



Bond SAG Meeting 2 Summary

Participants Present: Rahaina Ansary, Oscar Arana, Margaret Bax, Bob Brown, Frieda Christopher, Maxine Fitzpatrick, Jes Larson, Allan Lazo, Emily Lieb, Bev Logan, Andy Miller, Vivian Satterfield, Shannon Singleton, Jonathan Trutt

Participants Excused: Jerome Brooks, Dike Dame, Duncan Hwang, Patricia Rojas, Felicia Tripp

PHB Staff Present: Jennifer Chang, Cheyenne Sheehan, Matthew Tschabold, Javier Mena, Karl Dinkelspiel, Antoinette Pietka

Other City Staff Present: Andrea Valderama (Mayor Ted Wheeler’s office)

Guests Present: N/A

Find all Bond SAG meeting materials archived on the Bond webpage at <https://www.portlandoregon.gov/phb/73420> and click “Meeting Materials”.

Responsible Person	Action Items
Jennifer Chang	Report back to the group on the results of the Fist of Five exercise and present a finalized version of Guiding Principles at next meeting (May 30 th .) Compile feedback from discussion and present back to group by next meeting.
Jennifer Chang	Post on PHB website final documents: Meeting 1 Summary and Affordable Housing Bond Stakeholder Advisory Group Summary of Purpose, Role, and Responsibilities .
Matthew Tschabold	Research current status of past gentrification and displacement study and opportunity maps, and determine if more up to date information is available. Links to past studies will be forwarded to SAG participants for framework discussion purposes.

Agenda Item	Topic Summary
Welcome & Introductions	Jennifer welcomed the SAG participants and public attendees and invited the public to sign up for public comment on the meeting agenda topics. Bond SAG members introduced themselves and gave their affiliations. <i>For the full list of participants, including those not in attendance for the introductions, please click here.</i>
Recap from Last Meeting	Jennifer recapped the first meeting of the Bond SAG. She asked if the group had any comments or changes for the Meeting 1 Summary or the Affordable Housing Bond Stakeholder Advisory Group Summary of Purpose, Role, and Responsibilities . There were no comments or questions – these documents will be finalized and posted.

Jennifer opened the floor for discussion on a revised draft of [Bond SAG Guiding Principles](#) document. Feedback included;

- Specifically stating that concentrating poverty should be avoided; resources should be equitably distributed in the city
 - Jennifer stated this is intended to be covered in both the “Equity” and “Opportunity” values, and wording can be added to strengthen the point.
 - Discussion ensued where it was stated equitable distribution may not always make sense in terms of advancing housing policy objectives. For example, distribution of resources should/could be based on investing in areas where gentrification and displacement rates are the highest.
 - It’s important that poverty isn’t concentrated. Mixed income housing is important to benefit everyone
- Criteria regarding access to transportation should be included.
 - Jennifer stated this is currently included in the “Opportunity” principle
- The principles are great, but more clarity and conceptual goals should be added
- Related to “Collaboration” a principle to consider might be that the resources should attempt to address needs that are currently least addressed by other community housing resources
- Under “Opportunity” include “access to economic opportunity,” which is different from the currently listed amenities
- Figuring out how to make responsible investments incorporating both “Resourcefulness” and “Equity” values is important; in the past “responsible investments” often have meant not investing in communities of color
- Racial equity is called out specifically thought broader equity considerations should be valued:
 - Discussion ensued, with participants discussing how in housing the significant portion of lack of access to safe affordable housing is strongly connected to race and economics. Some participants shared racial equity needs to be prioritized and specifically called out, as it continues to be the most prevalent factor
- People with special needs like mental/physical disabilities, addictions etc. should be included in the language

Jennifer explained the group needs to finalize a set of Guiding Principles that capture the intent and purpose of the bond resources, and that the principles are the first part of the Framework Plan. It is also important to move forward on the other components of the framework plan. Other items the SAG will discuss and recommend will come in future work related to strategies and/or other components of the plan. The intent of the Guiding Principles is to be broad enough to capture the intent of the intended values for the bond.

Jennifer asked participants to participate in a ["Fist to Five"](#) exercise, a polling method to gather perspectives of the group. Participants completed their assessment individually on paper and added comments they want included to finalize the principles. Jennifer will complete revisions based on this feedback and bring a final version at next meeting.

ADMIN NOTE: *Of the 14 SAG participants in attendance, 12 responses were submitted indicating the level of support for the guiding principles revised draft is as follows:*

Love it – 3

Like it – 7

Live with it – 2

Public Comment

The floor is opened for public testimony.

Gary Cobb, Community Outreach Coordinator of [Central City Concern](#) testifies. He supports the general conversation around principles. He thinks it's important all of the Guiding Principles should have been looked at with an equity lens toward race, ethnicity, gender, sexual orientation, etc. All folks in the community should have access to equitable resources for housing. He noticed the Guiding Principles didn't mention food deserts and he thinks access to food should be added. He shares he has worked at Central City Concern for 15 years and has had the opportunity to work with thousands of people exiting homelessness as well as those living on the streets, in shelters, and in poverty. Many of the people he works with have criminal histories, are dealing with complex trauma, addictions, mental health issues, and people of color. The life expectancy of people from these communities is much shorter than average and these are the people who are most in need of housing at the 0-30% AMI level because for many of them their only income is SSI, SSD, or TANF, and some have no income at all. Most SSI incomes are \$735.00 per month and a family of three on TANF receives \$506.00 per month. A studio apartment with a rent restriction of 60% AMI is \$771.00- the most vulnerable people in our community cannot afford housing at this level. Gary adds it is important that as 0-30% units are developed, they should also be low barrier so people with poor or no rental history, criminal records, behavioral health issues, will not be excluded from accessing them. There is a lot of documented literature on best practices that can be used to assist people with these challenges to remain stably housed.

Ranfis Villatoro, a community member, testifies in support of the Guiding Principles. He has spent the last 7+ years working for immigrant and community organizations on issues related to wage theft which is very common in construction work, which relates closely with the development of affordable housing. He thinks the principles of stewardship and community benefit that calls out workers' standards can ensure that the workforce who will ultimately work on these projects are able to stay in their jobs, develop them into careers, and their rights are protected. He wants to encourage the participants as they finalize the principles to look at worker standards and wage theft. There are some great models and practices within the state of Oregon that ensure oversight and transparency in monitoring wage theft e.g. verifying certified payroll that contractors and sub-contractors submit that community organizations can help verify. He looks forward to seeing the progress of the Bond SAG and he would love the opportunity to engage with city staff and SAG participants to bring ideas to effectively prevent wage theft in Portland affordable housing development.

Cameron Herrington of [Living Cully](#) testifies. He does tenant and grassroots organizing around housing issues in the Cully neighborhood. Passing the affordable housing bond was one of the campaigns he has recently worked on – in the Cully neighborhood they organized about 120 volunteers and knocked on approximately 1200 doors. Every precinct in the Cully neighborhood voted over 60% in support of the affordable housing bond. There is a lot of energy from both tenants and property owners to invest in affordable housing in the Cully neighborhood. He has recently worked to support the tenants at the Normandy Apartments on Killingsworth. Investors recently bought the building and immediately issued rent increases of over 100% to the 18 families, all of which are people of color, who reside there. Cameron thinks this situation points to a way the bond funds can be used to both preserve a permanent stock of affordable homes and prevent the immediate displacement of low income vulnerable tenants. At the Normandy the condition of the building is rundown and the rents were well below the market average which created a very attractive and lucrative investment option for investors whose intent is to kick out the current residents and flip the building. He encourages the Bond SAG to find ways to use the bond funds in tandem and partnership with organizations currently working with low income renters to identify opportunities to acquire buildings on the market that are vulnerable to losing

	<p>affordability. The vulnerability for low income tenants comes both from the condition of the housing and the position of the renters often being people of color, undocumented immigrants, and others with few options in the housing market. Cameron looks forward to land acquisition partnerships with other government agencies, jurisdictions, non-profits, and faith organizations who have land that is already publicly owned or available to use for less than the cost of buying the land outright. Avoiding expensive land purchase can make the bond funding stretch further. He recently attended a conference that included 60 representatives of faith communities interested in using land owned by churches and faith institutions to develop affordable housing.</p> <p>John Elizalde, a member of First Unitarian Church and the Interfaith Alliance on Poverty, testifies he attended the first meeting of the Bond SAG several weeks ago. He thinks it is odd that participants don't seem to be struggling with the tradeoff between the guideline principle "Stewardship" and the other principles. He thinks the people of Portland are going to evaluate how this \$250 Million is spent, the efficacy of the SAG and the Bond Oversight Committee etc. by looking at dollars per unit delivered. He doesn't think anyone on the SAG seems concerned with dollars per unit. He wonders if the SAG will be satisfied if less than 1,300 units are delivered and if \$250 Million will solve the housing problem. He reminds the participants that they are under a microscope and he thinks they don't appear to be sensitive to that. He thinks they would want the record to show that they wrestled with this issue.</p> <p>There are no more public comments.</p>
<p>Housing Needs Presentation</p>	<p>Jennifer introduced Bev Logan and Bob Brown from Metropolitan Alliance for the Common Good (MACG,) and Vivian Satterfield from Organizing People/Activating Leaders (OPAL) Environmental Justice. The Portland Housing Bureau has contracted with OPAL and MACG to support the city in gathering information and engaging with community groups during the process of developing the framework. Vivian Satterfield, Bob Brown, and Bev Logan presented the Housing Needs Presentation. Afterwards, the floor was opened for comments and questions, which included:</p> <ul style="list-style-type: none"> • The presentation is a reminder of why the bond was needed and created • John Elizalde made a powerful point during public testimony – the hope is that there is no room for unmet commitments in the goals given to voters on the 1,300 units 45% of which would be 0 – 30% AMI units with the remainder being at or below 60% AMI. Maybe this should be stated in the guiding principles. • Regarding the commitment of 1,300 units, community based organizations, many of which are represented by participants on the SAG, have the same root goals embedded. Housing, transportation, mental health etc. are all important goals. When organizations realize how closely they are connected and how by working together toward one common goal of improving the well-being of lower income households, maybe the goal of 1,300 units can be exceeded. Many community organizations tend to work competitively rather than collaboratively which can increase the costs for housing. Working as a collaborative could help get to the root causes of the problems rather than just dealing with the symptoms. • Regarding the graphic in the presentation of renters in Portland by race that showed 70% of members of the Black community, 68% of Latinos, 68% of Hawaiian/Pacific islanders, and 67% of Native Americans are renters. The State of Housing Report shows the lack of affordability in Portland by race, which emphasizes the importance of the racial equity piece of the Guiding Principles. • Single mothers are priced out of all Portland neighborhoods and one data set that might be missing from the State of Housing report because it is difficult to collect, is households that include people with disabilities.

	<ul style="list-style-type: none"> • In regards to John Elizalde’s comments, at Meeting 1 with the bond attorney explained that the number of units delivered is not a part of the legal framework of the bond. While the goal is to meet the assumptions that would produce at least 1,300 units, that should be weighed against the other Guiding Principles. • A population who has been consistently losing housing opportunity and even being locked out of the current affordable housing system are the people who live outside, in shelters, and with really high barriers to housing. The public will be watching and they do see a connection between the bond dollars and a meaningful impact on homelessness. The hope is that some level of these resources will be prioritized to create units that will be occupied by members of the houseless community. <p>The participants take a short break.</p>
<p>Factors and Communities to Prioritize with the Bond (small group work session)</p>	<p>Jennifer brought the group back after break and explained the next portion is about collecting participants best thinking on key factors and communities that should be prioritized by the bond. Funds are limited to \$258 Million, which will only meet a small portion of the total housing need in the community. At the same time, the resources present an opportunity to be focused and strategic in making investment decisions to have a great impact.</p> <p>PHB needs a Framework Plan that articulates key priorities and communities to focus on with bond funds. The information collected from the SAG will be used to bring together proposed options around goals and priorities that will be brought back to the next meeting on May 30th. The bureau will take into consideration several important factors, including keeping within the legal and eligibility requirements of the bond, the 1,300-unit goal communicated to the public, and existing city policies and priorities.</p> <p>Vivian Satterfield asked participants to break into four small groups and discuss Intersecting Factors using the following question:</p> <ol style="list-style-type: none"> 1. Several important factors are closely connected to decisions about creating affordable housing. What are the top 2 or 3 intersecting factors the City should prioritize with bond funds that will enhance opportunities and livability for communities? Provide the reasoning for why these factors should be prioritized. <p>The groups came back together to share their thoughts:</p> <ul style="list-style-type: none"> • Economic opportunity’s role in preventing displacement – this is larger than simply being in a high opportunity neighborhood, it includes the economic stability and opportunity that is created when families can stay in the same community as their family members, neighbors and support systems. • Displacement risk and the need to be strategic and forward thinking in anticipating the next neighborhood where displacement will take place in order to think about acquisition, land banking, and new construction. • Coordination with existing social services, not just drug and alcohol related but thinking about workforce development and job training as a social service as well as services related to permanent supportive housing and transit service. Look at planned transit development as an anti-displacement strategy. Planned transit investments create growth and housing needs and that information can be used to get in front of gentrification. School catchment areas are also an element to think about. • The importance of promoting economic diversity within neighborhoods and looking at opportunities related to education food, and transportation access, and economic opportunities.

Since gentrification and displacement were discussed by all groups a participant brings up a study by the Bureau of Planning and Sustainability (BPS) several years ago that identified specific census tracts that were at highest risk of gentrification and displacement. A discussion ensued around whether this information will be helpful to be shared with the SAG.

Matthew Tschabold of PHB clarified this information does exist but the data is old. In the last year or two either PSU or BPS, he is unsure which, attempted to update the data using the same methodology in the original study, but found the methodology didn't work in the same way. They are looking at what changes need to be made within the methodology to get an accurate reflection of what is actually happening with respect to displacement and gentrification risk. Matthew will look into where they are in that process and whether the information can be part of the SAG planning discussions.

In response to a question asked by a participant about whether opportunity mapping data would be available to the SAG to help make decisions, Matthew added PHB is in the process of updating the opportunity maps. He will report back in regards to whether those updates will be available in time to be used by the SAG during framework development, but he thinks the current opportunity maps are accurate enough to be helpful, even without the updates, though that is not the case for the displacement maps.

Jennifer moved the discussion on to the next discussion point for SAG members to work on individually. She asked the participants to complete a grid asking about community priorities for the bond. She explained several communities are disproportionately impacted by the shortage of affordable housing, including: seniors, families, people with disabilities, communities of color, immigrants and refugees, etc. She asked the group to think about and answer the following questions:

- 1. Are there communities who should be prioritized with bond funds? If so, please list.**
- 2. Complete a chart (provided) to indicate key considerations the City should use in creating housing opportunities for these communities by placing an "X" with the option that signifies the greatest need for that particular community.**

Participants had questions and concerns about the exercise and how to prioritize disproportionately impacted communities. Feedback included:

- Resources in Urban Renewal Areas (URAs) are varied – available funds in URAs play into these decisions – how can the group make educated choices without knowing the available resources in each URA?
- Some participants don't understand the value of the exercise, and desire added information in order to make recommendations.
- Does PHB envision a competitive process or RFP for organizations interested in bond funds to develop or acquire units?
- Some participants aren't comfortable making decisions without being more informed regarding projects which are in development, and where they are geographically, and for whom they are intended (seniors, families, homeless adults etc.).
- Some participants don't want to be too rigid in the criteria because of the time horizon of the bond and changeable factors like the economy and the housing market and how it may evolve in the coming years and there needs to be flexibility to respond in real-time.
- Some participants want to ensure since there will never be enough money to build enough units for everyone who needs them, the focus should be on having the greatest impact by investing the dollars in a strategic way.

- One participant asked if there is a way to gather information on waiting lists for housing through various agencies to find out the demographics of who is on the waiting lists in order to focus community prioritization.
- One participant said the conversation is evolving it needs to be able to be translated in an accessible way to be communicated to the community at large
- Some participants feel the exercise doesn't demand all of the information that is being requested by the group – it would make sense to go to the communities the participants represent and ask them what they want rather than projecting goals onto them without their feedback.
- Some participants think too much data can inhibit making decisions in the face of such enormous and overwhelming needs. It makes more sense to think of the bond resources as different from the other resources out there and consider what these resources are best at doing. Focusing on strategies, rather than data, may be more productive to reach unit targets.

Jennifer reiterated the exercise is intended to gather perspectives from SAG participants on how they recommend defining the communities to be prioritized by bond funds. There are a set of base factors for affordable development e.g. AMI, unit size, geography. In regards to geography, bond funds can technically be spent anywhere within the region. Hypothetically, if the priority is to use bond funds to build housing for seniors, where within the city should senior housing be focused? The purpose is for participants to help define and identify the goals for bond funds.

Matthew Tschabold, PHB's Equity and Policy Manager, clarified why these questions are before the group from his perspective. There is a very basic framework that currently exists, which is the language in the bond referral. This is the bare minimum direction currently available to PHB to allocate the funds along with current parameters in city code and city policy on how funding is used. Feedback from SAG participants and others is desired to provide specificity to the Framework for the use of bond funds. Tackling tough questions around geography or adding more parameters to the community needs around what is built, how much is spent on rehab versus new construction etc. is included in these discussions and questions. The purpose of this group is to tackle these difficult questions to create a specific framework by which PHB is guided and will use to spend bond funds, which will be aligned to the legal requirements of the bond.

Karl Dinkelspiel, PHB's Rental Housing Program Manager, added PHB will bring requested budget information of current city housing investments, both inside and outside Urban Renewal Area (URA)'s, to the next meeting to help frame up and provide further context for discussions. In terms of prioritization it makes sense to start with the dollars. PHB has other resources, particularly in URAs but also some federal funds like HOME and CDBG. There are other funds like the transit lodging tax, the construction excise tax, and fee-in-lieu dollars generated by inclusionary housing that exist but available amounts are yet to be determined since these are all new funding streams.

Discussion continued around the table on how best to make these prioritization decisions and what information might be helpful to the group to assist them. Matthew offered to bring additional information to the next meeting that could include:

- PHB's current regulated portfolio and production pipeline by AMI level and geography
- Past gentrification, displacement and opportunity map studies

Jennifer closed by saying PHB will include the requested data and feedback on process to inform the next meeting agendas.

<p>Draft Plan for Community Outreach and Communications</p>	<p>Matthew Tschabold presents because Michelle DePass, PHB’s Community Engagement Coordinator is on vacation. In regards to community engagement, there are five components to the community engagement plan;</p> <ol style="list-style-type: none"> 1. The Bond SAG who will develop the framework for the use of bond funds 2. The contracts with OPAL and MACG to directly engage with communities at the discretion of PHB and the Bond SAG 3. Using the Office of Neighborhood Involvement’s (ONI) Community Engagement Liaisons (CELs) program to work specifically with communities of color and immigrant and refugee communities 4. PHB community liaisons who work within specific neighborhood coalitions and districts within the city of Portland 5. Direct contact with the community through the Bond SAG meetings, email, testimony, mailers, posters, etc. <p>Michelle DePass is working to finalize the community engagement plan and will share the plan with the Bond SAG when complete.</p> <p>In regards to communications PHB is in the process of contracting with a communications firm in messaging the process of the bond framework to the public. PHB’s Public Information Officer, Martha Calhoun, will speak to more detail on this in subsequent meetings.</p>
<p>Closing/Next Meeting</p>	<p>Next meeting is scheduled for May 30th at the Portland Housing Bureau from 2:00 – 5:00 pm.</p>