



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Meeting minutes

Meeting: TOD Steering Committee & Executive Session
Date: September 10, 2024
Time: 3:30 – 5:00 p.m.
Place: Metro Regional Center, Room 375 and Zoom

Members:

Chair Mark Ellsworth, Bob Hastings, Guy Benn, Madeline Miller, Rebecca Small, Victor Caesar (online)

Staff and Guests:

Eryn Kehe, Miriam Hanes, Andrea Pastor, Patrick McLaughlin, Eva Goldberg, Kevin Kellogg, Stephen Brooks, Joel Morton (arrived at 3:53 p.m.)

I. CALL TO ORDER, WELCOME AND INTRODUCTIONS

Chair Mark Ellsworth called the meeting to order at 3:40 p.m.

II. APPROVAL OF JULY 9 MEETING SUMMARY

Chair Ellsworth asked if there were any changes to the July 9 meeting summary. Hearing none, he asked for a motion to approve the meeting summary.

Action: Bob Hastings moved to approve the July 9 meeting summary. Madeline Miller seconded the motion. The motion was **approved** unanimously.

III. PRESENTATION: JADE APARTMENTS

Kevin Kellogg was invited by the committee to introduce Gorman & Co. (“Gorman”) and their project, the Jade Apartments (“the project”). Gorman works nationwide in affordable housing and community development and their team includes in-house architecture, construction, asset and property management. Clara Vista is the other project they have in Portland.

The project is a partnership between Gorman and APANO. The property includes multiple parcels on 89th Avenue in the Jade District. They received OHCS Small Projects General Housing Account Program funding in 2023 and have been awarded Energy Trust, PCEF, and Oregon Multifamily Energy Program funding. The design team is SERA, PLACE and BKF. The designer is Himalayan and the site and design concept is Asian-inspired. The general contractor is Gorman with GSI Builders, an MBE. Gorman will do the development, guarantees and project management. APANO will do the resident services and community engagement. At least 30% of the construction hard costs will be performed by COBID-certified firms.

There will be 40 units comprised of 14 one-bedroom units, 11 two-bedroom units, and 15 three-bedroom units, all regulated affordable to households earning 30-60% AMI. There’s a regulatory agreement in place protecting the affordability period for 60 years. Residents will not pay for utilities other than a small share of internet. This is an EPA greening project. There is full photovoltaic and battery backup, as well as a photovoltaic carport and photovoltaic south walls. Amenities include a community room and kitchen, an onsite property manager and resident services office, and secure mail and package lockers. The laundry room is next to a green space with garden beds and a play area. Some trees will come out, but they hope to turn them into play structure logs. There are two courtyards, a secure bike room, and air conditioning. There is a parking ratio of 0.78 spaces per unit.

The project is centrally located near lots of amenities and recreational opportunities. There is an FX bus less than ¼ mile away. There are parks nearby, and there is a goal is to have a pocket park across the street.

Southeast 89th Avenue is an unpaved road that has never been paved. The right of way in the back hasn't been acquired and they have a public works permit to do an alternate plan review. They're looking to build out the whole street. It'll be built to be added onto on the other side of the street. Kevin noted that PBOT has been good to work with to create a good street with drainage. They will need to demolish a dilapidated home and get assistance to move residents to another home. This is a non-prevailed project.

Q&A

In response to an inquiry about onsite power storage, Kevin noted that the plan is to have, at minimum, five days of power and lighting in the community room during outages, so residents can charge devices or store medication and have a place to go. He wasn't sure about the battery size.

Pat asked if in addition to paving the right of way, if other water and sewer will be upsized. There is already sufficient water and sewer infrastructure in that street, but they had to move some streetlights. The developers are pursuing an EPA resilience grant with APANO and IRCO and asking for \$20 million. However, incorporating that funding into the project would federalize it, because the road is a public resource. If and when that money comes, they're planning to do a complete Greenstreet. PBOT has to get the money from the EPA and distribute it as a resilience plan, not as a fixture of the Jade apartments.

In response to an inquiry about whether the stormwater to the property and street are separate, Kevin responded yes. The drainage is tough and there's clay 10 feet down. They must build a specialized drywell 30-40 feet deep to make it work.

In response to a question about resident services, Kevin said that APANO is focused on cultural resources focusing on pan-Asian cultural needs, literacy, job and workforce training, access to services, emergency services, and prenatal care. They plan to bring them into the national model of resident services, understanding the role of the resident advocate and being a triage emergency solver. They will have three projects in the area and will need 3.5 resident servicers plus a manager.

Guests thanked the committee and left at 4:07 p.m.

IV. EXECUTIVE SESSION

Chair Ellsworth declared an executive session pursuant to 192.660(1)(e), for the purpose of deliberating with persons authorized to negotiate real property transactions to discuss the project: **Clara Vista.**

Members present:

Chair Mark Ellsworth, Bob Hastings, Guy Benn, Madeline Miller, Rebecca Small, Victor Caesar (online).

Staff Present:

Eryn Kehe, Miriam Hanes, Andrea Pastor, Patrick McLaughlin, Eva Goldberg, Joel Morton

Time executive session started: 4:09 p.m.

Time executive session ended: 4:37 p.m.

V. ACTION: CLARA VISTA

Action: Rebecca Small moved to Authorize \$350,000 in TOD Program funding for Clara Vista with the following conditions:

1. Three 4-story buildings
2. 108 units restricted to incomes ranging from 30% to 60% of Area Median Income.
3. Approximately 36 on-site parking spaces.
4. Post-construction documentation of elements qualifying for climate innovation bonus: rooftop solar, preservation and planting of trees per site plan, and EUI reduction of at least 15% from code requirement.
5. Post-construction documentation of elements qualifying for racial equity bonus: demonstration that at least 20% of construction costs were paid to minority-owned COBID firms.

Bob Hastings seconded the motion. The motion was **approved unanimously**.

VI. STAFF UPDATES

Discount-to-Market

Eryn thanked the committee for the discount to market conversation. The TOD staff understand that the committee would prefer not to tighten the rules. They would like to understand and weigh the nuances. It was noted that projects on the brink may go back and improve their project to meet our requirements. TOD staff plan to bring projects forward that want to present, even if they don't meet all the criteria, so the committee can review and discuss.

- Jade originally came to TOD at 80% AMI and after discussion about reservations, they were able to get additional funding to make it a more affordable project. There was also a project that added more units than was originally proposed.
 - It was noted that the committee didn't see the Jade proposal at 80%.
- A question about whether leveraging for more units is better than leveraging for affordability and if it is possible to normalize a unit at different affordability levels, per unit, not necessarily over time, and which is a better use of public resources. For example, Jade went from 80 to 60 AMI, but the subsidy per door went up. The subsidy per door matters more to this member, determining which is the best for the community.
 - That's why the committee needs discretion to evaluate the proposal, to see if it's based on 95 units or serving what number of residents.
- Location is important too and this conversation is why the conclusion is to push presenters a little bit with the questions and then for the committee to weigh the choices.
- A possible math equation was proposed: ratio of demand to the subsidy, what is the need for units in this income bracket, how many units are available in the income bracket equals demand/availability. Compare that to the discount per unit assigned for that project for an idea of the need, availability, and how much public subsidy is being assigned per unit.
 - Subsidies may be coming from different sources with different string attached. Federal, vs. state or local, or who you're serving, i.e., the definition of homeless is a range.
- The TOD model technically gets Federal money for transit and swaps it with TriMet to build places that gives TriMet more ridership, so as the incomes go down the ridership goes up.
- Does it balance out at 60% to 80% AMI? It would be good to know the different iterations.

- Renters are not regional average of people. The AMI isn't representative of the regional AMI. Renters make closer to 60% AMI.
- Vancouver is mostly 60% except at the waterfront, 80% is upper market.
- Does anyone know the occupancy rate of 30 vs. 60?
 - There's a bigger gap for 30% units.

Eryn stepped in because Mark had to leave.

2480 NW Vaughn Update

Pat gave an update about some changes to the 2480 NW Vaughn project, nothing requiring a vote:

- Added a 7th floor: unit count increase to 72
- All remain at 60% AMI
- Car parking eliminated, basement used for bike parking and storage
- Larger retail space on 25th (800sf -> 1,600SF)
- SE side of building opened up and stairway added
- Size of studios slightly reduced
- Costs increased a little over 10 percent

It was confirmed that the lower level still has trash and the lenders aren't worried about losing the parking.

VII. ADJOURN

Eryn Kehe adjourned the meeting at 4:58 p.m.