



**Portland  
Housing  
Bureau**

**N/NE Neighborhood Housing Strategy  
Oversight Committee**

**March 10, 2016**

6:00 -8:00 pm

New Song Church

2511 NE MLK Jr. Blvd. Portland, OR 97211

✓ = Oversight Committee Action item  
▶ = PHB staff member action item

**May 2016 Meeting Minutes - FINAL**

**Members Present:**

**Members Excused:**

**Staff Present:** Matthew Tschabold, Martha Calhoon, Victoria James, Kurt Creager, Shannon Callahan, Karl Dinklespiel, Letimya Clayton, Sawyer Sheldon

**Guests Present:** Bishop Steven Holt

Agenda Item	Discussion Highlights	Outcomes / Next Steps
Welcome	Bishop Holt welcomes the crowd and apologizes for the technical delay.	
Preference Policy Application Update	<p>Martha Calhoon starts explaining the <a href="#">North Northeast Preference Policy power point</a> and gives background of the first application gathering process. Martha explains the broad goals of the policy, says that the outreach goals were informed by what PHB knows about displacement trends and the resulting demographic shifts. She says that knowing these trends allowed PHB to better address the marketing and outreach techniques used to inform the community of the program.</p> <p>Martha explains that part of the outreach was through paid advertisements in print media that would reach all of the displacement areas. She says that the crux of the outreach strategy was actually with community partners who served as liaisons to the community clients that they already served.</p> <p>Martha explains that one of the key components to the community outreach strategy was the use designated application sites, these sites were designed with high barrier applicants in mind. She says PHB partnered with 11 community partner agency locations throughout the Portland. These were</p>	

locations where community members could get more information, access printed application materials, translation services, reasonable accommodation requests, turn in their applications, receive in person assistance with filling out applications, and in some cases access computers to fill out applications online. Martha explains these sites included a number existing PHB community partners such as Proud Ground, Portland Housing Center, PCRI and Hacienda. She says that new partnerships with local libraries were also utilized as well. Martha explains that prior to the applications release in April, PHB staff provided training to the partner sites employees on what the program was so that they could better answer questions, how to access translation services, and how to aid community members in assuring that they receive the maximum points they were owed.

Martha says that one of the goals of the policy was to provide outreach to local community based organizations (CBOs) such as churches, business and community centers. Martha explains that PHB conducted outreach to 120 CBOs, and actively collaborated with 70 CBOs; this included 42 community centers, including 18 public libraries, and 5 school districts. Marketing materials were available in English, Spanish, Vietnamese, and Russian. PHB also did outreach with 24 income specific / culturally specific non-profits.

Martha explains during the process there was a dedicated helpline and e-mail that was available on all outreach materials. She also says that PHB hired a community aid to help field over 400 phone calls for applicants via the helpline; and that 100% help line callers and e-mail inquiries were responded to within 24 hours. Martha says that under 1% of callers and e-mailers said they were displeased with the application in a survey. Martha continues by saying that over 99 hours of onsite applicant support was provided by PHB staff; PHB staff was present in the community on at least 1 of the sites, every day, for the entirety of the open application round.

Martha says that online materials were accessed at least 1,000 times a day during the time the application was available online. Martha says that PHB marketed the application for 42 days. The application was available for two

	<p>weeks before the application round went live, and PHB received over 1,100 applications during May 2-13. She says that after removing duplicates there are about 1,000 applications, the majority of which came in online. Martha says that geographically 770 of the total applications came from people in Portland, 90 from Gresham, 30 from Vancouver, more than 50 from “other suburban”, 9 from other areas of Oregon, and 5 from other states.</p> <p>Martha says that they are in the midst of processing, assigning points, and randomizing the applications. They will then select and verify selected applicants information. Martha says that PHB hopes to have households working with homeownership partners by fall. Martha says that by the July Oversight meeting they will have a more complete breakdown of who applied.</p> <p>Kurt says that they will post that <a href="#">geographic “heat map” of where the applications were received from</a> on the PHB website.</p> <p>Next Matthew showed some preliminary data for the home ownership applications. He explains that PHB is case managing all people with emanate domain or city condemnation claims as they would be given first priority under the preference policy. Matthew says that as of today they had about 1,052 applications, but they are still purging duplicates. He then introduced Victoria James, who is managing this second part of the preference policy.</p> <p>Victoria James then came forward to explain the preliminary data. She says that there is a good distribution in all point categories from 0-6. Victoria says that they did not include the emanate domain statistics in this presentation as there was not enough data yet.</p> <p>Victoria explains that for the race and ethnicities questionnaire people could select more than one if they wanted, or could choose to provide none. Victoria says that African immigrants are about 7% – 8% of all 6 point households. She explains that African American were the majority of applicants in each point range, but says that there is an even distribution of each race / ethnicity is throughout all point ranges.</p>	<p>PHB to provide more complete breakdown of Preference Policy applicants at July meeting.</p> <p>Post geographic heat map of applicants to PHB website.</p>
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	<p>Matthew says that there will be more detailed data to come that will be presented at the July meeting. Bishop Holt asks about the duplicates, Matthew responds that he thinks that 1,000 is a safe number, but that may change as they finish processing the applications. Matthew reminds the committee that these applications are for roughly 65 homeownership slots.</p> <p>Lisa asked Matthew for clarification of the 1,052 number, wants to know if that includes the emanate domain claims as well. Matthew says that there are about 250 applicants of the 1,052 who claimed emanate domain but says that seemed high. Matthew explains that Victoria's team is working on case managing that process; says that as applicants are contacted PHB is learning that a number of applicants misunderstood the question. He says that some were citing a bank foreclosure during the 2008 financial crisis, or before then, and that this policy covers emanate domain and city condemnation, not bank foreclosures. Matthew says that they will work with those households, but that the 250 number will probably drop substantially. That said, Matthew explains that they are still seeing many applications related to the Albina, Memorial Colosseum, and Emanuel Hospital condemnations. He says that there are many applications that will need case management still.</p> <p>Lisa asked if there was a time frame for the 65 people who are selected. She wants to know if those selected do not purchase a house, when will their slot go to the next in line. Matthew says there is one but that is more a question for the Homeownership Team; says that the provider partners are working on a realistic timeline though.</p> <p>Kurt speaks about the HUD office employee's webinar about Gentrification on May 18, 2016. He says that the webinar was for HUD employees and that it highlighted a family from <a href="#">a story in the Willamette Week</a>. He says that the story is a good example of why the NNE Preference Policy was started. Kurt explains that the Webinar highlighted the NNE family of Helen and Nelson Murray; explains that HUD did not give permission for San Francisco to have a neighborhood specific preference policy for HUD 811 and 202 funding and that they had a lot of resistance from HUD. He says that the story should be</p>	<p>Send e-mail blast with Willamette Week story.</p>
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	<p>in an e-mail blast. Kurt finishes by saying that since they are using tax increments from local sources they did not ask for HUDs approval for the NNE Preference Policy. Says that this shows that HUD has rethought their stance on how best to apply a principal of restorative justice, which is a good thing.</p>	
<p><b>Fall NOFA Decision</b></p>	<p>Kurt says that on October 27, 2015 PHB announced a Notice of Funds Availability (NOFA) of \$61.1m in available funds, 5 project sites, and 100 project based rental vouchers aka section 8 vouchers. This is known as a “Super NOFA” because it had all three elements – land, cash and vouchers.</p> <p>Kurt explains that there was a staggered due date, a mandatory MWSEB contractor participation rate, and a required developer workshop. He says that the response was overwhelming, because PHB had never offered so much money; says that they were attracting attention from legacy partners, traditional partners, and new partners. This included 22 total requests for a total of \$91.2m. He says that if they had funded every project, as it was proposed, it would have yielded 1,664 units city wide.</p> <p>Kurt says that there was an internal process to determine baseline eligibility, and then externally, with the aid of community partners, to rank the projects by relative merit. Kurt says that Karl and Javier will speak more to that process but at the end of the day, 8 projects were selected, 14 were not. Kurt says that the 14 not selected were worthy projects, it was a question of how much money was available at that time. He says that of the \$61.1m, \$5m came from Multnomah County, as well as the site on N Williams. The City of Portland owned the other 4 sites through 2 different bureaus.</p> <p>Kurt explains that the 8 funded projects that were selected they would produce 569 new units, and would preserve or rehabilitate 255 existing units for a total of 824 units. Kurt explains that a project proposed by Human Solutions in the Gateway URA was given an exclusive right to negotiate with PHB because it was a good application but could have been better; it was 40 proposed units for \$2.2m adjoining a new community park in Gateway. Says</p>	

	<p>that there questions about the park and retail that needed to be addressed, and that they are working with PHB on it.</p> <p>Kurt says that it is important to know that \$10m was not allocated. Says this is because a project in South Park Blocks did not get funded as the benefit to housing was not as strong as PHB would have liked. Kurt says that the site was in the same URA as the Joyce Hotel, and since PHB had already entered into negotiations with the owners of the Joyce Hotel, they did not go forward with the other project. Kurt explains the Joyce was the last place in Portland that was rented on a weekly stay, single room occupancy, basis. Overall did not think that the benefit to the community was enough to abandon the Joyce Hotel negotiations to take another offer. So that \$10m is still in reserve if the Joyce Hotel owners can come to an agreement.</p> <p>Kurt says that it would be best to ask questions about the NOFA process first, the about NNE specifically. Lisa wants to know what information is coming next. Kurt says that he will give a live to date summery what has been funded in NNE pursuant of the \$20m the committee was designed to oversee, and what the TIF-Lift fund are still available.</p> <p>Bishop Holt asks for an accounting for the process and how decisions were made without consulting the Oversight Committee. Bishop Holts asks if Javier would clarify what the issues were that transpired, and then explain how we got there. Javier responds that PHB established a timeline for the application and selection process, and that 3 review committees would be formed. For the committee that had projects proposed for NNE, there was a good mix of community and finance experts on the panel. Javier says that once they saw how many proposals had come in that would need to be reviewed, it became clear that they had underestimated how many external review committees they would need. He says that a 4<sup>th</sup> evaluation committee was needed in order to stay within the pre-established time line; Javier says he made the mistake by not ensuring that someone from the NNE community, was included on the 4<sup>th</sup> committee, whether it was through this oversight</p>	
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committee or some other channel. Javier says he believes this is where the mistake happened for the selection process for the King Parks site.

Javier explains that they had both internal staff and external committees evaluate and rank the proposals. Once that was done, staff ranked them by considering which of them were “must fund” projects. Those recommendations were then submitted to Director Creager and Commissioner Saltzman. Bishop Holt asks for clarification of the timeline restraints. Javier says that an improvement could be made. Says that in the future the timeline could be less strict to accommodate for issues like these. Bishop Holt asks what the timeline was, and why, during that time, Javier could not send an e-mail to the Oversight Committee or communicate with them at all. Javier says it was 2 weeks, he says they reached out to Leslie as a link to the oversight committee, and a few other community members as well, but recognized that was not enough of an effort. Javier explains that there were 4 proposals that needed to be looked at in those 2 weeks, but that was not as stringent as it should have been. Kurt says that while the deadlines were internally generated, they were in a budget cycle and wanted to get them to City Counsel, but that may have led to a misstep in the process. Kurt says that upon reconsideration, Commissioner Saltzman decided that PCRI’s proposal for the King Parks site would offer more benefit to the community, over the initial decision of Meta.

Lisa says that she can’t imagine an easier group to get ahold of for an external evaluation panel than the people on this committee. She doesn’t know why there were no e-mails about the process. Wants to know who the external evaluators were. Wants to know why NOFA funds were applied to the NNE area and not brought to the committee. Lisa wants details about the scoring of the applications. She asks how the external evaluators rated for race and ethnicities. Says that the elements considered for evaluation in pervious homeownership programs were poorly developed, and not sufficiently defined. Wants to know how and why there are ICRA, TIFF, and Lift funds that are being applied to NNE without being looked at by this committee. Javier says that the process that was established was that

anything the bureau wants to fund should be presented to the committee for review. Javier explains that the NOFA itself was not something that this committee was a deciding factor of

Bishop Holt asks for clarification; says the NOFA process its self is not something the oversight committee weighs in on? Javier says yes, the oversite committee was not a reviewer of the NOFA itself, so they did not bring it to the committee. He says that once the decisions had been made PHB would bring those decisions to the committee. Holt asks once the projects were selected that they would be brought here? Javier says yes.

Karl says that they received 28 proposals all together, they reviewed 26. Says that he managed and arranged the review committees and that process. Says that there was 30-40 people he outreached to, including Lisa Foust, Felecia Tripp, and Jillian, from this committee, served as well. Says that Jillian was the representative for this group on that committee. Karl says that the fourth committee did not have rep from this NNE committee.

Lisa wants to know what this committee is for if not for funding decisions, the selection process around achieving the goals of racial equality, and gentrification mitigation, which is what they have been focusing on. Wants to know what they are bringing to this process. Holt says that this is an oversight committee, which is for oversight, not advice, not decision making. This is supposed to provide oversight for funds expended in the Interstate IRA.

Karl says that the initial reviews had members from the committee. Karl says that there were seven proposals that were seen by people on this committee (referring to Jillian) four for the King Parks site, and three that were not for that site. He says they asked Lisa Foust and Felecia Tripp, but they could not make it. Karl says that the fourth "scrambled" together committee, which did not have anyone from this committee on it, reviewed 2 proposals that related to the Interstate IRA, the one from Meta Housing and the one from PCRI, which Kurt spoke of earlier. Jillian says that she was on the committee, but was not there as representation for this committee on the NOFA review

process. Says that she asked everyone who was presenting a proposal for the NNE corridor what their tenant's preference policy would be, but that doesn't equal this committee's review.

Holt asks about the committee that made the decision for the King Parks site; wants to know if anyone was from NNE and if anyone of color was on the committee. Karl says no one was from NNE or African American on that committee. Lisa wants to know about the review process. She says when they reviewed the homeownership proposals that they were grounded in criteria that the proposals needed to speak to the local area. Wants to know why that was not part of this review criteria, along with the racial equity component. Lisa wants to know how that will be rectified going forward. Javier says that the components of NNE housing strategies were a part of the NOFA decisions. Says that the Kings Park site was evaluated for those criteria but that the NOFA evaluations did not have a "score", it was instead an evaluation of the proposals. Karl says that the proposals all complied with the community development plan. Says that if you look at who was awarded, you can see that was considered.

Lisa wants to know how a proposal were evaluated without a rubric. Karl says that there is a history of performance that should be considered, even if they can be improved upon. Says that there are high goals for MWESB participation, 20% is wanted by the city and they are usually around 30%. Karl says that in the future all proposals will need to use the preference policy, which is not in place yet but will be soon. Says that the NOFA its self has requirements for performance that will be monitored. Lisa asks if those include the NNE focused goals. Karl says yes. Javier says yes, all proposals had to address outreach and engagement for the community.

Lisa suggests that there are steps between understanding the impact that one wants to make, and the specific measurable items that are in place for those, versus what is known to be needed, which is not in those specifically measurable items. Says that there should be a rubric that needs to be in

place for evaluations. Says that it is hard to review and grade things, which is why there should be training for internal and external staff on how to do that.

Karl asks Lisa about the two proposals of the Kings Park site. He says that when you look at those proposals, on the face of them they are inclusive. Says that when they see that it's a good indication for them they are heading in the right direction. He asks Lisa if she is saying that may not be enough. Bishop Holt asks how they can weigh in if they didn't see proposals. Wants to know how can oversight be given?

Kurt, addressing the lack of a "score", says that there was not a clinical weight given, but when Meta and PCRI went forward they did so with equal weight and different characteristics. Kurt says that they were comparable, and that there was a choice to be made. Says that the initial selection of Meta was made to increase capacity of affordable housing, but that PCRI has deep roots in the community and a presence in the neighborhood. Says that the choice was made in part because of those community ties.

Lisa responds to Karl's question by saying that there would have needed to be a more robust way to evaluate what it really means to do equity, address displacement, and evaluate the benefits to the community. Lisa says that there needs to be a criteria that tells more than MSEWB qualifications; that address the needs and goals of the NNE housing strategy. Javier agrees, says that this was not a "check mark" project, there was analysis, but that there is always room for improvement.

Jillian adds that the frustration that PHB is hearing is because the committee was not addressed at all. Says that in the future, as much thought that went into the homeownership program, needs to be applied going forward. Wants to know how they can be sure that the committee, going forward, will have input.

Holt says that for the most impacted community there is a feeling in the community that this is a show by the City and not a real effort. He says that is

reflected in the lack of tonight's attendance by community members. He points to the NOFA as a prime example of why those feelings persist. He says when he spoke with Commissioner Saltzman he expressed that if they are to provide proper oversight the committee needs to be involved in all money spent in the Interstate URA corridor; there needs to be representatives from the committee in all decision making groups going forward.

Shannon says that Bishop Holt and Commissioner Saltzman have had several meetings so far and have spoken about how this committee should be involved. Says that this NOFA situation was a misstep. Says that this should not feel like business as usual, and the fact that it does is a failure on their part. Says that the NNE Committee charter needs to be revisited to better reflect what the role of the committee should actually be. Shannon passed out [a letter from Commissioner Saltzman and Director Creager](#). She says that the letter is asking the NNE Oversight Committee to oversee the application of \$32m of TIFF-Lift funds that are projected to be applied to the Interstate URA over the next 15 years. She says that will change the nature of the committee and those changes need to be in writing going forward, so that information is consistent. Leslie says that they wanted to present the letter first before changing the language of the charter. Holt clarifies that the addendum to the charter that is being worked on will specify the things they have been talking about, so all parties are clear what the role of the oversight committee would be. Shannon says that the commissioner's office is not the best at communicating back to Bureau partners, but she hopes this will help going forward.

Katrina asks if there any idea what the charter expansion would look like. Shannon says that it will expand the committee's reach to all money used in the Interstate URA, not just the \$20m that the committee was charged with overseeing initially. Shannon says that this should ensure that members are present to represent the committee in the process. Jillian says that it is clear that whatever the charter expansion is it needs to ensure that the committee has teeth, and is not just a waste of time. Jillian wants the committee to be the ones making decisions, not being brought decisions. Shannon says that

	<p>would be a tremendous expansion of the committee's role. Shannon says that PHB and Director Creager make funding recommendations, but city council ultimately makes funding decisions. Says that this committee was not put together to be a funding decision body. Jillian says that decision may be too strong a term, but that the committee should make recommendations at the least.</p> <p>Kurt says that the process can be improved upon. He clarifies that while the process was flawed the outcomes are satisfactory, which leads to the next agenda item.</p>	
<p><b>Pending TIF Expenditures</b></p>	<p>Kurt says that he did a written response to Bishop Holt's inquiry about how much money from the \$20m and the TIFF-Lift have been allocated and to what purposes. He explains that \$7m went to PCRI, of that \$4.5m came from the \$20m the mayor set aside and \$2.5m was set aside from the TIFF-Lift from last year. He says that \$7m is producing 80 units.</p> <p>He says that PCRI also received control of the King Parks site, and will receive 9% tax credit; their total commitment is \$4.5m, of that \$3.5m came from the \$20m and \$1m came from the TIFF base.</p> <p>Kurt says that Bridge Housing received control of the county owned site next to Albertini Kerr and N Williams as well as \$4m. Of that, \$4.2m was the base, nothing from the base and \$300,000 from the TIFF-Lift, and will yield 61 units.</p> <p>The N Interstate site, adjoining the Alberta Head Start, was awarded to Central City Concern. CCC is getting \$1m in TIFF and receiving \$1.2m from Multnomah County, for \$2.2m total; that will produce 51 units.</p> <p>Kurt says that all of those taken together constitute 252 new units. Kurt warns that numbers could change as Alberta Head start is out of space and is working with CCC for classroom space in the new building; which could take a few units away.</p>	

	<p>Kurt says that overall they have allocated \$12.6m for homeownership, of that \$9m out of the \$20m mayoral set aside, and \$3.6m from the base; \$3m from land banking was dedicated. He says that PHB has entered in escrow from a site at the corner of Alberta and Interstate (5020 Interstate) for \$2m.</p> <p>He finishes by saying that of the land banking money they have allocated \$2m with \$1m remaining, of the homeownership \$12.6m has been allocated which means there is \$1m of the initial \$20m.</p>	
<p><b>Review of TIF Lift Recommendations</b></p>	<p>Kurt explains that, if the committee does agree to oversee the \$32m of new TIF dollars, Trimet is looking to develop land in NNE and that there are 2 sites to be considered. Kurt says that OTEC was contracted by Trimet to help develop a <a href="#">parcel owned by Trimet at 2133 N Argyle St.</a> Kurt explains that Trimet has asked for Statements of Qualifications from developers by June 22, 2016, to see how they could make the site at least 20% affordable. Kurt says that if the committee's charter is to expand then these would need to be evaluated by the oversight committee at the July meeting as there is no meeting in June.</p>	
<p><b>Public Comment</b></p>	<p>Ted Salter introduces himself as the Homeownership Coordinator for PCRI. He says that the reason he has not come to a meeting before because they are usually conducting classes on Thursday nights for people who desperately want homeownership. Says he is appalled at the level of discourse and strife he heard tonight. Says that there are people who are desperate for help, and that this committee provides hope to the community. Mr. Salter says that he wants to know what success is going to look like in Portland moving forward. He says that there are 1,000 families living in PCRI's housing who know that they would have been gentrified out of the community, and that the confidence in PCRI is high. Says he hopes moving forward that developers will want to build in an affordable price point so that there can be more affordable housing in the community.</p>	
<p><b>Wrap-Up</b></p>	<p>Bishop thanks the committee. He asks the committee members to get in touch via email within a week about the letter received concerning the expansion of the committee.</p>	