



# Portland Housing Bureau

**Portland Housing Advisory Commission**  
**Monday, January 12, 2015**  
 3:00 p.m. – 5:00pm  
 Portland Housing Bureau  
 421 SW 6th Ave, Suite 500  
 Portland, OR 97204

✓ = PHAC public member action item  
 ► = PHB staff member action item

## January Meeting Minutes

*Members Present:* Deborah Imse, Tom Brenneke, Sarah Zahn, Bill Gentile, Jean DeMaster, Colin Rowan, Elisa Harrigan, Marc Jolin, Wayne Miya, Dike Dame, Rey España

*Members Excused:* Jesse Beason, Amy Anderson, Andrew Colas

*Staff Present:* Traci Manning, Karl Dinkelspiel, Carrie Young, Mike Johnson, Marilyn Hurtley, Paul Stewart, Leslie Goodlow, Matthew Tschabold, Antoinette Pietka, Sally Erickson

*Guests Present:* Steve Messinetti, Debbie Aiona, J. Veronica Bernier, Diane Linn

Agenda Item	Discussion Highlights	Outcomes / Next Steps
Welcome & Review Meeting Purpose, Review Minutes	<p>Deborah opened the meeting with review of minutes and asked for a motion to approve.</p> <p>Paul suggested that his comment on page 6 be clarified and request change be made from outreach to equity of contracting.</p> <p>Deborah asked if there were other clarifications or changes, if none then moved that the minutes be adopted with Paul's change.</p>	<p>► Update December minutes with clarification of Paul's comment on page 6.</p> <p>Motion to approve December 2014 minutes with change. All in favor.</p>
Convene as Portland Housing Bureau's Budget Advisory Committee	Deborah led the PHAC in convening as the Budget Advisory Committee (BAC) for Portland Housing Bureau (PHB).	
Public Testimony	Steve, Messinetti, Habitat for Humanity and Partners for Affordable Homeownership (PAH), shared that he believes that there is significant equity issues as it relates to	✓ Steve to send comments to staff.

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	<p>access to homeownership. PAH believes that the City of Portland needs to invest its attention and resources on closing the minority homeownership gap. PAH sent a <a href="#">recommendation letter</a> to the Portland Housing Bureau (PHB) to request a City-wide Homeownership Decision Package. He summarized strategies that PAH members have determined will have the most effective and immediate impact on bridging the gap.</p> <p>Diane Linn, Proud Ground and PAH, shared a letter, <a href="#">The Journey Home</a>, written by a homeowner. The letter shares her journey to homeownership with the support of Portland Housing Center and Proud Ground. Diane further explained that education and counseling is extremely important to prepare people for homeownership.</p> <p>Debbie Aiona, League of Women Voters of Portland, commented that the process that is going on right now regarding urban renewal amendments. The City Council will be deciding on in the near future. She also noted that there are important housing issues that have come up in the N Macadam District. She believes that this would be of interest to PHAC and should be a future agenda item.</p> <p>Traci asked that the letter and comments from Steve be forwarded to staff.</p> <p>J. Veronica Bernier left a written comment: Can we increase the homeless hotel vouchers for battered women with children and women fleeing domestic violence who are in recovery? We need more dollars for women like myself, a retired nurse with 20 years history nursing and Major in ICU/CCU/ICB and Pediatric hospitals in the Bay Area. I am a PSU graduate 2005 and homeless at present. We need housing.</p>	<p>✓ Diane to send letter read to staff.</p>
<p>Budget Advisory Committee</p> <ul style="list-style-type: none"> <li>• Budget Overview</li> <li>• Budget Equity Tool</li> <li>• Decision Packages</li> <li>• PHAC/BAC Letter of Support</li> </ul>	<p>Traci announced that Marc Jolin will be leaving the PHAC as a member, but continue to attend the meetings. Marc Jolin announced that he will leave his current position as director of JOIN to take a job with Multnomah County (funded by the city and county). He will have the opportunity to support the <a href="#">A Home for Everyone</a> Coordinating Board full-time (as of Feb 1, 2015), as Initiative Director. The Initiative Director will be charged with presenting recommendations to the Executive Committee on how the ending homelessness work that is currently distributed across agencies in multiple jurisdictions might be reorganized or consolidated to be more effective and efficient. Marc will work directly with the Coordinating Board to identify</p>	

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	<p>and implement the short and long-term strategies for ending homelessness in our community.</p> <p><u>Budget Overview:</u> Traci provided a brief overview of the FY15-16 budget next steps. Attendees were provided the <a href="#">Proposed FY15-16 Budget</a> which was similar to previous adopted budget. Traci highlighted that there were some changes to the functional areas/investment to better align and describe PHB business lines and opened the floor for discussion.</p> <p>Elisa commented in past years the budget has been separated into four or five priority areas, and asked if that has changed because this year's looks like there are different areas.</p> <p>Traci explained that the functional areas have changed, they are more logical based on the PHB business. PHB was not asked to rank the functional areas by City Council and Budget Office like past years.</p> <p>Elisa asked if PHB had a strategic plan and if they were ranked there.</p> <p>Traci said that the four investment priorities were ranked in the past strategic plan. One was rental housing development, second was ending homelessness, third was closing the minority homeownership gap, and fourth was safety off the streets. PHB has not put out a new strategic plan. It is somewhat controversial on whether to rank investment priorities in the next strategic plan. The last <a href="#">PHB Strategic Plan</a> was created in 2010, establishing mission, vision and investment priorities for 2011-2013.</p> <p>Traci noted that the increased number in the Housing Development and Financial Support investment area of the budget include projects that have been awarded and are at or near construction in the fiscal year. If a project does not begin as predicated the money will then be rolled over into the next year. Also, included in the Housing Development and Financial Support investment area of the budget include a portion of the \$20M that Council and Portland Development Commission has set aside for the N/NE Neighborhood Housing Strategy that is believed to be spent this fiscal year.</p>	

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	<p>Sarah asked if the 279 new units listed in the impacts section of New Affordable Rental Homes Investment section is the projected number expected from the investment or is it last year's number.</p> <p>Antoinette clarified that the number is the units that have already opened and next year the number of units created by the investment will be reflected.</p> <p>Marc asked if the \$1M Housing Investment Fund would be spend this year [FY14-15]. Mike responded that it would.</p> <p>Dike questioned that compared to the FY15-16 proposed budget that was e-mailed to the PHAC members on January 9, 2015 and the one received at the meeting, there is a difference. It appears there were changes made to New Affordable Rental Homes, Home Retention Services and Homebuyer Financial Services.</p> <p>Mike responded that it was unknown where the N/NE Neighborhood Housing Strategy money was going to be allocated into functional areas nor has it been fully determined.</p> <p>Traci also added the there is still some estimating and work with City Council regarding how much of the N/NE Neighborhood Housing Strategy \$20M will be spent in FY15-16. The \$1.6M difference from the proposed budget e-mailed to the PHAC members on January 9 was moved forward to FY16-17.</p> <p>Marc asked if portions from general fund and federal resources going toward Housing Access and Retention is about the same as previous year.</p> <p>Mike stated that there was some adjustments from CDBG to HOME funds to better align with service delivery.</p> <p>Rey asked if Percent of Total Budget column on the Proposed FY15-16 Budget has shifted or remained the same.</p> <p>Mike answered that generally they have stayed the same. There was a small increase in the Homeowner Access and Retention service area, but generally they have stayed where they were.</p>	

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	<p>Jean referred to the functional area Homelessness Prevention and Rapid Rehousing and suggested that it would make sense to separate the amount going to homelessness prevention and the amount going toward ending homelessness (rapid rehousing) services.</p> <p>Sally responded that contracts funded in the Homelessness Prevention and Rapid Rehousing area do both. Splitting it out by outcomes is easier and is captured. Sally asked if they wanted to know in terms of what dollar amount is spent on prevention versus housing placement.</p> <p>Jean stated that looking at it by outcomes is fine. She suggested that the focus should be more funding to homeless prevention and for example, if it was 1.5% of the budget then next year it should be 2%. Finding out how to look at that as a target and it can be done by outcomes.</p> <p>Contracts are not separated out by what dollar amount is spent on prevention versus housing placement, and instead on set outcomes for each.</p> <p>Jean asked they just put a bigger emphasis on homeless prevention, it doesn't need to be looked at by dollar by dollar.</p> <p>Traci asked the group take note of the discussion and going forward the group should talk about what the current split is.</p> <p>Dike asked how many units will be funded by the \$45M New Affordable Rental Homes investment. Also, Dike asked how much is spent per unit.</p> <p>Karl responded that units are counted when they open, which may not be the same year as when they are funded. He reported that all together PHB expects 772 new and rehab units will be opened in FY 2015-2016. PHB's average investment in a new unit has been roughly \$100,000 recently.</p> <p>Elisa understood that it is still being decided how the N/NE Neighborhood Housing Strategy money will be spent, and inquired if a portion of the funds are allocated in the proposed budget. Also inquired where it was lumped.</p>	

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	<p>Traci responded that some is allocated in the proposed budget and once City Council has approved a plan forward it will be allocated properly across the budget. It is currently under TIF and General funds.</p> <p>Elisa acknowledged that there are some restrictions on how the \$20M N/NE Neighborhood Housing Strategy funds can be used, and asked, going back to testimony that has been heard, if some of those funds available for retention services (e.g. home repair loans, down payment assistance loan)? Also, she asked if home buyer financial services was an eligible use of the funds.</p> <p>Traci stated that home repair loans and down payment assistance loans were and eligible use of the N/NE Neighborhood Housing Strategy funds. Also confirmed that financial education and counseling was not an eligible use of the funds.</p> <p>Traci also shared that in the past there has been Federal allocation cuts, but the projection is that there will be a stable Federal allocation.</p> <p>Colin asked if there were targeted impacts going forward. There are impacts that are historic (last year's) on the proposed budget, are there projected impacts for each category? It would be helpful to have those numbers to analyze.</p> <p>Antoinette reported that we do not have those, and the deadline to have them is on January 15.</p> <p>Traci if you have questions, members are should contact staff in the next few days.</p> <p>Rey asked that we address Jean's question regarding homeless prevention versus rehousing funding in the PHAC work plan where there is a presentation and/or staff analysis for a better understanding and further guidance for next year's budget deliberations.</p> <p>Traci asked that it be noted to be included in the short term work plan and/or for the retreat to be included in the long term work plan. Also, she noted that it would match well with the work that A Home for Everyone is doing.</p>	

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	<p>Jolin believes that the A Home for Everyone is currently working on this analysis and is central to the work they are doing.</p> <p><u>Budget Equity Tool:</u>  Leslie provided a brief overview of the Budget Equity Assessment Tool. Attendees were provided the <a href="#">Draft Budget Equity Assessment Tool</a>. Each of program areas submitted information regarding their requested Decision Packages, which is what the equity assessment tool is supposed to focus on. Final product is due to City Council on February 2, 2015. If members have suggestions, comments, concerns, anything that wasn't addressed, anything that should be highlighted further, or any changes should be sent to Leslie to be incorporated in the final product. Leslie opened the floor for discussion.</p> <p>Wayne noted that this assessment concerns people of color and ethnicity, but equity is a huge issue and a lot of this has to do with looking further. For example, the aging population, how many people over 60 are affected by gentrification? Has anything gone into equity that relates to aging population, people with mental illness, Veterans, etc. So much has to do with people of color and ethnicity in this assessment and is there other equity issues that have been looked at with this equity tool?</p> <p>Leslie answered that the Budget Equity Assessment Tool is a general set of questions to guide in assessing how budget requests benefit and/or burden communities, specifically communities of color and people with disabilities. The Housing and Retention Team has targets around Veterans.</p> <p>Sally reported that there are targets focused on vulnerable/priority populations, which include Veterans, adults with disabilities, chronic health issues, etc.</p> <p>Jolin asked about the header Impact of Populations of Color column on the chart in Section Three. The header should read Impact on Populations of Color. He also asked about the Homelessness and Rapid Rehousing row of the chart on Section Three, there is an impact in NE Portland, but not SE Portland? He is trying to figure out how to read the No and the Yes in the Impact on Populations of Color column.</p>	<p>► Update header of chart on section three of the Draft Budget Equity Assessment Tool.</p>

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	<p>Sally responded that they report an impact on communities of color if we were serving, looking at baseline data, a higher percentage of people of color than existed in that geographic area/community. In the case of SE Portland we were not serving a higher percentage of people of color than existed in that community based on current contracts.</p> <p>Jolin asked for clarification, so if there is a yes that means that we are closing the gap in that geographic area as it related to populations of color?</p> <p>Sally responded that the chart can be changed to clarify that column by adding what percentage is being served and if underserved what can be done differently.</p> <p>Rey questioned how \$20M N/NE Neighborhood Housing Strategy is being referenced in the assessment. Looking at page 3 it references the add package of \$1.6M that will be outside the Interstate Corridor Urban Renew Area (ICURA), but the paragraph below talks about the \$20M which may be confusing. Further, the next question on page three, second bullet talks about the \$20M and how marketing and outreach is important. Are you trying to say that some part of the budget in FY15-16 will be utilized to complete this? If so, where is that represented in the budget? Further, question 6 (under Section Three), 4<sup>th</sup> paragraph talks about \$20M how going to develop. The concern is that it is pretty general about establishing criteria or goals for that project. Would encourage leadership and talk about higher goals in terms of minority and emerging small business participation. Having more clarity and criteria about what it means to be connected to those communities through the procurement process. He is unsure whether this project is in development phase and whether an add package will come later, so maybe it should be rethought on how the project is laid out because it doesn't seem well connected.</p> <p>Traci referred to the <a href="#">PHB FY15-16 Budget Draft Requested General Fund Decision Packages</a> that the equity assessment tool is supposed to focus on.</p> <p>Karl added that currently they are a little challenged writing out a final plan today because the N/NE Neighborhood Housing Strategy is still being finalized at this time.</p> <p>Elisa asked about the chart in Section Three where programs and impacts are listed, only seeing certain programs and not all of the programs.</p>	<p>► Update chart on section three of the Draft Budget Equity Assessment Tool.</p>



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	<p>Leslie replied that the assessment is related to only the Requested Decision Packages and not the whole budget.</p> <p>Paul suggested that under Section Two: Personnel look at a broader slice of data since we are talking about a stabilization budget, that there is no reduction or addition of resources, look into operations, along with recruitment and retention. We could look at demographics in the workforce and management, and salary equity. Highlight data where we have made progress in recruitment, and improvements yet to make.</p> <p>Leslie asked if there were any further questions or comments. There were no further comments. Members were encourage to e-mail Leslie with any questions or concerns.</p> <p><u>Decision Package:</u> Traci directed members to review the <a href="#">PHB FY15-16 Budget Requested General Fund Decision Packages Draft</a> and highlighted that descriptions and amounts have been updated and an additional on-going package has been added since the initial draft was reviewed last month. Traci summarized the decision packages.</p> <p>Javier shared his thoughts regarding the Opportunity Fund. Looking to allocate \$2M for land banking type of activity in partnership with Network for Oregon Affordable Housing (NOAH) who has a land banking product. The idea is to provide City funds for this activity with direct linkages to areas of the city that are at risk of displacement and/or gentrification per the Bureau of Planning and Sustainability’s study. As well as areas where we have keen interest in terms of access and equity. We are in conversations with Meyer Memorial Trust to see if there is an interest to partner, as well as Metro and Oregon Housing and Community Services (OHCS). Our goal is once we submit there are tangible partnerships that we can speak to.</p> <p>Traci highlighted the Homeless Programs COLA Adjustment on-going funds request that was added to the Decision Package since the initial draft last month. Because this was an on-going funds request, a similar amount must be offered as a cut. The budget was combed through trying to find a place, other than, homeless programs, that could be cut, but there was none. The only place to look was to the one that</p>	

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	<p>additional funds go, if there are any, which is Short Term Rental Assistance (STRA) due to scalability. Traci believes that there is no reason to believe that Council will take the cut package, but a cut is required to be offered to ask for the on-going COLA request. Traci opened the floor for questions and comments.</p> <p>Sarah commented that a note should be made in the PHAC/BAC Letter of Support to City Council regarding the on-going COLA request and provide a good argument (45-90 households would not be served if cut) not to cut.</p> <p>Jean reported that she strongly supports the COLA, but there seems there should be another place other than Homelessness Prevention funds. Is there no opportunity to take the cut from surplus? It seems that 90 households is a big price to pay if the cut is taken.</p> <p>Traci stated that PHB does not get surplus, the City gets surplus. The Decision Package Requests are asking for funds from that surplus. General funds are spent on staff, overhead, lease, and interagency agreements which cannot be cut.</p> <p>Deborah also agreed that there needs to be strong statement in letter about approving the COLA and not cutting the required offered cut.</p> <p>Elisa asked, when Javier was talking about the \$2M land banking, is that coming out of \$5M? What happens with other \$3M?</p> <p>Javier answered that the \$2M would come out of the \$5M. The other \$3M would follow the same concept of the <a href="#">2014 \$1M Opportunity Fund</a> that was allocated.</p> <p>Elisa stated that this is a confusing without explanation and should be clarified before it goes to City Council.</p> <p>Rey asked a follow up question based on the one-time only funding conversation. Is the thinking that the opportunity fund land banking money be a revolving fund? Assuming that it's a one-time only investment that you are going to structure for revolving.</p>	

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	<p>Javier agreed that the thinking is the land banking opportunity fund be a revolving fund. Traci stated that it would be a program related investment structure. Traci further explained that the investment would buy land and then when they go to develop it, they would repay the fund and use it for the next.</p> <p>Paul reported that last month it was suggested that with the Opportunity Fund introducing some contracting goals with the package and attaching specific contracting targets separate from Bureau-wide targets. It is not reflected in the Draft Decision Package so he wanted to touch base here with leadership and find out how it might be addressed.</p> <p>Javier reported that we have a commitment to that and the language was not worked on since the initial draft. There is commitment for equity and it will be updated.</p> <p>Traci stated that traditionally in the last year or so our equity updates to PHAC have rotated through the programs and also through MWESB. There is a lot of talk at PHB about increasing our standards in straight percentage goal and having a goal that encompasses soft-cost/professional services. I think that it would make sense to take it up Bureau-wide, and ratchet up the goals. Plan would be to pilot it with the N/NE Neighborhood Strategy funds.</p> <p>Traci asked for further comments or questions. None further.</p> <p>Recommend this budget and based on that decision then to tell Council</p> <p><u>PHAC/BAC Letter of Support:</u> Traci informed the members that if PHAC/BAC recommends the FY15-16 Proposed Budget, based on that decision the PHAC/BAC Letter of Support is the opportunity to tell City Council what they should know, include what is important to understand and add items that should be highlighted. Members were provided a copy of the <a href="#">2014 PHAC/BAC Letter of Support</a> for reference.</p> <p>Matthew announced that before the conclusion of the budget portion the group will vote to endorse the budget, vote to endorse the decision packages and decide how the letter of support will be handled. He stated that the group would like language</p>	

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	<p>around the required cut package for STRA and opened the floor for further additions key themes to the letter.</p> <p>Sarah suggested that the N/NE Neighborhood Housing Strategy approach and the work that has been done be highlighted.</p> <p>Elisa added that leverage points that are known is a great component to add. Particularly looking at the new affordable housing, and that it may lead to 772 units being opened. Give an idea where there money is going and that it is going to address the affordable housing issue.</p> <p>Deborah referenced last year’s letter, third paragraph referring to partnerships in the community, and suggested that point be stressed again. Also, would like to see something about looking at funding strategies that we haven’t considered in the past.</p> <p>Dike commented don’t know the background about the land banking organization, regarding the \$2M allocation for land banking – City Council may ask tough questions and there must have an understanding of the procedure.</p> <p>Sarah also suggested including past successes. If/how exceeding goals in MWESB and the equity agenda. Highlight successes in reaching minority communities and other successes in order to bolster the asks.</p> <p>Jean added that is seems like the budget is in line with a number of community plans, and we are committing money to plans we have already agreed to. Traci agreed that linking it to the Portland Plan is a good point.</p> <p>Matthew summarized emphasize there is not support for a cut for STRA (the required cut offer for on-going fund request), work PHB is doing with the N/NE Neighborhood Housing Strategy, PHB leverage points to put more tangibility around it, partnerships with the communities, new approaches to funding strategies, land banking procedures and details associated, and the equity agenda success in the past and equity outcomes, and alignment with the Portland Plan and community-wide plans.</p> <p>Rey also would like to emphasize that PHB has acknowledged equity issues. That there is truth to alignment of resources to plans. What has not happened</p>	

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	<p>communities of color have not benefited from the investment. That has been the disparity, the distance. Anything to show closing of disparities should be included.</p> <p>Matthew summarized, in addition to alignment of resources with needs, in particular with communities of color.</p> <p>Traci suggested that staff will draft the BAC/PHAC Letter of Support with comments gathered and send it out to the BAC/PHAC members to get further input/corrections. She asked how the group would like to handle it.</p> <p>Jean recommended that the letter be send it to the members for comments and then have Executive Committee make the final decision.</p> <p>Jolin asked that clear deadlines be given to have comments received and letter approved from the Executive Committee.</p> <p><u>BAC/PHAC Endorsement of Budget and Decision Packages:</u> Deborah asked if there was any last discussion or questions regarding the Budget or Decision packages before the vote.</p> <p>Elisa asked if there would be updates to the Budget or Decision Packages after hear the discussion.</p> <p>Traci replied that the only thing that did not respond to was not covered was homeownership education and counselling.</p> <p>Elisa fine with the rest of the budget, is there any movement that seems logical or some analysis that can be brought back that would work.</p> <p>Deborah asked with the caveat the staff will come back and keep us posted if there was a motion to approve the Budget.</p> <p>Deborah asked for a motion to approve the FY15-16 Decision Packages.</p> <p>Deborah concluded the budget portion of the meeting.</p>	<p>Members elected to have staff draft the 2015 BAC/PHAC Letter of Support and send it to members for comments. Members elected to have the Executive Committee make final decision regarding the BAC/PHAC Letter of Support.</p> <p>Motion to endorse FY15-16 Proposed Budget with caveat. Majority approved. One member abstained.</p> <p>Motion to endorse FY15-16 Decision Packages. Majority approved. One member abstained.</p>

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<p>Other Business Follow-up</p> <ul style="list-style-type: none"> <li>• Review 2014 Work Plan</li> <li>• Adjusting PHAC Retreat/Work Schedule</li> </ul>	<p>Traci announced that included in the handout was <a href="#">2014 PHAC Work Plan</a> to review and think about planning the next year. Also included is a recommended <a href="#">February through June 2015 Interim PHAC Work Plan</a> that would take PHAC from a calendar year work plan to a fiscal year work plan. This will better align with the City Budget Process.</p> <p>Deborah adjourned the meeting.</p>	