



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Meeting minutes

Meeting: TOD Steering Committee
Date: May 26, 2022
Time: 8:30 – 10:30 a.m.
Place: Virtual meeting

Members

Mark Ellsworth, Councilor Duncan Hwang, Derek Abe, Tai Dunson-Strane, Bob Hastings, Guy Benn (joined at 8:55 a.m.)

Staff

Joel Morton, Patrick McLaughlin, Jon Williams, Andrea Pastor, Laura Dawson Bodner, Eva Goldberg

I. CALL TO ORDER, WELCOME AND INTRODUCTIONS

Chair Mark Ellsworth called the meeting to order at 8:05 a.m. and welcomed committee members and guests.

II. APPROVAL OF MEETING SUMMARY: MAY 10, 2022

Chair Ellsworth asked if there were any changes to the meeting summary for May 10, 2022. Hearing none, he asked for a motion to approve. Bob Hastings moved to approve the May 10 meeting summary. The motion was seconded by Derek Abe. The motion was **approved**.

III. STRATEGIC PLAN UPDATE

Andrea shared that the team is considering adding competitive requirements. She shared the process timeline and noted existing challenges, current language and practice, going competitive possibilities and drawbacks, the program schedule and criteria.

She said challenges in the program include: there are a lot more affordable projects plus generally more projects, greater than 43% in the last 5 years and running through fund balance faster. They would like to set funds aside for site acquisition to make a bigger impact with TOD program owned sites. Currently, projects are reviewed on a rolling basis with specific criteria/threshold requirements. There is some competitive criteria language but only to highlight items of interest about a project, for example place making or building features. The current method allows for discretion but does not allow a firm way to say no. Criteria and thresholds are not specific. Infill and enhancement – in this area, tighter criteria is used. Otherwise, there is not a way to compare projects to one another.

In Metro's place making grant program, there is a specific application period, a clear way to restrict spending, support for a best project meeting multiple goals and flexibility to focus on priority criteria during a round.

Potential drawbacks include: timing may not work for a developer or internal staff, emphasis on transit is diluted, ranking could become overcomplicated or subjective and possible feast or famine cycles. Andrea then showed what a quarterly schedule could look like, for example a month long application period with the first starting in January, the next in March.

She said there are two possible paths: keep rolling applications but add required competitive criteria, or move to competitive rounds and develop a new scoring system with clear and transparent criteria. Applicants could be required to check 3 out of 5 categories, for example racial equity and climate resilience.

Discussion included:

- Idea of competitive rounds with revolving application process sounds good, but how many would we deny? Are there enough applicants in pool at any given time to have a competitive process?
- If we look at any three projects, if all meet the criteria, what would push one to a higher bar? With rolling, there is no comparison between projects. If we went to a schedule we could compare them fairly but it would be a less nimble process.
- If we had a certain amount of money each quarter, do we fund 2 out of 3 projects, or all 3? Our goal is to ensure the best possible projects and preserve funds for site acquisition.
- In place making program, if projects do not qualify in first round, they can make changes, come back in the next round.
- How do other programs prioritize their funding? TOD program provides gap funding. If a developer applicant is unsuccessful, will they come back again? How much do developers bank on receiving a TOD grant for their projects?
- Investment criteria are on the website. We could be more specific, state what would change if we went to rounds.
- There will need to be a culture shift. A lot assume they will get a certain amount.
- Reach out to developers and get feedback from them.
- We should listen to developers, but there needs to be standards.
- Focus on being nimble is good. Do we have a lens in the strategic plan to advance racial equity, diversity and inclusion? How is this included in the criteria? Developer of color, workforce?
- Staff are reviewing what can be incorporated into development standard including workforce and working with culturally specific organizations. There are limits with gap funding in terms of enforcement. How do we hold them to account, for example tracking workforce or meeting COBID requirements? When the TOD program owns the land, we look for developers working with culturally specific organizations.
- As resources get thinner, all projects start to raise up. It is necessary to practice due diligence and follow-up. Have the core principles lead with racial equity and justice. What are the best elements that you want to see? Have those be the starting point for a threshold. Everything won't get funded, so lead with what you think is the best of the best, given staff capacity.
- Look at state or local jurisdiction programs.
- Is there possibility of changing from a grant to a loan program? Ask for receipts and if developer fails to meet criteria, can call in the loan. Receiving up to \$500,000 is still significant.
- Make it understandable, discernable and achievable. Make it what they want to do and inspire aspirations and support their outcomes.
- How many projects would not have happened if TOD had not been involved? The number of projects has grown dramatically. Do we have/want influence and not just be another place to get \$100,000? TOD program can actually buy property, land bank and buy strategically to make a difference in an area. We go to a lot of work, a lot of process, but are we making any lasting change?
- Make it competitive to reward projects that go the extra mile, plus accomplish site acquisition.
- If done well, could create a system of supporting fewer projects, make a bigger impact with a stronger racial equity/social justice component. Bigger money means bigger asks.
- More money for site acquisition can really have an effect on where projects are located to have a regional effect affordable housing not creating pockets of poverty.

Andrea thanked the committee and said there will be more information next month.

IV. EXECUTIVE SESSION

An executive session was declared pursuant to 192.660(1)(e), for the purpose of deliberating with persons authorized to negotiate real property transactions to discuss 5050 Interstate and TimberView.

Members present: Mark Ellsworth, Guy Benn, Councilor Duncan Hwang, Derek Abe, Tai Dunson-Strane, Bob Hastings

Staff present: Joel Morton, Patrick McLaughlin, Andrea Pastor, Jon Williams, Eva Goldberg, Laura Dawson Bodner

Time executive session started: 9:25 a.m.

Time executive session ended: 10:08 a.m.

V. ACTION: 5050 INTERSTATE

Chair Ellsworth asked if there was a motion to recommend \$ 215,000 in TOD funding for 5050 Interstate with the following conditions:

1. One six -story building
2. 63 affordable housing units regulated at 60% AMI or less
3. Approximately 13 parking spaces

Action: Guy Benn moved that the TOD Steering Committee recommend \$ 215,000 in TOD program funding for 5050 Interstate. Bob Hastings seconded the motion. The motion was **approved** unanimously.

VI. ACTION: TIMBERVIEW (GLISAN TOWER)

Chair Ellsworth asked if there was a motion to recommend \$ 500,000 in TOD funding for TimberView with the following conditions:

1. One eight-story building
2. At least 105 units, all of which will be restricted to households with incomes at or below 60% AMI
3. Zero dedicated parking spaces

Action: Derek Abe moved that the TOD Steering Committee recommend \$ 500,000 in TOD program funding for TimberView. Bob Hastings seconded the motion. The motion was **approved** unanimously.

VII. STAFF UPDATES

Pat said the team is working on land acquisitions including the exclusive negotiating agreements.

Guy Benn said TriMet has engaged with REACH on a parking agreement for 15 parking spaces. This requirement works for Beaverton. Sustainable communities legislation is advancing to approval in June or July and will remove parking requirements.

VIII. ADJOURN

Chair Ellsworth thanked the committee and adjourned the meeting at 10:14 a.m.

Respectfully submitted by
Laura Dawson Bodner