




CITY OF
PORTLAND, OREGON
PORTLAND HOUSING BUREAU

Mayor Ted Wheeler
Kurt Creager, Director
421 SW 6th Avenue, Suite 500
Portland OR 97204
(503) 823-2375
Fax (503) 823-2387
portlandoregon.gov/PHB

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To: Community Stakeholders

From: Kurt Creager, Director, Portland Housing Bureau 

RE: **Building Public Trust through Oversight of the Affordable Housing Bond**

Purpose of the GO Bond Oversight Committee and Stakeholder Advisory Group

The purpose of establishing a General Obligation Bond Oversight Committee is to comply with the intent and purpose of the Portland City Council when they referred Measure No. 26-179 for voter approval wherein the measure stipulated that a five (5) member independent oversight committee will review bond expenditures; provide annual reports. The work of the Oversight Committee will be informed and guided by input from the Stakeholder Advisory Group (SAG) which will establish a meaningful and community driven policy framework plan geared toward the goals and objectives of the GO bond, particularly toward the production of 1,300 units within 5-7 years. The SAG will be a group of 12-15 members that will convene for 6-9 months to develop the policy framework plan and will be expected serve throughout the 5-7-year GO Bond implementation period in an *ad hoc* advisory role.

Affordable Housing Bond Background

Portland voted favorably in November 2016 to approve a general obligation bond of \$258,400,000 to provide funding for development, rehabilitation, and preservation of 1,300 units of affordable housing, at minimum. Specifically, twenty-five percent of the bond funds will be used to purchase and rehabilitate approximately 350 units and seventy-five percent would be used to create approximately 950 units through new construction for seniors, veterans, families, and people with disabilities. All dwellings acquired or built with the Bond revenues would be made affordable to households under 60 percent of Median Family Income (MFI) or \$43,980 (2016\$); 600 units would be targeted to people with incomes below 30 percent of the Median Family Income (MFI), which at the time of the bond was \$22,000 for a family of four and \$15,400 for an individual. Lastly, fifty percent of the new dwellings will need to “family sized” consisting of 2-3 bedroom units.

Bond Oversight Committee (BOC)

The Bond Oversight Committee (BOC) will be comprised of five members, one appointed by each member of City Council, with the Mayor as the Housing Commissioner appointing the chairperson. The committee will hold primarily financial, fiduciary and compliance review authority, and other functions related to the administration and expenditures of bond funds.

Bond Oversight Committee Roles, Responsibilities and Deliverables

The Bond Oversight Committee's responsibilities should involve producing useful deliverables in partnership with the Portland Housing Bureau, such as, but not limited to:

- Attend regular bi-monthly meetings in order to hold staff accountable and the move the actions of the Framework Plan;
- Be free of material conflicts of interest and the appearance of impropriety;
- Be a fully engaged and active listeners;
- Ensure that the Policy Framework Plan is implemented; Track Metrics/Dashboard in the Plan; against PHB's newly adopted Racial Equity Plan
- Oversee the administrative & financial aspects of the bond with the assistance of the Office of Management and Finance, City Attorney and Portland Housing Bureau;
- Create an annual report to inform the public of the accomplishments and present at annual community forum with the support from Portland Housing Bureau Staff;
- Make recommendations to refine the Policy Framework Plan, if needed.
- The Bond Oversight Committee will oversee an annual audit with the support of an independent auditing firm. This audit will provide data for the annual community forums which will in turn inform the discussion of the Committee and its decision to accept the annual audit and require necessary action.

Stakeholder Advisory Group (SAG)

The City would like to ensure public trust by forming a Stakeholder Advisory Group (SAG) that would help guide the Bond Oversight Committee in achieving not only the goals and objectives of the bond, but the need and benefits of the community. Below are some recommendations for the SAG's make-up (based on experience, demographic and geographic representation):

The SAG should be composed of leaders in the community with a track record of building relationships and who have a demonstrated history of effective service to their respective communities and being accountable to the communities most impacted:

- At least one liaison from the Bond Oversight Committee;
- At least one person with experience providing social services to those impacted by the housing crisis (consider a representative from A Home for Everyone);
- At least one representative of Home Forward;
- At least one representative from the Portland Housing Advisory Commission (PHAC);
- At least one person from a culturally- specific, affordable housing focused non-profit community development corporation;

- At least one person with affordable housing development experience (non-profit or for profit experience);
- At least one person representing an affordable housing advocacy organization such as Welcome Home, Oregon ON or the Oregon Housing Alliance;
- At least one person with professional banking experience;
- At least one person representing the Portland Business Alliance;
- At least one person from the Age Friendly Coalition;
- At least one staff person from Oregon Metro directly responsible for equitable housing policy & practice;
- At least one representative from the Office of Management & Finance to ensure City Attorney's office and Bond Counsel are appropriately involved; and
- At least one representative from the East Portland Action Plan Housing committee or and the North/Northeast Oversight Committee.
- Every effort shall be made to ensure that the SAG reflects the communities being served (e.g. an equitable male to female ratio, people with disabilities and people of color specifically from impacted communities, i.e., persons at risk of displacement who have not traditionally had a seat at the table should be represented in a meaningful way, etc.).
- All meetings will be accessible to the public and notice of the proceedings advertised on the PHB website.
- Meeting notices and materials will be available in a variety of languages and formats, and advertised through outlets demonstrated to be effective at attracting diverse input.

Minimum Expectations for the SAG and the Development of a Strategic Policy Framework Plan

- Recommend distinct roles and responsibilities for City staff, and the Bond Oversight Committee.
- Develop a Community Engagement Plan to solicit community input including public surveys, stakeholder group meetings, and open public meetings to inform the priorities of the bond.
- Develop a meaningful and community driven policy Framework Plan geared toward the goals and objectives of the GO Bond.
- Develop outcomes and metrics to achieve multiple community oriented policies and the goals and objectives of the bond (e.g. contracting with Minority, Women, Emerging Small Businesses, geographic dispersion of funds, new or preserved housing eligibility criteria, criteria that the Bond Oversight Committee could apply for new acquisitions, and evaluation criteria for expenditures to ensure the GO Bond has appropriate oversight).
- Develop reporting requirements.
- Develop policy framework to inform decisions on potential land and building acquisitions on which the "Acquisition Review Committee" will base decisions.

Real Property Site Selection and Approval

Housing Bureau staff will provide an initial analysis of available properties against the criteria set forth in the Framework Plan that the SAG developed taking into account a property's location, development opportunity, and potential programming (tenant type, income restriction, etc.). If staff intend to recommend moving forward with the acquisition, the proposal will be presented to the Acquisition Review Committee (ARC) for feedback. The composition of the ARC will be comprised of no more than five (5) individuals and should include the Director of the Portland Housing Bureau, the Equity and Policy Manager of PHB, an assigned staff person from the Office of Management and Finance, the Mayor as the Commissioner in Charge of Housing (or his designee), and a liaison of the Bond Oversight Committee. The committee will strive to be balanced in representation from OMF and the BOC. If the committee agrees with the recommendation, the proposal will then be submitted to the Housing Commissioner for final approval, in order for the Housing Bureau to initiate negotiations.

3/3/2017