



PORTLAND HOUSING BUREAU

Portland Housing Advisory Commission
Tuesday, April 4, 2017
3:00 p.m. – 5:00pm
Portland Housing Bureau, Ste. 500
421 SW 6th Ave.
Portland, OR 97204

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

April Meeting Minutes - FINAL

Members Present: Amy Anderson, Betty Dominguez, Dike Dame, Elisa Harrigan, Maxine Fitzpatrick, Nate McCoy, Shannon Singleton, Sarah Zahn, Tom Brenneke

Members Excused: Dan Steffey, Stephen Green

Staff Present: Matthew Tschabold, Cheyenne Sheehan

Guests Present: Dory Van Bockel (MULTE), Suzanne Zuniga & Tanya Stagra (Utility Allowance), Victoria James (Mandatory Relocation), Jennifer Chang (Bond SAG)

As always, find all PHAC meeting materials archived at PHAC's website at <http://www.portlandoregon.gov/phb/phac> and click "Meeting Archives" in the gray block on the left side of the page.

Agenda Item	Discussion Highlights	Outcomes / Next Steps
Call to Order, Roll Call, Minutes	Sarah opens the meeting – the meeting minutes for March are not yet complete and approval of minutes will be pushed to the next PHAC meeting. Sarah asks for public testimony.	
Public Testimony	There is no public testimony.	
Membership Updates	Cheyenne announces that Tom Brenneke has resigned. The Mayor's office will review the PHAC charter for changes before running a recruitment. While there are gaps in PHAC membership, we are awaiting guidance from the Mayor's office on how they would like to run a recruitment. PHAC will be updated as more information becomes available.	
MULTE Applications Hearing	Dory Van Bockel presents the current MULTE applications . The 2017 cap is \$2,858,558.00. Discussion highlights are;	

	<ul style="list-style-type: none"> • There will be an ordinance to City Council soon that will average the tax exemption cap over five years • Nate stresses the need for early outreach to developers on meeting MWESB goals through third party technical assistance providers. He thinks many of the developers are not taking advantage of the technical assistance offered • Residents in affordable units are income certified for those units and incomes can rise in place • Tax exemption renewal is not currently an option. The residents in affordable units are required to receive a notice six months in advance of the sunset of the tax exemption informing them of the date the rent will reset to market rate, allowing them time to find another residence if they cannot afford the new rent • There is no rent assistance fund available for tenants losing the affordability after the ten-year affordability period ends 	
<p>Utility Allowance Policy</p>	<p>Suzanne Zuniga presents on the PHB Utility Allowance Policy. Discussion highlights are;</p> <ul style="list-style-type: none"> • Regulated rents are calculated by AMI; this calculation includes rent and utilities being no more than 30% of the allowed income for that unit based on the annually published AMI schedule. For example, for a 60% AMI 2-bedroom unit, the maximum rent with utilities included is \$1,009.00 • Comparing utility allowance calculation models between the Public Housing Authority Utility Rates (PHA) and the HUD Energy Consumption Model (ECM) Sarah affirms that developers always see rate reductions when modeling the ECM which makes it a more attractive calculation for developers (page 3 of the presentation explains the models) • PHA calculations can be found here. Approved list of engineers who can perform calculations for the ECM model can be found here. • Suzanne does not have a direct comparison between PHA and ECM available, she will look around for one • Sarah would like to make sure that there is an implementation plan developed for tenants whose utility calculations may change due to the PHB policy change as they may see their rents increase due to the decrease in utility costs per unit described by the ECM • There is a question as to whether or not this change in rent would fall under the tenant protections ordinance if the rent increases above 10% for a tenant – this should be taken into consideration • Shannon would like to see PHB align with the Joint Office of Homeless Services (JOHS) to make sure partners are aware of how programs could be affected by this change • Timeline for implementation is that is a few months from now • There is concern about whether or not the policy will be effective retroactively for existing buildings and how it could affect renters and their understanding of the rent cap and how it all breaks down 	<p>PHB will look to provide a direct comparison between PHA and ECM utility models</p>

	<ul style="list-style-type: none"> • A suggestion is made that PHB could provide sample language to property owners to assist them in communicating the change to tenants • Ultimately owners prefer the ECM because it often allows them to lower the utility allowance, which in essence increases the amount of rent they collect <p>Matthew closes the topic by saying that PHB will take a closer look at the issue of retroactively instituting the utility to ensure there is no conflicting impact on renters.</p>	<p>PHB will look closely at the impact of retroactively changing the utility allowance to ensure there is no conflicting impact on renters</p>
<p>Northwest Housing Alternatives</p>	<p>Matthew introduces Martha McLennan, Director of Northwest Housing Alternatives (NWAH). She was invited to address the members in regards to public comment that was received from current and former tenants of 333 Oak, one of the buildings managed by NWAH which consists of City regulated affordable units, about potential building management issues at that property.</p> <p>Martha was provided with the comments and paperwork that was given to the PHAC by the commenter and she has had time to review those items and compare them with the building's management records.</p> <p>Martha found that the individual who testified about these issues has not lived at the property for several months. The incidents and the other residents that were represented in the handout materials received by the PHAC mostly dated back to 2012 and often represented issues for former residents of the property which made it difficult to track the specifics of the testimony presented. She did find some maintenance requests that did tie to records of maintenance that had been addressed and corrected by the building management.</p> <p>Martha is interested in talking about the fact that the property at 333 Oak is the property where Ms. Batts resided prior her death this winter. She had been evicted from the property in the fall and Martha would like to answer any questions the PHAC had in regards to that event.</p> <p>Martha would like it known that one of the things that is true about the current media environment is that the story tends to get rewritten multiple times which can lead to inconsistencies.</p> <p>Ms. Batts had been a resident at the property since 2007 and had moved to the property through the Aim High program which was an adult mental health initiative that was trying to move people from residences that had higher levels of care to residences where lower levels of care were provided. Prior to moving to 333 Oak she had lived in a group home, and prior to that had been hospitalized.</p>	

She was a stable tenant who was active and engaged in the community and resident services for many years. That began to change at a certain point. She began having a variety of issues in the property that Martha doesn't feel would be appropriate to share – she would like to honor her privacy. Martha does share that over the course of seven months after numerous lease violations and multiple attempts to reach out to her and connect her to additional services were to no avail. She rejected services multiple times. There were a variety of incidents that involved health and safety hazards, damage to the building, dangerous disruptions, violent episodes, etc. Ultimately she stopped paying rent and that was the point the decision was made to serve her with an eviction. She received notice of eviction in September but did not connect with services or attend court and the final notice of eviction was served by October and several weeks after that she was escorted out of the building by the sheriff. When she was escorted out it was in the presence of the property management, resident services staff and adult protective services staff all of whom offered assistance in helping her find a safe place to stay if needed. Ms. Batts said she had a place to go. After she left the property they know she was going to the day shelter at Bud Clark Commons (BCC) regularly. She was evaluated several times while in residence at the Oak street building, but never met the criteria for a mental health hold. Once she was on the street she was evaluated again at the request of PPB and it was then determined that she did meet criteria for a mental health hold and she was admitted to Good Samaritan but was released shortly thereafter. Martha believes this has been a lesson for her organization. It is clear to them that when residents of their properties have a change in mental health status and/or decline services it is very difficult to get them re-engaged in those services. There are provisions in law to do mental health holds and/or guardianships, but they are not done often for a number of reasons. As a society we have leaned towards the side of individual liberties and the rights of people to make choices about their behavior and engagement of services which means that when things fall apart, they are often very alone. Residents that have changes in mental health status but that are engaged in services are invariably very successfully navigated into a subsequent housing option that may be more appropriate for their mental health status. Mental health doesn't simply consist of diagnosis and treatment, it is generally episodic and people go through different stages in their mental health status over the course of managing their illness.

On the Housing side one of the things that was reported in the media was that NWHHA did not reach out to family members. This is difficult because NWHHA did not have emergency contact information for Ms. Batts. She had been asked to provide that information when she moved in, and several times during the course of her residency but had never provided that information. NWHHA also provides emergency shelter and they know that about 70% of those residents are victims of family violence. Ms. Batts, while she probably did have family members that were positive influences in her life, NWHHA as an organization has no real way of knowing that.

NWHA is doing some things differently now;

1. Asking every resident for emergency contact information every year
2. Trying to build the strongest relationship possible with residents when they are well
3. Looking at ways to intervene at an earlier stage if there is a change in mental health status

In landlord tenant law and in resident services programming it seems antithetical to be more involved earlier. There is a tenancy preservation project in Massachusetts that has a housing court that works similarly to a drug or mental health court. They recommend eviction at the very first violation of a lease agreement which allows them to assign a person who can work with the tenant on a tenancy preservation plan that is a stipulated agreement. Once an eviction order is handed down by the judge, the judge then stays the order in favor of the tenancy preservation plan that provides for continued residency contingent upon certain requirements being met e.g. engaging in resident services, evidence they are staying on meds, etc.

There is no current mechanism for a program like that in Oregon, so as landlords NWHA tries to avoid the eviction by overlooking some of the early indicators and lease violations. They also don't want residents to have an eviction on their record when they leave their property. One of the consequences of that is that violations can stack up until there is a point in which they represent harm or hazard to the rest of the community.

333 Oak is effectively a permanent supportive housing (PSH) building. It was originally designed with deep rent assistance through HUD funding to serve seniors and people with disabilities. It had City financing at one point and entered into a PSH agreement with the City of Portland. The average income for residents of the property is \$800 per month, the majority of residents have experienced homelessness, and 98% report that they have a disability. It is somewhat similar to BCC with the distinction that at BCC they are specifically selected for medical fragility, which is usually resolved within a couple of months of residing there due to onsite clinicians at BCC which is a much different level of care than NWHA can offer. NHA has a housing budget of about \$40k per year, supplemented with about \$20k of unrestricted revenue which provides for one full time employee. At BCC they have a \$205k yearly budget for services. If NHA had resident services at the same level as BCC their budget would be about \$142k since they have fewer units.

333 Oak has a great resident services provider who manages approx. 3600 service requests per year for this property, which breaks down to 300 per month.

There were only two evictions from the property last year. In the entire Portland area NHA has 1830 units and only 22 evictions last year.

	<p>Amy asks if Martha has heard of the 1915(i) plan. She feels this could solve some of the problems NHA has at their properties because it allows for paid staff in the form of a peer of the resident’s choice to assist the resident and be paid by Medicaid through the mental health and addictions side. Many buildings could benefit from this program as it allows for the tenant to receive assistance 10-20 hours per month that resident services doesn’t have to pay for. There are several local organizations that can help residents with the paperwork (Cascadia, Lifeworks, etc.).</p> <p>Martha responds that the typical issue they have is that the resident refuses to engage due to their mental health status. Amy believes the residents may be more likely to engage with the peer support 1915(i) offers.</p> <p>The conversation continues amongst the group with the following discussion highlights;</p> <ul style="list-style-type: none"> • BCC houses the most vulnerable directly from the streets. It’s not required that they are clean and sober. It’s a housing first model. • NHA has a couple properties that are very similar to BCC • There is appreciation from the group that Martha came and talked about the human element in the Ms. Batts story – it is not a perspective that is often heard and the issues are very complicated • It’s helpful to understand the circumstances • Martha will be doing a session at the OregonOn conference in the spring on lessons learned from Ms. Batts • The issues at 333 Oak were brought to PHAC through public testimony. If there are other issues brought up through testimony Martha recommends that there is a very simple grievance policy at all NHA properties and the tenant should go through that process. There is information posted in all the buildings on the grievance process 	
<p>Mandatory Relocation Assistance Review Update</p>	<p>Victoria James of the PHB Policy Team, presents information on the Mandatory Relocation Technical Advisory Group.</p> <p>In February 2017 council passed the mandatory relocation assistance ordinance stating that landlords must pay tenants’ relocation assistance in the event the tenant is served a no-cause eviction or receives a rent increase of 10% or more.</p> <p>ADMIN NOTE: The ordinance detail and answers to frequently asked questions and other informational resources can be viewed here.</p>	

	<p>Commissioner Fish requested that the Technical Advisory Group (TAG) be convened to flag technical issues within the ordinance. The first meeting of this group was on March 24th. Meeting materials and additional information can be found here.</p> <p>There were essentially three types of issues flagged at the meeting;</p> <ul style="list-style-type: none"> • Policy issues – participants disagree with basic premises of the ordinance • Technical issues – e.g. no definition section included in ordinance to clarify parties/responsibilities in the ordinance • Grey area issues – items that fall somewhere between policy and technical issues <p>Issues were flagged and compiled in the document Mandatory Relocation Issues Flagged. PHB is working with Commissioners to figure out where they grey area issues fall. For technical issues PHB is working through fixes to amend the code so the ordinance works in the way it was intended.</p> <p>Relocation assistance is valid through the end of the housing emergency, October 6th, 2017 at which point council will decide whether or not to extend the ordinance. The TAG will meet through August to update the code with fixes for the technical issues.</p>	
<p>Housing Bond Stakeholder Process Update</p>	<p>Jennifer Chang, of PHB Policy Team, updates the PHAC on the Affordable Housing Bond Stakeholder Group (Bond SAG) and provides the memo describing the group and its purpose.</p> <p>ADMIN NOTE: Additional information on the group, its participants, its purpose, meeting schedules, and materials can be found here.</p> <p>Jennifer explains that last November Portland voters passed the first general obligation Affordable Housing Bond which provides \$258 Million for affordable housing in the community over the next 5 – 7 years. In March, the Mayor’s office approved PHB’s plan to convene a stakeholder group to guide and assist in developing the policy framework for spending of the bond funds. The framework will be a set of guidelines and policies that will help PHB make purchasing, acquisition, and other decisions related to the bond funds. The first meeting of the Bond SAG is planned for April 17th. Participants in the Bond SAG include four members of the PHAC; Betty, Dike, Maxine, and Shannon. Find a full list of members here.</p> <p>The Bond SAG will meet seven times over the course of the next 5 – 6 months. See full meeting schedule here. Jennifer, Cupid, and Cheyenne are PHB staff assigned to the process in addition to multiple PHB staff who are closely involved in compiling and presenting information to the Bond SAG.</p>	

Cupid adds that in the development of the framework a crucial item is the intentionality with which the meeting schedule was developed to allow a robust community engagement process. Meeting have been scheduled at different times and in different locations to make them as accessible as possible to the public. This is important because of intense public interest due to the large amount of dollars to be invested.

Shannon comments that when Welcome Home was working to pass the bond, they sold it to constituents by emphasizing the community engagement piece and she hopes that Welcome Home will continue to have access to materials and information to provide to their coalition members.

Jennifer informs the group that Michelle DePass and Cupid Alexander are working closely on the community engagement piece of the process and PHB will contract with three community partners to focus on community engagement with their stakeholder groups.

Cupid emphasizes that community engagement is an integral part of the process. PHB is not only subcontracting, but working to make sure to educate the public on the bond and what this process means to them. It's important that they feel invested in what PHB is doing and that they have the opportunity to learn and be a part of it.

Jennifer adds that there is an additional process related to the bond which is the appointment of the Bond Oversight Committee (BOC). The bond referral included language specified that a five-member committee would be convened to oversee distribution of bond funds. The committee has fiduciary responsibilities related to the bond funds and each commissioner and the mayor appointed one member each. The first meeting of the BOC will be in several months once the framework plan is mostly developed by the Bond SAG.

Elisa suggests since the Bond SAG participants include members of smaller community organizations and non-profits and the time commitment is intense that it might be a good idea to offer honorariums for their service. She doesn't know if this would create conflicts, but she thinks it should be considered.

Jennifer says that she can look into that as an option for the smaller organizations.

Nate wants to know how the Bond SAG and the BOC overlap with existing groups like the NNE Oversight Committee and whether there will be cooperation and alignment between them. Cupid answers that there is a member of the NNE Oversight Committee on the Bond SAG. The participants in the SAG that are members of other groups are expected to communicate and report back to those other groups. He also suggests that if PHAC feels there are community

	<p>members/organizations that should be part of the stakeholder group that were missed, that they should let him or Jennifer know so they can be added as soon as possible.</p> <p>Nate continues to be concerned about buying turn-key projects and how that will effect equity goals, especially with bond funds.</p> <p>Javier Mena responds that in terms of turn-key projects, this is being looked at as another tool in the toolbox. PHB has spoken about this idea with the Office of Management and Finance (OMF) and the Mayor's office about this option. The Mayor was very clear in discussions that he would not forego the MWESB components in considering turn-key projects. At this point these discussions are internal, but any turn-key project purchases would have to be approved by City Council. City Procurement will be part of the process for all bond projects since PHB has never actually built anything directly, but will have to do so for the bond funds. City Procurement has very strict requirements regarding MWESB.</p> <p>Cupid adds that in terms of equity, PHB will also be using its very robust five-year plan. Which can be viewed here. Cupid worked hard to develop PHB's equity plan with PHB staff and acknowledges that the equity plan is not just about MWESB goals, but about communicating information to the community through language accommodation and informing them in various ways about opportunities to engage. PHB is working to improve equity and he hopes that this Bond process reflects that effort.</p> <p>Shannon thanks Cupid for acknowledging that equity is bigger than just MWESB goals.</p>	
<p>Good of the Order</p>	<p>Matthew changes the course of the discussion by saying for many of the policy issues PHB is working on, the Commissioner in charge tends to want to form a body outside of PHAC or PHAC representation. With the institution of these additional bodies like NNE Oversight, Mandatory Relocation TAG, Bond SAG, BOC, PHAC will have to have some structured conversations about governance as a set of advisory bodies. He wants the group to be prepared to discuss new appointment and looking at code and charter in the coming months to determine structure.</p> <p>Sarah asks Matthew if there is a budget update. Matthew responds that budget work sessions are happening now at City Hall, although one was recently canceled. PHB is on hold awaiting more information from the Mayor's office. He will update PHAC when he has more information.</p> <p>Sarah acknowledges Tom for his service to PHAC and closes the meeting.</p> <p>Sarah closes the meeting. The next meeting of the PHAC will be June 6th, 2017.</p>	