with them strong relationships with local youth, Muslim, refugee and Indigenous communities. Aided by the regional impact team, CORE's first action of 2020 will be to leverage these relationships by convening community leaders to help assess candidates for the position of Metro COO.





## What's next for the DEI program?

In 2020, aside from continuing to support CORE and leading implementation of Construction Careers Pathways, the Regional Impact team will be focused on measuring and evaluating impact and ramping up efforts to support venues (OCC, P5 and Expo Center) in the development of their racial equity plans. In addition, DEI is supporting Metro Council as they engage community stakeholders to explore the potential for a new grants program that would support community-led organizations in their own capacity building efforts.

Regional Program Director Sebrina Owens-Wilson explains, “in the coming year – our team will be focused on supporting Metro’s programs and investments in achieving racial equity outcomes and positive changes in our community.”

DEI’s organizational impact team will continue to offer opportunities for Metro employees to better understand and connect to ongoing equity work. In 2020, the team will be increasing the accessibility and variety of DEI’s training courses and cultural events. There will also be more DEI resources available to operationalize this work, including gender pronoun and racial equity toolkits. Organizational Impact Program Manager Cassie Salinas states, “We know employees at all levels are hungry for more trainings, and the time to practice what they are learning – and our team is ready to meet the demands of that growing appetite.”

## Hello, we're Metro.

Metro brings people together to shape the future of greater Portland and provides places, services and tools that work best at a regional scale. Led by an elected council, this unique government gives Oregonians a voice in their community.

### Parks and nature

Metro protects clean water, restores fish and wildlife habitat, and connects people to nature across 17,000 acres of parks, trails and natural areas – and the Oregon Zoo.

### Land and transportation

Metro plans for new homes, jobs, transportation options and access to local businesses and parks.

### Garbage and recycling

Metro manages the garbage and recycling system and is a resource for information about safe disposal and ways to reduce waste.

### Arts and events

Metro runs the Oregon Convention Center, Portland Expo Center and Portland’s 5 Centers for the Arts.

Metro’s strategic plan to advance racial equity, diversity and inclusion calls for each Metro department and venue to develop a specific action plan unique to their programs and services. The DEI team can help bring these plans to fruition as thought partners, consultants, and by providing strategic support. To view the strategic plan or department plan visit [oregonmetro.gov/equity](https://oregonmetro.gov/equity)



Arts and events  
Garbage and recycling  
Land and transportation  
Oregon Zoo  
Parks and nature

[oregonmetro.gov](https://oregonmetro.gov)  
[equity@oregonmetro.gov](mailto:equity@oregonmetro.gov)

Materials following this page were distributed at the meeting.

# **Metro**

*600 NE Grand Ave.  
Portland, OR 97232-2736  
oregonmetro.gov*



**Metro**

## **Minutes**

**Thursday, January 9, 2020**

**2:00 PM**

**Metro Regional Center, Council chamber**

**Council meeting**



**1. Call to Order and Roll Call**

Council President Peterson called the Metro Council meeting to order at 2:02 p.m.

**Present:** 7 - Councilor Sam Chase, Councilor Shirley Craddick, Councilor Craig Dirksen, Councilor Bob Stacey, Council President Lynn Peterson, Councilor Christine Lewis, and Councilor Juan Carlos Gonzalez

**2. Safety Briefing**

The Council debuted a new safety briefing video that included information on the location of emergency exits, fire extinguishers, and automated external defibrillators.

**3. Public Communication**

There was none.

**4. Resolutions**

4.1 Resolution No. 20-5061, For the Purpose of Organizing the Metro Council and Confirming Committee Members

Council President Peterson noted that with the new year, Councilor Juan Carlos Gonzalez had been appointed Deputy Council President. She thanked Councilor Chase for serving as the 2019 Deputy Council President.

**A motion was made by Councilor Chase, seconded by Councilor Stacey, that this item be adopted. The motion passed by the following vote:**

**Aye:** 7 - Councilor Chase, Councilor Craddick, Councilor Dirksen, Councilor Stacey, Council President Peterson, Councilor Lewis, and Councilor Gonzalez

**5. Consent Agenda**

**Approval of the Consent Agenda**

**A motion was made by Councilor Dirksen, seconded by Councilor Lewis, to adopt items on the consent agenda. The motion passed by the following vote:**

**Aye:** 7 - Councilor Chase, Councilor Craddick, Councilor Dirksen, Councilor Stacey, Council President Peterson, Councilor Lewis, and Councilor Gonzalez

- 5.1 Resolution No. 19-5047, For the Purpose of Amending the FY 2019-20 Unified Planning Work Program (UPWP) to Add Funding For the Clackamas Corridor Management and Emerging Technology Projects
- 5.2 Resolution No. 19-5050, For the Purpose of Adding or Amending Existing Project to the 2018-21 Metropolitan Transportation Improvement Program Involving Two Projects Impacting ODOT (DC20-05-DEC2)
- 5.3 Consideration of the Council Meeting Minutes for December 12, 2019

## **6. Presentations**

### **6.1 Metro Code of Ethics Audit**

Council President Peterson called on Mr. Brian Evans, Metro Auditor, and Ms. Simone Rede and Mr. Elliot Shuford, Metro staff, to provide a presentation on Metro's Code of Ethics Audit. Mr. Evans introduced the audit and explained that Metro's Code of Ethics sets expectations for Metro employees, and includes a mix of guidance, policy, legal requirements, and value statements to help the organization and its employees navigate ethical questions that might arise during the course of their work. He stated that the objective of the audit was to see if there were ways to strengthen and promote an ethical culture at Metro, as well as to clarify or simplify ethical expectations for employees to make it easier to understand and respond to ethical questions.

Ms. Rede and Mr. Shuford then presented the audit results and their recommendations. They noted that the audit found that there were barriers to understanding ethical expectations and that the code did not integrate policies, legal requirements, and organizational values. Ms. Rede stated the audit's recommendation that these be better integrated to make relevant guidance easier to find. She also shared recommendations focused on improving guidance,

training, and communication. Mr. Shuford then shared recommendations related to Metro's responses to potential ethical issues, with a focus on collection and analysis of information and investigations. He highlighted the recommendation that Metro clarify roles and responsibilities for conducting investigations of potential ethical issues.

Council President Peterson then called on Interim Chief Operating Officer Andrew Scott, to provide the management response to the audit. Mr. Scott reviewed the audit recommendations and outlined the agency's efforts to address the audit findings, highlighting the importance of ethics in public service.

*Council Discussion*

Councilor Lewis asked about clarifying the investigation role. Councilor Craddick asked about the timeline for protocol changes and additional audit follow-ups. Councilor Stacey spoke to the importance of having a comprehensive statement of ethical consideration. Councilors thanked Auditor Evans and his staff for their work.

**7. Chief Operating Officer Communication**

Interim Chief Operating Officer Andrew Scott announced that Metro would be designating a free parking day at Metro parks to honor Commissioner Nick Fish's legacy of service to parks and nature.

**8. Councilor Communication**

Councilors provided updates on the following meetings or events: the Metro Council public hearing on transportation on January 13, the Metropolitan Exposition Recreation Commission (MERC), Levee Ready Columbia, and the Joint Policy Advisory Committee on Transportation (JPACT).

**9. Adjourn**

There being no further business, Council President Peterson adjourned the Metro Council meeting at 2:44 p.m. She noted that the Metro Council would then meet in an executive session pursuant to ORS 192.660(2)(a), to consider the employment of a public officer, employee staff member, or individual. The Metro Council will convene the next regular council meeting on January 16 at 2:00 p.m. at the Metro Regional Center in the council chamber.

Respectfully submitted,



Nellie Papsdorf, Interim Legislative and Engagement  
Coordinator

# **Metro**

*600 NE Grand Ave.  
Portland, OR 97232-2736  
oregonmetro.gov*



**Metro**

## **Minutes**

**Thursday, January 16, 2020**

**2:00 PM**

**Metro Regional Center, Council chamber**

**Council meeting**

**1. Call to Order and Roll Call**

Council President Lynn Peterson called the Metro Council meeting to order at 2:02 p.m. She acknowledged the upcoming January 20 Dr. Martin Luther King Jr. day and spoke in honor of his life and legacy. She shared several opportunities around the region to mark the day of service.

**Present:** 6 - Council President Lynn Peterson, Councilor Sam Chase, Councilor Shirley Craddick, Councilor Bob Stacey, Councilor Christine Lewis, and Councilor Juan Carlos Gonzalez

**Excused:** 1 - Councilor Craig Dirksen

**2. Public Communication**

Charles Ormsby, City of Portland: Mr. Ormsby spoke in favor of promoting and enabling the alignment of systems and documents to improve accessibility and mobility for those living with disabilities.

Les Poole, City of Gladstone: Mr. Poole testified on Metro's proposed transportation measure and shared his concerns about the plan, including high costs.

**3. Resolutions**

- 3.1 Resolution No. 20-5063, For the Purpose of Allocating \$143.98 Million of Regional Flexible Funding for the Years 2022-2024, Pending Adopting of the 2021-24 MTIP

Council President Peterson called on Ms. Margi Bradway, Deputy Director of Planning and Development, and Mr. Dan Kaempff, Metro staff, for a brief presentation on the resolution. Mr. Kaempff explained that adoption of the resolution would approve the Step 2 Project List of the 2022-2024 Regional Flexible Funds allocation and enable staff to work towards completion of the Metropolitan Transportation Improvement Program (MTIP), which would be considered by Council later in the year. Mr. Kaempff informed the Council that the investments funded through the allocation followed and supported the four regional

investment priorities as defined in the 2018 Regional Transportation Plan. Mr. Kaempff then provided an overview of the project list as well as the engagement process used.

*Council Discussion*

Councilor Craddick thanked Metro staff for their work and noted that the process to develop the project list was very collaborative. She thanked staff and local jurisdictions for working together to develop an outcome that served the entire region. Councilors expressed support for the project list and the investments to come.

**A motion was made by Councilor Craddick, seconded by Councilor Gonzalez, that this item be approved. The motion passed by the following vote:**

**Aye:** 6 - Council President Peterson, Councilor Chase, Councilor Craddick, Councilor Stacey, Councilor Lewis, and Councilor Gonzalez

**Excused:** 1 - Councilor Dirksen

- 3.2 Resolution No. 19-5060, For the Purpose of Amending the FY 2019-20 Unified Planning Work Program (UPWP) to Add Funding for the Boone Bridge Project

Council President Lynn called on Ms. Margi Bradway, Deputy Director of Planning and Development, and Mandy Putney, Oregon Department of Transportation (ODOT), for a brief presentation on Resolution No. 20-5060 and Resolution No. 19-5059. Ms. Putney provided an overview of the resolutions, noting that they focused on the Boone Bridge Widening and Seismic Retrofit Study, and if approved, would amend the Unified Planning Work Program (UPWP) and Metropolitan Transportation Improvement Program (MTIP) to include funding for the study.

*Council Discussion*

Council President Peterson shared her concerns about the

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project, including the scope of the project and potential implications for Oregon land use. Councilor Stacey echoed these concerns and noted that he wanted to ensure that the funding did not inadvertently aid extra-regional development. Councilors discussed transportation needs in the area and land use impacts.

**A motion was made by Councilor Lewis, seconded by Councilor Craddick, that this item be approved. The motion passed by the following vote:**

**Aye:** 6 - Council President Peterson, Councilor Chase, Councilor Craddick, Councilor Stacey, Councilor Lewis, and Councilor Gonzalez

**Excused:** 1 - Councilor Dirksen

- 3.3 Resolution No. 19-5059, For the Purpose of Adding a New Project to the 2018-21 Metropolitan Transportation Improvement Program Involving One Project, ODOT's I-5 Boone Bridge Widening and Seismic Retrofit Study (DC20-06-DEC3)

**A motion was made by Councilor Craddick, seconded by Councilor Stacey, that this item be approved. The motion passed by the following vote:**

**Aye:** 6 - Council President Peterson, Councilor Chase, Councilor Craddick, Councilor Stacey, Councilor Lewis, and Councilor Gonzalez

**Excused:** 1 - Councilor Dirksen

- 3.4 Resolution No. 19-5052, For the Purpose of Amending the FY 2019-20 Unified Planning Work Program (UPWP) to Add Funding For the Corridor Bottleneck Operations Study 2 (CBOS2) Project

Council President Lynn called on Ms. Margi Bradway, Deputy Director of Planning and Development, and Mandy Putney, Oregon Department of Transportation (ODOT), for a brief presentation on Resolution No. 19-5052 and Resolution No. 19-5051. Ms. Putney provided an overview of the resolutions, noting that they focused on the second Corridor Bottleneck Operations Study (CBOS II), and if



approved, would amend the Unified Planning Work Program (UPWP) and Metropolitan Transportation Improvement Program (MTIP) to include funding for the study. Ms. Bradway noted that an amendment to the legislation was passed by the Joint Policy Advisory Committee on Transportation (JPACT) that added language requiring any project not already in the Regional Transportation Plan to be brought by ODOT to JPACT for approval.

*Council Discussion*

Council discussed the amendment and the Regional Transportation Plan. Councilors discussed bottlenecks that would be reviewed as part of the study and highlighted the need for system improvements.

**A motion was made by Councilor Craddick, seconded by Councilor Stacey, that this item be approved. The motion passed by the following vote:**

**Aye:** 6 - Council President Peterson, Councilor Chase, Councilor Craddick, Councilor Stacey, Councilor Lewis, and Councilor Gonzalez

**Excused:** 1 - Councilor Dirksen

- 3.5 Resolution No. 19-5051, For the Purpose of Adding a New Project to the 2018-21 Metropolitan Transportation Improvement Program Involving One Project, ODOT's Corridor Bottleneck Operations Study - Two (CBOS II) (DC20-04-DEC1)

**A motion was made by Councilor Lewis, seconded by Councilor Stacey, that this item be approved. The motion passed by the following vote:**

**Aye:** 6 - Council President Peterson, Councilor Chase, Councilor Craddick, Councilor Stacey, Councilor Lewis, and Councilor Gonzalez

**Excused:** 1 - Councilor Dirksen

**4. Chief Operating Officer Communication**

Mr. Andrew Scott, Interim Chief Operating Officer, provided an update on the following events or items: the Urban Growth Boundary expansions that the Metro Council passed in 2018 and building renovations at the Metro Regional Center.

**5. Councilor Communication**

Councilors provided updates on the following meetings or events: the Construction Career Pathways project, the Joint Policy Advisory Committee on Transportation (JPACT), the Solid Waste Council Liaison meeting, and the Division Transit project.

**6. Adjourn**

There being no further business, Council President Peterson adjourned the Metro Council meeting at 3:15 p.m. The Metro Council will convene the next regular council meeting on January 23 at 2:00 p.m. at the Metro Regional Center in the council chamber.

Respectfully submitted,

*Nellie Papsdorf*

Nellie Papsdorf, Legislative and Engagement Coordinator

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JANUARY 16, 2020**

<b>ITEM</b>	<b>DOCUMENT TYPE</b>	<b>DOC DATE</b>	<b>DOCUMENT DESCRIPTION</b>	<b>DOCUMENT No.</b>
<b>3.1</b>	PPT	01/16/20	PowerPoint: Resolution No. 20-5063	011620c-01

*VIA ELECTRONIC DELIVERY*

January 22, 2020

Metro Council  
600 NE Grand Ave.  
Portland, OR 97232

**Re: January 23, 2020, Metro Council Agenda item 5.1  
Parks and Nature Annual Report**

Dear President Peterson, Deputy President González, and Metro Councilors:

Metro Council will be receiving from staff an annual report on Metro's Parks and Nature program (File # 18-5351). I urge Council to:

- **Reject the Annual Report** and demand staff to include details of the program's skyrocketing administrative costs and include information requested by the program's Oversight Committee;
- **Replace the current members of the Oversight Committee** with individuals who have the time, energy, and expertise to provide adequate oversight to the nearly billion dollar Parks and Nature program; and
- **Provide the Oversight Committee with the information and staff support** necessary for them monitor the Parks and Nature program.

The remainder of this letter provides the bases for my recommendations.



## REJECT THE 2018-19 PARKS & NATURE ANNUAL REPORT

In the last fiscal year, Metro spent \$42 million on its Parks and Nature program. Yet the annual report before you is only four pages and runs less than 1,400 words with high-res photos making up about one-third of the report. What little information is presented raises more questions than it answers:

- The table on the last page of the report (attached) indicates that **administration accounted for about 30% (\$13 million) of total Parks and Nature spending**. This is significantly higher than the 10% target promised to voters. **Metro Council should demand a revised Annual Report that provides an accounting for this shockingly steep increase**. In particular, taxpayers deserve to know whether—and how much—Parks and Nature funding was spent putting together the 2019 bond measure. It borders on dishonest for Metro to promise voters that their tax dollars would be spent on parks and nature, only to gamble it instead on cobbling together a bond measure to raise even more money from those same taxpayers.
- Comparing the current Annual Report with last year's, it appears **Metro purchased 258 acres for the Parks and Nature program**. The Annual Report provides no useful information regarding how many acres were purchased in the past year, where they were purchased, or how much was paid. Previous annual reports provide at least some of this information. **Metro Councilors and Metro voters deserve to know how much of their tax dollars are being used to buy land outside of Metro's jurisdiction and/or outside the Urban Growth Boundary. Metro Council should demand a revised Annual Report that provides details on Metro's land acquisitions over the past year.**
- Of the \$42 million spent last fiscal year, the Annual Report identifies only two specific expenditures: (1) \$375,000 for nature play areas at Oxbow Regional Park, and (2) \$800,000 for nature education and outdoor experience grants. Combined, these expenditures account for less than 3% of total spending. **Metro Council should demand a revised Annual Report that provides details on where the other 97% of Parks and Nature spending went.**

- In April 2019, the Oversight Committee requested the Annual Report include information regarding “extra resources (bond proceeds and grants) that helped pay for capital projects at Chehalem, River Island, etc.” The only mention of capital projects in the Annual Report are forward looking promises regarding the proceeds from the 2019 bond measure. The Annual Report has no discussion of Chehalem Ridge nor River Island. The omission of these items specifically requested by the committee demonstrates **the Oversight Committee has no sway over Metro staff. Metro Council should demand a revised Annual Report that includes information specifically requested by the Oversight Committee.**

## REPLACEMENT OF OVERSIGHT COMMITTEE

Metro council and staff frequently repeat the tired phrase “promises made, promises kept” with respect to their Parks and Nature program—it even makes its way into the most recent Annual Report. One promise made to voters in every Parks and Nature ballot measure since 2006 has been vigorous oversight of the program by a citizen Oversight Committee. While Metro seems to have satisfied the letter of the promise by appointing committee members, Metro and the committee itself have abandoned the spirit of their promises of oversight.

Beginning with their earliest meetings, Metro staff made clear the committee would be denied key information required and requested to provide oversight. For example, the committee has repeatedly been rebuffed in its efforts to provide oversight on pending land purchases [emphasis added]:

- November 9, 2007: “It was decided that Metro will not include the seller’s name **or the purchase price** in the email to committee members.”
- February 5, 2008: “Segeni Mungai [committee member] asked for a list of acquired properties and pending acquisitions. Peter Krainock [committee chair] reminded the committee of the confidential nature of this information, and it was suggested the list show pending acquisitions by target area only, **not by specific transaction.**”
- December 8, 2009: “Kathleen [Brennan-Hunter, Metro management] reminded the committee that, in order to protect confidentiality, **pending acquisitions are**

**usually not discussed with the public until they are final.** However, there is a large and very special acquisition that will be discussed at the Dec. 10 Metro Council meeting and she wanted the committee to know that there may be some press about the matter. (Due to those same confidentiality issues, **Kathleen could not provide the committee with additional details about the acquisition.**)”

**By withholding information until a deal has closed, the committee cannot provide effective oversight.** It’s virtually worthless for the Oversight Committee to scrutinize a transaction only after “that ship has sailed.”

Over the past year, the already weakened Oversight Committee has become a farce. The Oversight Committee appears to have no interest in meeting regularly or attending meetings when they are scheduled. Apparently Metro staff do not take the committee seriously, as their requests for information are ignored, dismissed, or rejected.

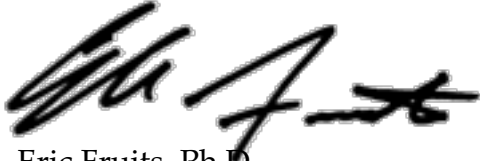
- **The last time the Oversight Committee met was April 5, 2019, or nearly 10 months ago.** This is the longest gap between meetings of the Oversight Committee.
- At the last meeting of the Oversight Committee, **only 2 of the 12 members were in attendance.**
- Minutes from the last meeting indicate that the Oversight Committee was expected to meet in Summer 2019, with a discussion of the Annual Report to be an agenda item. **That meeting was never held and there is no record of the Oversight Committee meeting to review the 2018-19 Annual Report.**
- Minutes indicate the committee requested specific information to include in the Annual Report regarding capital expenditures at Chehalem Ridge and River Island. **The Annual Report before you today has no discussion of any of these items requested by the Oversight Committee.**

**The members of the current Oversight Committee should be replaced by individuals who have the time, enthusiasm, and expertise to serve.** The newly formed committee must be provided the power—and support from Metro Council and staff—to exercise effective oversight of this billion dollar program.

Metro Council

Page 5

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Eric Fruits". The signature is stylized and cursive, with a prominent "E" and "F".

Eric Fruits, Ph.D.

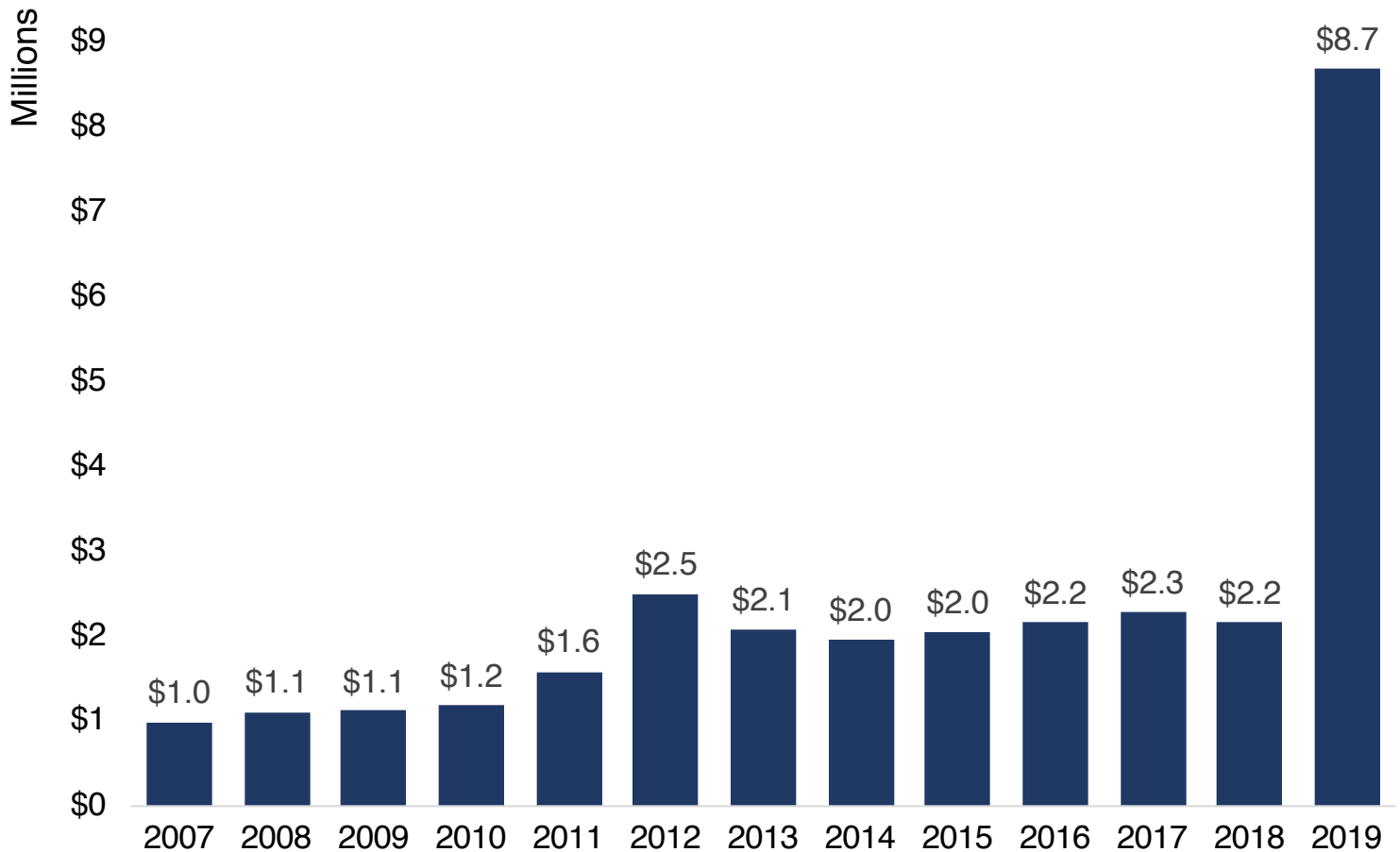


# Parks and Nature spending\*

## FY 2019

	General fund	2018 parks and natural areas levy	2006 natural areas bond	Total
Restoration/maintenance of parks and natural areas	\$2,564,761	\$4,386,330	\$0	\$6,951,091
Access to nature	\$663,216	\$563,742	\$1,349,230	\$2,576,188
Park improvements and operations	\$5,727,651	\$3,604,233	\$0	\$9,331,884
Cemeteries	\$892,200	\$0	\$0	\$892,200
Nature education and volunteer programs	\$265,384	\$787,870	\$0	\$1,053,254
Community investments	\$61,054	\$1,052,454	\$912,748	\$2,026,256
Land acquisition/stabilization	\$0	\$0	\$6,090,342	\$6,090,342
Administration**	\$4,136,642	\$4,672,456	\$4,013,635	\$12,822,733
<b>Total</b>	<b>\$14,310,908</b>	<b>\$15,067,085</b>	<b>\$12,365,955</b>	<b>\$41,743,948</b>

## Administration exceed 30% of total costs in 2019\*



\*Excludes general fund administration costs

Source: Metro Natural Areas and Capital Program Performance Oversight Committee, Meeting Materials, April 5, 2019