

EQUITABLE HOUSING STRATEGY

- Meeting: Southwest Corridor Equity and Housing Advisory Group
- Date: September 13, 2017
- Time: 1:00-3:30 PM
- Place: 1900 SW 4th Ave, floor 7, Portland
- Purpose: Identify areas of alignment and convergence of interests in achieving both a successful housing strategy and light rail project.
- Outcome(s): Increased understanding of what big ideas should be included in the housing strategy. Advice on setting housing targets.

In attendance: Ryan Curren - BPS, Emily Lieb - Metro, Matthew Tschabold - PHB, Sean Farrelly – City of Tigard, Dave Unsworth – TriMet, Devin Culbertson - Enterprise Community Partners, Jordan Winkler - Winkler Companies, Sheila Greenlaw-Fink - Community Housing Fund, Vivian Satterfield - OPAL Environmental Justice Oregon, Unite Oregon, Gloria Pinzon – Momentum, Melissa Dailey – Washington County Housing Services, Val Valfre – Washington County Housing Services, Elisa Harrigan – Meyer Memorial Trust, Rachel Duke – CPAH, Pam Phan – CAT. **Not present:** Ed McNamara - Turtle Island Development, Dee Walsh - Network for Oregon Affordable Housing, Julie Livingston - Home Forward, Fatmah Worfeley- Momentum Alliance, Wajdi Said – Muslim Educational Trust

Welcome and project updates

*Note that Devin is leaving the advisory group during his work on consultant team.

Transit - TriMet

- Dave: DEIS, initial route proposal from staff, CAC to respond (40 day comment period)
- Locally preferred alt. Document goes to all the city councils in spring

Economic Development - Metro

- Metro grant- Jobs and economic piece
- First oversight committee in July
- EcoNW is consultant lead with Enterprise (same team for BPS)
- Two regional funding tools being explored for Metro: regional obligation bond, construction excise tax (CET)

Preservation of NOAH Themes from the 9/7 event

- Purchasing buildings is good anti-displacement strategy
- Having the stories is helpful. Concrete examples in the corridor.
- Long-term or short-term affordability?

- A mixture of some affordable and some market-rate?
- Who decides?

Discussion:

- MN spent a lot of money on this fund
- Good idea to put 1 mil seed money- could be a strategy that would be used. Acquisition and equity fund
- Melisa: How many buildings out there are of the quality that only need \$10k/unit in rehab? Are there so many that we couldn't buy all of them? What are the opportunities?
- Is that money never returned? Was this at a cost of several thousand per unit?
- Gloria: I would like to know more about the details of the community that we're working with and that we have an opportunity to think outside the box. We need more info about the community and their needs.
- Elisa: Meyer is having a tough time with mixed income. How far we go with these ideas?

Announcement: Equity Orientation coming in November where we talk about how inequitable outcomes came to be today. Look at history in corridor and lessons from past light rail lines.

Transit CAC survey

- Survey results show they're not thinking about housing as much but those who are generally see the connections between housing and transit (transit land for housing, funding for both, density around stations, etc...)
- Naito vs. Barbur: Naito has more housing opportunities but more expensive. We have to keep asking those questions when thinking about the different choices.

Housing Strategy Engagement

Community Building Project (Pam, CAT)

- Look at community building along Corridor. It's a challenge because it is varied and corridor is long. Doesn't have the same diversity or wealth or CBOs as other parts of the city.
- CAT has a model: canvassing and door knocking to renters to find out with their needs are. Also offering renters rights and hotline service
- How to best approach Portland vs. Tigard folks. Outreach in 2 weeks. Working with folks locally. Tenant rights workshops in Portland and Tigard. Recruiting for October event. Survey intake and education piece.
- CAT using a building-based model to focus on certain areas. Folks with families (larger units), 2-3 bedrooms per unit.
- Ryan: Note that no decisions by staff or advisory group are set in stone until we get that community engagement/qualitative data
- Pam: Engagement is in phases. 1. Doorknocking 2. Renters rights phase. Complete in winter and summary report in Spring- use this to start convening conversations.

October 14th Community Learning and Listening Session event

- Need requests on what languages to print the project handout in
- Event flyers will be sent in PDF form
- Event agenda: Yanely - add an accountability piece. Could other council members/decision makers be present so they could listen? Have something more structured for accountability. Yes.

How to best engage with homeowners in the corridor to identify programming needs?

- Elisa: Reach out to schools to reach out to families. Also some arts organizations and other non-profits in the corridor
- Barrett: Want to get barriers to homeownership, local homeowners that we could talk to, Neighborhood House
- Sheila: Habitat homes
- Rachel: Two kinds of outreach for seniors vs families with children.

Discussion of past light rail lines

- Matt: We want the SW housing strategy to be more than just the development side. Lot of lessons learned from the Yellow Line. Lack of estate planning services and education about predatory purchasing. What services can we fold in for homeownership? Who should we be engaging with?
- Rachel: Where is the planning from the Orange Line? Where are those documents? Are there other case studies?
- Pam: what are the different questions for the different lines? Yellow and Green lines might be most similar to SW Corridor
- Dave: Depressed property values. Priced Out documentary tells both sides of the story.
 - We would do things differently on the yellow line. TriMet hasn't done that full out study, but there's stuff out there
- Val: Study should be an outcome. Good modelling. Set aside money to do a study and capture experience for SW Corridor.
- Matt: We have seen an increase in rents on studio and single unit
- Elisa: Need to get info from last 2 years. Do we need to put more money into homeownership vs renters?

Housing Targets (Units and Services) Exercise

Survey question: Should targets be practical and achievable or aspirational and inspire us?

- Wide range of survey results
- Rachel: We can be aspirational AND achievable

- Dave: There's a heavy lift already. We get this, but we're the transit agency and we need to get this done. There are financial opportunities that already exist like URA/TIF. Institutional-perspective.
- Val: You have to be aware- a lot of times we overreach. We should be aspirational but we should also realize we're not the only project out there. Need to be realistic.
- Gloria: We are an Advisory Group- there's an opportunity to lead and set the tone and not compromise when it comes to needs of people. As advisory person and this is what I want, the people-side. It's good to be ambitious.
- Melisa: Being in the middle doesn't meet we're not aspirational, but I need to know what funding sources are already in place or will be committed

Current Resources

- Matt: City regulates about 15000 units citywide. Additional regulated in the city to bring up to 21000. Units that we finance— very few are in SW corridor.
- Current need: households that are experiencing severe cost burden- almost 3500. Vulnerable to displacement (note there is a 2-3 year lag on this data)
- Future need: We looked at our projected growth and what fraction would need to be affordable given distribution of households and race. 35% would need to be affordable for the very low-income.
- Eric (BPS): A lot of zoning framework. The 2035 Comprehensive Plan doesn't have formal target. But we assume homeownership rate will continue to decline

Small Group Discussion of Targets – what are considerations?

- Dave and Shiela: 2500 was min, 3500 was our stretch. Hard to think of a number without knowing cost per unit. And must look at big picture of demand for housing resources outside the corridor.
- Pam: reframing how we are thinking about homeownership. Rethinking that multifamily is only rental. Folks can be building equity and wealth that don't just include single-family.
- Elisa: opportunities to open up policies – tap into private sector for development, Home First, a lot of churches that could use parking lots for housing, are there other methods?
- Elisa: Restraint of services for low income households is a consideration.
- Permanent subsidies services is a consideration.
- Pam: understanding the need for services and those targets will affect the targets for units. We are doing the engagement now to understand need for services. Hard to set targets for units when we don't know the need for services.
- Gloria: 11000 units are 2-3 star. We don't know how many are affordable or who is in each. 3,500 of folks who are housing cost burden seems like a low number given the 11,000 units of 2 and 3 start lower quality apartments.

Consultant Research Questions Exercise

What are key concerns and considerations consultants should take in? Where should they focus most of their attention?

1) Cities and other partners contribute to an early preservation fund. Model how a fund could be used on a few hypothetical preservation acquisitions throughout the SW corridor in different sub-markets and amongst different building types (age, size, etc...). Estimate the number of units that could be preserved.

Votes: 7

Comments from Advisory Group:

- Preservation needs to also be regulated buildings and units – keeping and adding units to this portfolio or holdings
- How to get to longer terms of affordability. What amount is needed to be effective?
- Revolving funds have been used in other regions (combo public + private + grants)
- Are there options of policies that are flexible and can be equitable in implementation?
- Fund has to be big. Electors have to have guide its purpose (political will)

2) Leveraging the opportunity to raise local revenue for transportation to also raise new revenue for affordable housing investments along new transit lines (SW LRT and Division BRT). Look at recent examples nation-wide of housing funding included in voter approved transportation funding. Estimate what different levels of funding could accomplish toward achieving housing targets.

Votes: 4

Comments:

- Concern that the bond must pay for LRT + roads and may not leave room for housing costs
- Board measure will be Regional- Why will regional folks (Hillsboro/Gresham) pay for AH in SW?
- Want to ensure that revenue raising mechanism doesn't over burden low income homeowners e.g. Go bond

3) Urban Renewal Area with funding for affordable housing (both Tigard and Portland). Look at ways Portland and Tigard could invest URA funds in affordable housing.

Votes: 3

Comments:

- Timing- not a near term solution. Not large enough
- Timing of URA funds and prioritizing housing (over commercial, etc.)
- Is there research that shows early borrowing on TIF has better anti-displacement impacts vs. waiting years as the money builds up. (Invest in housing as early as possible).
- Prioritize AH as funds come in. Ensure that gets build before commercial- How long will it take?
- TIF could be a good source for housing, 45% of TIF to AH

4) Options for using publicly owned land. Research how land can be used to produce affordable and mixed-income housing after being used for construction staging or other purposes of the light rail project.

Votes: 4

Comments:

- Land acquisition- Complexity of property acquisition/disproportion. Leasing timeline.
- Map of publicly-owned land. Opportunities for 1st right of purchase for housing policies.
- Concern that FTA regulates property disposition
 - Joint development
 - Happens after the project opens in 2025
 - Hard/complex with federal rules

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- Likelihood of obtaining land is low (how much impact)
 - Timing and available (and size) of land
 - Preservations vs. relocation effectiveness

5) Development Agreement Framework. Look at the types of incentives needed in different sub-markets of the corridor (ex. regulatory flexibility and public subsidy) to make development more feasible and also produce affordable units.

Votes: 7

Comments:

- Consider PDX's current framework. Look into what are the most impactful framework incentives
- Uncertainty around value proposition cost per unit and targeting level
- Development agreements can be very useful. Not a large small property owner
- Could we create community benefit agreements?

6) Resident Anti-Displacement Services. Research a range of stabilizing services to help existing residents continue to live in the corridor and estimate their average per-household costs of those services (ex. fair housing enforcement, renter/homeowner rights education, home repair loans, credit counseling, credit repair, estate planning, etc...).

Votes: 8

Comments:

- Talking to existing community groups! Already many ideas, researched ideas, best practices, etc.
- Long-term and short-term impact of services. Are the impacts lasting. Also costs.
- Anti-predatory training for homeowners. Convert renters to homeowners.