



Portland Housing Bureau

Portland Housing Advisory Commission
Friday, March 14, 2014
 9:00 a.m. – 3:00 p.m.
 Northwest Health Foundation
 221 NW 2nd Ave, Suite 300
 Portland, OR 97209

- ✓ = PHAC public member action item
- ▶ = PHB staff member action item

Retreat Meeting Minutes

Members Present: Marc Jolin, Andrew Colas, Jesse Beason, Elisa Harrigan and Carter MacNichol.

Members Excused: Carmen Rubio, Colin Rowan, Deborah Imse, Rey Espana, Sarah Zahn.

Staff Present: Traci Manning, Kim McCarty, Jaymee Cuti, Javier Mena, Lisa Oreskovich, Leslie Goodlow, Kate Allen, Antoinette Pietka, Paul Stewart and David Sheern.

Agenda Item	Discussion Highlights	Outcomes / Next Steps
<p>Welcome, Introduction and Warm-up</p>	<p>Kate Allen, Facilitator, welcomed everyone to the Retreat. Everyone at the table introduced themselves and gave one interesting fact about their upcoming weekend. Kate thanked Northwest Health Foundation for hosting the location of the retreat.</p> <p>Traci Manning provided updates on the budget schedule. They are not asking for a BAC member to speak at the table. The schedule was just announced. The work sessions with Council are being arranged by priority area. Homelessness and Hunger are up first on Monday, March 31st at 2:15pm. Council discussion should primarily be about decision packages since everyone provided a stabilization budget. PHB will be at the meeting on Tuesday when Equity is discussed. The City Budget Office did not recommend any of our decision packages. They are focusing on stabilization items that are more about infrastructure instead. The next step is to wait for the Mayor’s budget to be released. Section 108 – Commissioner Saltzman put in a revision surrounding the language of the NOFA. A clarification of the prior ordinance. This makes the Hacienda CDC office project now eligible. The NOFA deadline will be clarified so Hacienda will bring their project in through the existing NOFA.</p>	

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	<p>In response to a lot of activity going on and community input in Inner NE and the Interstate Corridor, PDC and the Mayor have announced they will be allocating \$20million over the next five years. There is a lot of planning that has happened in these areas over the years and they need to be honored. The community has a sense of what priorities are and where affordable housing might want to go. There is a strong sense that people that were displaced need to be reached out to for community involvement.</p> <p>Marc Jolin: Is that investment conditional on whether Trader Joe's comes back?</p> <p>Traci: No.</p> <p>Andrew Colas: We think it is a good thing. We put together a request at NAMAC (National Assn. of Minority Contractors of Oregon) asking for more affordable housing in the Interstate URA. I felt that the Mayor's meeting on Monday was very positive. I think it will be good for housing. It was good to see the Mayor responding in the way that he did in regards to the Trader Joe's proposal. Trader Joe's backed out because they saw they were not wanted in this community. NAMAC wanted to take a big position on this whole topic because we see it as an opportunity to bring in more income to this community, not just with construction, but long term jobs for its residents.</p> <p>Jesse Beason: There is some history regarding displacement so you don't have to start over, but look into what was done in the past. The Bureau has to hold its partners accountable and you need to make sure you monitor who is actually gaining access to the affordable housing that has been developed.</p> <p>Javier Mena: We're looking at the right balance between housing development, access, and affordability. In the NOFA that is coming out, we definitely want to make sure the partners are paying attention to the communities they want to serve.</p> <p>Question: Is the 20 million coming to PHB to manage or will it be a collaboration between PDC and PHB?</p> <p>Traci: To be Determined.</p>	

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Retreat Framing Questions	Kate discussed the agenda for the Retreat and launched into the two framing questions. She asked for everyone to review the questions and keep them in mind during the retreat. (See framing questions provided in the PowerPoint presentation)	
Equity	<p>Internal HR & Equity Committees:</p> <p>Leslie Goodlow provided a PowerPoint presentation on PHB’s internal HR process.</p> <p>Jesse: The salary provided in the Workforce Demographics graph is what staff is making or the top of the scale within the pay range?</p> <p>Leslie: The salary listed may not be what staff is making, but the top of the pay range.</p> <p>Jesse: Is BHR providing you the hiring data, or do you track it?</p> <p>Leslie: It is a combination of both. Stella and I track these statistics ourselves to ensure we are being equitable.</p> <p>Kate invites PHAC to ask questions during any point in these presentations.</p> <p>Elisa Harrigan: With hiring with HR, are there benchmarks for the Bureaus to aim for when it comes to diversity?</p> <p>Leslie: Legally we cannot have a benchmark to meet quotas. I am shooting for at least 20% of applicants to be people of color during a hiring, but that is my internal number.</p> <p>Jennifer Chang and Paul Stewart provided information regarding the Citywide Equity Committee (CEC) and the PHB Equity Council. Jennifer provided background on the CEC which was formed by ordinance in 2012. The mission is to coordinate efforts across bureaus to remove racial barriers. About 50 city staff went through a two and a half day training on systemic racism.</p> <p>Paul discussed the internal PHB Equity Council which was launched about the same time as the CEC. Internally, we want to support each other in educating ourselves on equity and help one another “walk the walk”. We created an anonymous equity survey that about 80% of staff responded to. We will be analyzing this data and working with OEHR to help us</p>	

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	<p>develop a work plan. Paul discussed Equity Committee challenges and opportunities outlined in the PowerPoint presentation.</p> <p>Jesse: Does the CEC have a regular input vehicle for staff to provide feedback for what does and does not work?</p> <p>Jennifer: Each bureau has liaisons that can provide information to the rest of the staff of their bureau about efforts of the CEC. They can, also, go back to the CEC and provide feedback from their Bureau.</p> <p>Jesse: If there is a way for people to provide feedback it might help generate more ideas. Marc: Do you discuss accessibility for staff with disabilities?</p> <p>Jennifer: The Committee’s focus is on racial equity and the emphasis is on that. Internally, we are aligned with the overall CEC equity agenda.</p> <p>Subcontracting:</p> <p>Traci: My priorities and something I am interested in pursuing more is about who accesses the housing units that PHB regulates, and the other area is the City’s secondary focus in equity which is moving into disability. The work of the Homeless Team in particular around working with individuals with mental health concerns is where we are thinking more.</p> <p>Traci Reeve, Portland City Attorney, introduced herself to PHAC. Kate provided background about Traci Reeve’s role in PHB’s work around contracting and equity.</p> <p>Traci discussed how she gets to support equity throughout the Bureaus and the legal aspect. The US Supreme Court has been chipping away over the last 20 years at race conscious action. Race conscious action is subject to a legal standard called strict scrutiny.</p> <p>In the minority contracting arena, the City recently did a disparity study to look at the availability of minority contractors. We have found that it is legally risky to end a contract with a provider for not meeting your equity goals unless the findings are so significant that you can prove that they are serving too small of the minority population within the community that they serve. It is easier to hold these providers accountable and ensuring they make good faith efforts to serve these minority populations and meet PHB’s equity</p>	

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	<p>goals.</p> <p>Leslie provided a PowerPoint presentation on the Equity Agenda and Guiding Principles.</p> <p>Antoinette Pietka asked that PHAC look at the access data provided in their Retreat packets. It compares the first two quarters of FY2012-13 to the first two quarters of FY2013-14 since you always want to analyze years within the same time frames.</p> <p>Marc: Has this new contract language been included for one year or two years? Antoinette: It has been two years now.</p> <p>Jesse: The overall goal is for providers to track everyone that comes through their doors to and this data shows an improvement upon serving communities of color?</p> <p>Leslie: Correct, and some communities are doing better than others.</p> <p>Andrea Matthiessen provided a PowerPoint presentation about the Neighborhood Housing Program.</p> <p>Andrew Colas: Funding wise how do you feel your program is? I would like to start looking at putting more funds towards homeownership because it is the biggest way to start building wealth within these communities of color. Long-term wise it would have a huge impact.</p> <p>Andrea: The funds are limited and we serve only 40 new homebuyers with our assistance. DPAL (Down Payment Assistance Loans) are truly the funds that help households at 80% MFI and below. We are struggling most with the market. We want to be good stewards of these resources, and \$60,000 in DPAL sounds like a lot of money, but it is not. 50% of these new homebuyers are people of color.</p> <p>Jesse: One of the issues with rentals is that we are building too many studios. We need to look at who we are serving and the families that we are trying to help. Sometimes it's not about rental vs. homeownership, but the needs of these communities and what they are asking for.</p> <p>Andrew: What kind of rates are they getting on the assistance?</p>	

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	<p>Andrea: It is zero percent over 15 years, but it will become 30 years soon. We currently have a 20% repair requirement because it is TIF (tax increment financing).</p> <p>Elisa: The goal is to help raise the value of the home. I have used a program like this when buying my home. You want to think about it, hopefully, as an asset. Do you track how long it takes these individuals to go from education to buying a home?</p> <p>Andrea: Yes, we have been looking at mortgage readiness and what the indicators are. It helps to track a household over time.</p> <p>Elisa: Rent in some of these areas is just as expensive as a house payment. We are hearing a lot more from tenants that they are really thinking about buying. We see a lack of confidence or lack of funds right now with these individuals.</p> <p>Sally Erickson provided a PowerPoint presentation on the Housing Access & Retention Team (HART).</p> <p>Kim McCarty provided a PowerPoint presentation on Fair Housing programs.</p> <p>Kate asked PHAC to review the two framing questions and begin thinking about them over lunch.</p> <p>Traci invited Tracy Reeve to discuss Affirmatively Furthering Fair Housing. She mentioned how impactful it has become and seems to be following on the heels of Title VI. We're just getting up to speed in the Attorney's office on AFFH.</p>	
<p>Framing Questions - Discussion</p>	<p>Leslie Goodlow began a conversation around the framing questions. She discussed the Equity Agenda, now in its third year. We're beginning to look at outcomes in our work within communities of color. Are we able to show that the people of color are doing as well as the White population?</p> <p>Traci mentioned that Leslie manages the contract managers and discuss how they can improve their numbers within these communities of color. How do we guide our contractors in doing a better job? Next year will be a lot about outcomes and we will be anticipating the needs there.</p> <p>Javier asked for PHAC's feedback to help them achieve their outcomes. He asked for wide</p>	

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	<p>open conversation to help continue this momentum. Based on the challenges that have been seen, what are your ideas? We have specific goals to start measuring the outcomes, and how we are allocating our resources.</p> <p>Tracy Reeve mentioned how she starts to feel nervous when conversation flows to outcomes. It's a great idea to discuss populations served and those in poverty, but a Court would not say it is a direct enough condition to take race conscious action. It is a meaningful statistic and measurement point, but it is not the kind of data point that would explicitly support race conscious action. Therefore, you would not be able to terminate a contract based on your data. I think that you can require them to do things, but then if they do not follow through you can terminate their contracts. It was interesting to learn more about disparate impact in lending practices.</p> <p>Leslie: Tracy, if in two years we are looking at our data and we see that as an organization we are failing to provide sufficient support intervention service to a specific ethnic group, can we do an RFP that somehow can do culturally specific work that is laid out within the conditions of the RFP?</p> <p>Tracy: The Court says you cannot do that. You cannot do balancing based on populations. It has to be tied to demonstrable discrimination – that is the hurdle. I tried to find something specific to housing and not just contracting, but I couldn't find anything. In contracting context they have required that statistical analysis. I do not think that is what you have here.</p> <p>Javier: What we have been trying to do is track those activities and the success of them. Therefore, we can measure them. We can then track them within specific groups.</p> <p>Tracy: It's fine to say you want your contractor to demonstrate cultural competency. Language capacities are great. These "proxies" are much more legally safe.</p> <p>Kate: Paused Staff comments and turned the floor over to PHAC Commissioners.</p> <p>Jesse: I think for me any contractor's work is similar to the work that PHB is doing. As someone who has worked for a provider of PHB it is less about form and more about the type of language you use, your activities. You need bolder advocacy.</p>	

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	<p>Carter arrived at the PHAC retreat.</p> <p>Carter: Have you looked at other City’s as a resource or example?</p> <p>Kate Allen: We did connect with Seattle and a couple of other jurisdictions we were pointed to. We received the same answer we often get which is “We always think of Portland as leading innovations”. Seattle and King County had some leadership work around the Equity Lens.</p> <p>Carter: I have been thinking about this – what if I am a private developer, how does this relate to what I am doing? What does it mean to me and how do I implement it? If I have the best of intentions, how do I make it happen?</p> <p>Jesse: Today, I think we are focusing on the contract work of PHB and not the construction side.</p> <p>Traci: We’ve talked about MWESB and the NOFA. As we work on the work plan for PHAC we will talk more about access to units.</p> <p>Elisa: Going back to cultural competency, where do you go to get technical training? One of the things that the County did was contract specifically with culturally specific organizations to help train their communities. We need expertise on the cultural competency component. Specifically the language component is huge.</p> <p>Kate: So this keys right in on a question that comes up a lot within PHB. Who should be doing that? That resource doesn’t live within any of our budgets. If you think of how stretched PHB’s dollar is, who can do this? Who should be managing this bigger picture of resources to improve cultural competency. COCC is starting to do some of these types of trainings, but it does take a budget.</p> <p>Tracy: For a lot of different reasons I would love to see Portland have a “Civil Rights Office”. We have all of this overlap with ADA, Title VI, etc. It is true of interpretation and translation and we do not have a great capacity to investigate other Civil Rights issues. I think long-term it would support the goals of the City.</p> <p>Marc: I think for some organizations you can just tell them they need to provide these</p>	

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	<p>specific services, and ask how they are going to achieve that. Some of these organizations have the budget, or can make the budget. You leave it to the contractors to explain how they are addressing these issues. There is an opportunity there to shift to be more prescriptive. I would hope, like CAT and JOIN have done, that contractors can provide examples to you of what they have done.</p> <p>Jesse: I think it is okay for PHB to have a general response. It will always be an opportunity to say there is not enough money to do that particular type of work. You need to tell them that they need to do the work if they want the contract. I don't think you have to apologize for moving forward on the equity agenda. There has always been the excuse that it is not the right time.</p> <p>Marc: That would be really cool if the bureau was buying access to that service. If you could say we cannot give you the money, but we know how much it will cost you. If you can provide access to cultural competency training.</p> <p>Traci: I think what I am hearing is that if an organization is having trouble with technical assistance that they need to begin by looking at themselves internally.</p> <p>Jesse: Yes.</p> <p>Marc: I think it may be too early to write into contracts that a provider is not meeting a certain goal and putting into the contract what they should do to reach it. I think it is okay to say that it has been noticed that they are not meeting a requirement and we require you to provide us steps on how to improve upon this. I am focused on how to up the ante for contractors to help keep the momentum.</p> <p>Javier: It is always good to revisit what we do on a regular basis. We always should be asking ourselves if we are getting the outcomes that we want. We have been doing a lot of contracting on an individual basis with providers and we have decided to try something different. We try different strategies and maybe we will see better results.</p> <p>Elisa: Is there any concern that it may limit risk taking options that some of these people might take if it is only a one year contract?</p> <p>Leslie: At the County, we used to RFP every three years. We could see if we had new</p>	

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	<p>outcomes, goals, or providers coming through. This way contractors know what our expectations are for those three years.</p> <p>Javier: Our contracts are for one year. (but in many cases are renewed year after year without competition)</p> <p>Elisa: I have heard from others that it can be tricky to have to compete year to year for funds. It makes me wonder what risks someone might take if it is limited to one year. It might limit some people's motivation to take risks particularly regarding diversity.</p> <p>Leslie: I agree with Elisa that it is difficult to prove yourself with only a one year contract.</p> <p>Marc: You are investing in their potential and you want to give them a shot.</p> <p>Jesse: Is it true the City of Portland does not pay recording fees? Carter: No, we pay.</p> <p>Kate: How can we start aiming these discussion points towards the PHAC work plan? Do you want to hear more about RFP's?</p> <p>Elisa: I think it is important regarding deploying funds within the RFP's. People do pay attention to what we are doing. It would be important for PHAC to know what the talking points are in case we are asked about this.</p> <p>The Cost of Affordable Housing</p> <p>Traci discussed affordable housing. She mentioned in the early days it was all about the cost per square foot. Now it encompasses many outcomes beyond construction costs, code, location, etc. We're spending a public dollar and what is the community getting for that dollar? It is healthy to look periodically at how we do things and if those are the best practices. What are PHAC's thoughts?</p> <p>(see handout in materials packet)</p> <p>Carter: Are these still the right outcomes to buy, is that what you're asking?</p>	

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	<p>Traci: Yes, when you talk about what it costs to build the Bud Clark Commons, which was really expensive, you have to think about all aspects of the construction. The Ramona was even more expensive than that in terms investment of PHB funds. I think it's all about the outcomes that we're buying.</p> <p>Marc: I think if the market is shifting we need to be open to the conversation. Private developers are building micro-lofts and it seems expectations are changing around housing. What if we took that concept and built them in 85 unit buildings for low income residents.</p> <p>Carter: Units are becoming a lot smaller these days. It is now becoming acceptable to the market and if people are okay with it then it seems to be okay. Affordability is one thing, and at the top of the list.</p> <p>Elisa: I have to say we need to remember who we are building for.</p> <p>Jesse: We can't think of it as building temporary homes for families. They need permanent homes.</p> <p>Elisa: I don't know whose role it is, maybe its PHB's, but someone needs to rebuild the public image of affordable housing. Whatever our outcomes there have to be this paired component of public media. We need to get people on the same page across the board.</p> <p>Carter: Obviously, there are costs that are associated with some of these outcomes. Maybe we eliminate some of these outcomes to fit in the budget.</p> <p>Javier: How strong do you feel about those components? Does it add value even if it is increasing the costs?</p> <p>Jesse: It feels like dollars don't get cheaper, only more expensive. Housing in the future will be more expensive. I feel like 60 years from now we still won't have solved this problem. We have other neighbors and homeowners to consider when we build these units because those people want properties that fit into the neighborhood.</p> <p>Carter: You can't just change requirements based on the problem. Maybe he'll get innovation points that I won't get.</p>	

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	<p>Jesse: Maybe the question is what are you paying per unit per year of affordability?</p> <p>Carter: I do think the management costs are a material part of that. How people manage and take care of the building factors in – costs over time.</p> <p>Elisa: There is, also, the social benefit. You have to think of who is building and who is contracting. We have been working really hard and we are still trying to get to a higher level of equity.</p> <p>Traci: Peter Korn asked why we are piling these requirements on poor people’s backs. I don’t necessarily agree with the argument, but that’s what he said. PHB policy sets a minimum requirement for green building, but we do not require a maximum. Nowadays, you can probably do silver(LEED) without much of a premium.</p> <p>Carter: We will have to have a diverse set of solutions. There is not a cookie cutter that solves all.</p> <p>Marc: There is such a range between 75,000 and 250,000 per unit cost. The simplicity of financing if you did not have deals with ten lawyers it could speed the process along and save money.</p> <p>Carter: This circles back around to our Commissioner and what he wants. He says he wants workforce housing. It makes me wonder if he cares about what we are doing here. What is the outcome of this conversation? It is used to inform the work you do.</p> <p>Marc: this code conversation is a really interesting one. Do you do a modified set of safety standards?</p> <p>Traci: The caveat is that it is almost impossible. A lot of that stuff is universal building code and it will take years to change that standard.</p> <p>Carter: It is a non-starter and a waste of time. I would not mess with it.</p> <p>Jesse: I think we could benefit of a little bit of history. We should talk about the market changes on how affordable housing started. People should know about these tax credits and the cost it has had on affordable housing.</p>	

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	<p>Carter: It is a PR strategy, or messaging strategy about the conversation.</p> <p>Kate summed up the conversation at hand. Traci is trying to move the conversation from reactive to proactive. We can provide more information on the established fixed cost of affordable housing. That may give us the ability to take a look at for certain programs and equity outcomes.</p>	
Look Back	<p>Kate asked PHAC to start forecasting their 2014 Work Plan. She asked if PHAC would like to include some of today's questions and topics in the bigger picture. We want to move from the defensive to proactive.</p> <p>Marc: If there is some background information that PHB can do to feed into this bigger conversation I would think it would be a good conversation to have to keep us engaged as a Commission.</p> <p>Kate: Out of everything you have heard today what would you like to have come back as future PHAC meeting topics?</p> <p>Marc: Commissioner Saltzman's agenda and what he envisions for this bureau. It would be helpful as a PHAC member.</p> <p>Jesse: The PHAC Executive Team can go to him first to have a conversation and then invite him to come to our space to speak.</p> <p>Traci: The work plan for April's PHAC needs to involve (Home for Everyone) Governance which is important. In May we have the Action Plan.</p> <p>Kim: We have on several occasions joined the Action Plan Hearing with the PHAC meeting. I am asking if we can do this in May because we need to submit the Action Plan in July and if approved by City Council in June. Do you want to participate, or do you want it to fall after the meeting? I have received feedback from the community that they would like to have it after work hours so that they can attend.</p> <p>Marc: Is this the one we've done at JOIN the last couple of years?</p>	

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	<p>Kim: Yes.</p> <p>Jesse: I have no strong opinions.</p> <p>Traci: PHAC does not have to be there.</p> <p>Marc: I like the community based settings for these events.</p> <p>Elisa: I heard that Rose City Café was harder for people to hear and that people prefer having it at JOIN.</p> <p>Marc: You are welcome to hold it at JOIN and I thought we moved it away from PHB’s conference room to get the community more involved.</p> <p>Kate asked that Kim and Marc work out the logistics offline to allow for more time to discuss work plan topics.</p> <p>Elisa: It felt like last time when we brought Janet in that it was so late that things were already set. If you want PHAC to have a voice on priority setting for the Housing Alliance Agenda I would like for you to bring it to us earlier.</p> <p>David Sheern: There is the City’s Legislative Agenda and the Housing Alliance Agenda. The City asks us for our suggestions in late November/early December. The Housing Alliance asks us for help with agenda setting in September. Our crucial piece would be if we want the Office of Government Relations to lead on a certain legislative item then we need to have it identified early on so they have enough time to build it in.</p> <p>Marc: Have we seen the final Strategic Plan?</p> <p>Traci: No, the Strategic Plan and PHGOA report have been stalled a bit because certain staff members working on them no longer work for us. We are hoping to have Kate help pick those back up while she is working for us.</p> <p>Membership discussion:</p> <p>Our Executive Team has re-upped for another term. Elisa Harrigan had previously agreed to</p>	

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	<p>come back for another term, but she needs to check with her new place of employment first. We do not have to vote on membership renewals. Sarah Zahn has, also, agreed to renew.</p> <p>Marc: Do we have term limits? Can you renew twice?</p> <p>Traci: You can only renew once for a two year term.</p> <p>Kate presented the Membership Matrix exercise for PHAC members to look at the Race/Ethnicity, Location, and Skill Sets that each brings to the Commission. This way it helps PHB see the roles that need to be filled when recruiting for the empty seats.</p> <p>Traci: PHB did a really good job of originally advertising PHAC and received a lot of really great applicants. We did not have such a great response this last time. We will be increasing our advertising again this time around. We will be looking for you to help recommend and recruit, as well.</p> <p>Kate solicited words of wisdom in the final minutes. Traci thanked Jesse Beason and the Northwest Health Foundation for hosting.</p>	<p>►Membership Matrix will be sent around via email.</p>