



## Bond SAG Meeting 4 Summary

**Participants Present:** Oscar Arana, Margaret Bax, Jerome Brooks, Bob Brown, Frieda Christopher, Maria Hernandez Segoviano (for V. Satterfield) Bev Logan, Ed McNamara (for D. Dame), Duncan Hwang, Jes Larson, Allan Lazo, Emily Lieb, Andy Miller, Patricia Rojas, Shannon Singleton, Jonathan Trutt

**Participants Excused:** Dike Dame, Maxine Fitzpatrick, Vivian Satterfield, Felicia Tripp

**PHB Staff Present:** Jennifer Chang, Cupid Alexander, Cheyenne Sheehan, Matthew Tschabold, Karl Dinkelspiel

**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
Karl Dinkelspiel	Send summary of model assumptions to the SAG.
Jennifer Chang	Send out a fillable form of the Draft Selection Criteria List to SAG participants to submit comments by June 27 <sup>th</sup> ; comments will be summarized and provided back to SAG at future meeting.
Jennifer Chang	Convene SAG/AHFE task group prior to July 11 <sup>th</sup> SAG meeting to explore feasibility of County/JOHS financial commitment for services funding.
Matthew Tschabold	Report back to the group by the next meeting, whether timeline for the SAG can be adjusted to push the deadline for the Framework Plan out any further.

Agenda Item	Topic Summary
<b>Introductions</b>	Jennifer welcomed the SAG participants and public, and invited members of the public to sign up for public comment on the meeting agenda topics. <i>For the full list of SAG participants, click <a href="#">here</a>.</i>
<b>Review SAG Purpose, Framework Plan</b>	Jennifer announced that she has to leave the meeting early; Cupid, Matthew, and Michelle will facilitate in her absence. At the last meeting, SAG participants reviewed data they previously requested, including opportunity maps, a study on risk of

**Deliverables, and Remaining Process Steps**

gentrification and displacement, and current PHB investments. Staff also reviewed the [Bond SAG Purpose](#) and timeline of [Framework Plan Deliverables](#). The meeting summary and materials are [here](#) and the recording [here](#).

Jennifer began the [presentation](#) which reiterated the SAG’s purpose in developing the Framework Plan. Once completed, the plan will be a written document that states key policies and processes to guide the bureau in making decisions for bond investments. Jennifer covered the [Key Decision Points](#) PHB is asking of the SAG and opened the floor for feedback.

In regards to the overall production goals (item 3) of the key decision points, a participant said the goals of 1,300 units, 600 at 0-30% AMI, and 50% family sized units, are requirements written into the bond language, and will like clarity.

Response: Karl Dinkelspiel responded at the first meeting he distinguished between items actually contained in the Act voters voted on, and what items were based on PHB’s model assumptions. The items the participant asked about are part of the model assumptions. The overall production assumption of 1,300 units has been publically and widely communicated, and the Bureau is committed to reaching or, if possible exceeding, it. While the 0-30% AMI and family-sized unit model assumptions have also been widely communicated, the Bureau is looking to the SAG for guidance on these (and other) assumptions. However, the Bureau wants to be clear and transparent that the assumptions are not legally binding. The SAG should understand this important distinction in its course of recommending priorities..

**ADMIN NOTE:** Please see the *exact bond language* for the Affordable Housing Bond Measure 26-179 along with all exhibits to City Council [here](#). The production assumptions are not in the Act, however, they do appear in the “Exhibit C,” which is the memo from PHB on estimated production based on the city’s modeling. To view a digital copy of the **November 2016 Multnomah County Voter’s Pamphlet** and the page in which the bond measure appeared, click [here](#) and go to page 48.

A participant asked about the first meeting when the assumptions were discussed. There was a request at that meeting to see the data that the assumptions were based on so the SAG could understand how PHB arrived at those assumptions, but that data has yet to be provided. Also, if the assumptions are changing or have changed, he would like to have that information.

Response: Karl responded he can provide the model assumptions and clarified that the assumptions have not changed and the model has not been touched since November 2016.

This discussion about the model continued with these high points;

- A participant commented the ballot measure language that was voted on by the community included the goals in it.
  - Karl clarified that it was not in the bond measure itself (see above link to voter’s pamphlet).
- A participant commented many of the SAG participants were intricately involved in the campaign for affordable housing and they vocally expressed commitments to voters. She thinks there will be trouble if we don’t deliver on those commitments (1300 units, etc.). She doesn’t see the numbers as a goal, but as a requirement.
  - Karl responded there may need to be trade-offs to get there which is one of the difficult decisions the participants will have to make when developing the Framework Plan.
- A participant noted the 1300-units as well as the 600 units for 30% AMI and below, and the 650 units for family-sized units are proscriptive and fit a model that delivers 1300 units. As the SAG makes decisions about priorities, it could

potentially impact how that model works. This would mean weighing priorities that may impact costs. For example, increasing the number of family sized units, could decrease the total number of units delivered etc.

- A participant shared concerns about the charge to change the number of units being a decision for the SAG since the SAG didn't create the assumptions to begin with. He also adds it wasn't just bond resources that got us to 1300, the bond resources were paired with Section 8 vouchers from Home Forward. He asked if that has changed with changes at the Federal level. He wondered if assumptions from November are even still valid.
  - Karl responded the model incorporates many assumptions in it, and numbers are based on estimates. Whatever goals are agreed on, accomplishing them will happen on a project to project basis and those will be subject to the realities of multiple factors like leveraging resources, land prices, project location, etc.
  - Jennifer responded the model assumptions do indeed include 400 Section 8 vouchers. She also clarified the Housing Bureau is committed to reaching, and exceeding if possible, the total unit production assumption and looks to the SAG to provide a final group recommendation what the goals should be based on the group's priorities.
  - Jonathan Trutt of Home Forward responded that they are committed to providing the 400 vouchers promised, notwithstanding pressures and uncertainty on Home Forward as a result of market forces and the Federal budget. The impact of 400 vouchers is also variable depending on the unit sizes and whether the vouchers are at full payment standard.
- A participant asked if the SAG is creating the Framework Plan to guide PHB based on an infinite amount of assumptions that are always changing based on infinite variables, then what is the value or point of the plan.
  - Karl responded this is the challenging work we are engaging with the SAG participants at tonight's meeting and future meetings.
- A participant recalled a talking point that was publicly used and broadly communicated to coalition members and the public during the campaign by PHB and Dan Saltzman's office, that the assumptions were very conservative in order to be sure to meet and/or exceed the stated goals. If there have been real financial shifts in the assumptions, it would be helpful to understand that.
- A participant asked how flexible the percentages of new (70%) versus acquisition (30%) in the assumptions are since acquisition and remodeling are less expensive than new.
  - Karl responded those are assumptions in the model and are not legally binding so they are flexible. From his perspective, more flexibility is preferred, but he is leaving it to the discourse of the SAG to determine the level of flexibility.
- A participant added in terms of meeting the unit count in the model assumptions, at the first meeting the bond attorney, Harvey Rogers, stated it was possible for the City to buy land, lease it to a developer to develop the property and use tax credits and debt to leverage it. The question is whether the banks would be willing to subordinate the City's position. He thinks this would easily allow the City to far exceed the 1,300 units.

Jennifer closed the topic by calling the group's attention back to the [Framework Plan Key Decision Points document](#) to keep the group moving forward knowing there is a limited number of meetings with which to complete the process of creating the Framework Plan. The process that will be used going forward is at the decision points an individual assessment of red/yellow/green will be used to determine completion of that point. If green is indicated by the participant, it means they are

comfortable with the decision and ready to move forward. Yellow means the participant is willing to move forward with some caveats or concerns. Red means the participant is not comfortable with the decision and not ready to move forward and will give their reasons so they can be addressed within the group.

Jennifer added the deadline for completion of the draft Framework Plan is a firm deadline of mid-September. There is a current housing crisis and the bond dollars cannot begin being spent until the draft Framework Plan is complete. Once completed the plan will be finalized as a PHB internal policy document which the Bureau will use to make decisions for implementation of bond funds. It will then be brought before City Council for their review and adoption. The final adopted Framework Plan will be used by the Bond Oversight Committee (BOC) to guide its oversight and fiscal reporting functions.

- A participant, who will also be working on the BOC adds that he thinks it is important to draw a distinction between the task of the SAG and how that will inform the work of the BOC and PHB's continued work related to acquisition of properties. He is concerned about how community input and engagement is going to be heard and implemented in the completion of the draft Framework Plan – as the City moves toward acquisition there won't be the opportunity to engage with the community at point of acquisition.
  - Response: Jennifer responded that Michelle DePass is on tonight's agenda and will detail the Community Engagement Plan later in the meeting. She adds there is outreach happening currently as the plan is developed. Once the plan development is complete, there will be more opportunity for community engagement before the plan is finalized at City Council.
- A participant shared he doesn't think the timeline to develop the Framework Plan is reasonable. He stressed it's important to get it right and if that means meetings need to continue past the published deadlines, it's more important than adhering to the timeline. The group shouldn't be forced into making decisions based on dates.
  - Response: Jennifer explained there may be some flexibility within the stated timeframes but at the same time many community members and organizations are stressing the urgency of the housing crisis and they don't want the city to delay in creating the Framework Plan so bond funds can begin to be utilized. As the process progresses, if further time is needed, that can be a consideration within certain limitations.
- A participant added in order for the community to meaningfully engage they need to have a product to react to. There is an inherent assumption this bond will meet the need for housing, but for some people if the 1300-units are exceeded that will be impactful, but for others the families that are struggling to access housing from shelters, etc. and are served by newly created units, that is more impactful than simply reaching a numeric goal.
  - Response: Jennifer responded that once the draft plan is developed, and prior to it being finalized, community members and stakeholders outside of the Bond SAG will have the opportunity to respond.
- A participant stated concerns related to the Ellington purchase and how lack of fully developed or undeveloped processes caused challenges for some of the residents there or for families looking to reside there. She wants to make sure that the plan development isn't rushed especially around issues like screening criteria.
  - Response: Jennifer noted the processes around screening criteria will be covered in an upcoming meeting.
- A participant stressed again the importance of living up to what voters were told in the course of passing the bond measure. He also expressed interest in more information and updates on the Ellington that can be used to inform the process of creating the Framework Plan.

	<ul style="list-style-type: none"> <li>○ Cupid commented that all the comments being shared are useful and he wants to emphasize the importance of participation and response from the SAG on the information and questions PHB present. He continued by saying the SAG represents different communities and it is their responsibility to participate and to be as helpful to the process of building the Framework Plan as they can be in order to ensure a robust and fruitful process and end product.</li> </ul>
<p><b>Draft Summary of SAG Priorities</b></p>	<p>Jennifer provided a high level summary of the <a href="#">SAG priorities</a>. This is a compilation of comments from SAG members at previous meetings. This document is not a consensus of the group, it is a compilation of feedback shared at previous meetings and provided in writing from SAG members. PHB staff took the priorities of the group to generate a <a href="#">Draft Selection Criteria List</a> (page 1). This list is meant to describe the specific criteria PHB staff would use to select among different investment opportunities. She asked the group to take a few minutes to review and then have a discussion. Feedback and comments will be collected at the meeting, and also afterwards, and used to revise the document for the SAG to review at next meeting.</p> <p>Discussion from the group includes;</p> <ul style="list-style-type: none"> <li>● There doesn't seem to be enough time to review and discuss materials provided to the SAG before being asked to make decisions. <ul style="list-style-type: none"> <li>○ Cupid responded the document was provided today for review and discussion with the expectation that the participants will provide further feedback using the Questions document and return it prior to the next meeting and go into more depth at that time.</li> </ul> </li> <li>● There is still more discussion and decision making needed from the group on production goals, locations, and populations served to get to recommendations.</li> <li>● There is tension between priorities which is reflected in the criteria listed, e.g. a high opportunity area is not at risk of gentrification if there are points given for each, there is little distinction between areas of the city, which will not be helpful in deciding where to locate projects.</li> <li>● Homelessness isn't included in the criteria often enough and articulated as a locational priority when it should be about who has access and how the project is operated. <ul style="list-style-type: none"> <li>○ Jennifer said the draft criteria list is intended as a proposed tool to inform PHB decision-making around specific investment (property) opportunities, and the issue of the associated services and supports needed for homeless households will be covered in our upcoming discussion specific to guidelines for operations and programming of bond-financed housing.</li> <li>○ Matthew clarified for the group PHB has no budget for programming services for 0-30% households. The general fund traditionally used for that purpose at PHB is now committed to the Joint Office of Homeless Services (JOHS). If some level of programming is provided for services in some projects, funding would either need to be new funding (bond funding cannot be used for services) from City Council, a commitment of funds from the JOHS, service funding from some other funding source. It makes it difficult for PHB to write funding into the criteria because PHB is not resourced to provide that funding. It would take a decision by City Council, or the Board of County Commissioners, or the AHFE Coordinating Board to link service dollars to the units. PHB cannot mandate JOHS provide service dollars in bond projects, but if the SAG would like PHB and the</li> </ul> </li> </ul>

Mayor to request AHFE and JOHS leadership to provide resource dollars for deeply affordable units produced by bond funds, that ask can be arranged.

The discussion continued with some participants strongly advocating to write services into the criteria list because they feel that otherwise, they will not be included. Several participants work with AHFE and they feel the purpose of the group is to find community based solutions for homelessness and it is known many people transitioning from homeless can only be successful with a combination of deeply affordable units paid for with vouchers, and paired with supportive services. If these populations aren't specifically targeted with bond funds, then they will continue to struggle to access housing. The AHFE affiliated participants strongly feel all the units provided by the bond focus on homeless households. There is a suggestion units be linked to homeless service providers to fill with families. Community organizations focused on homelessness having access to available units dedicated to 0-30% populations who wouldn't be screened out, would be extremely impactful. They are willing to ask AHFE to meet with SAG members and PHB to discuss future funding commitments related to bond developed housing.

- A participant thinks an RFP process should be focused on specific target populations and used with developers who could share relationships they have with community organizations that could provide services to those populations. Proposals would be scored based on their ability to bring together resources to serve populations. The participant said in the past public agencies would bundle additional resources into an RFP from other public agencies in order to serve targeted populations. Interagency and inter-organizational coordination could be used to leverage resources.
  - Cupid responded a planned discussion on the [Proposed Selection Process](#) (page 3) on the meeting 4 agenda is upcoming. He added that identifying target populations makes it possible to identify factors within the solicitation process to reach stated goals.
  - A participant shared that in the past, asking developers to bring resources with them (like vouchers, services etc.) dis-incentivized developers from making proposals with additional resources. Since simply building the housing was easier, more housing was developed without intentionality which he thinks created the housing situation that currently. He wants to see the City and PHB use their political capital to leverage partner resources upfront and be intentional about who will be served.
  - Karl interjected having the conversation about populations served is important, but the units still need to be built. In order for that to happen it's also important to plan the structures around how purchasing decisions are made. This topic is on the agenda tonight but is the group decided that it should be pushed to a future meeting in order to accommodate lengthy discussion on priorities and public comment.
  - Matthew added the City will procure certain services such as property management.. He agreed service dollars need to be specifically linked to the housing units, but that should be built into the framework to the extent possible. He is committed to working with the JOHS and AHFE to find out if there is a willingness to commit resources to a specific number of deeply affordable units.
- A participant thinks it might be helpful to separate criteria by target populations. Criteria might be different for 0-30% populations then for families above 30%. Creating a targeted set of criteria that is focused on planned achievements within each target population could be helpful.
- A participant shared he thinks that draft criteria can't be finalized until the development process is discussed and understood. This can help balance production goals and location priorities.

	<ul style="list-style-type: none"> <li>• A participant believes that there seems to be a clear opportunity to align with AHFE – there are several SAG participants on the AHFE Coordinating Board. It is recommended AHFE and the SAG form a joint task force to figure out how to align services with units.</li> <li>• A participant shared that the priority should be to be committed to the 1,300 units at least, but also the units work for the people for whom they are intended and the community approve of the work being done focusing on communities who have been displaced and locked out of the private rental market due to income. <ul style="list-style-type: none"> <li>○ Matthew responded by saying there is feedback from many people both on the SAG and in other organizations that are split. Some want the emphasis on producing the maximum number of units, and others say the numbers are not as important as the communities being served. That is why the SAG was convened – to guide PHB in making those difficult choices.</li> </ul> </li> <li>• A participant expressed concern about scoring projects by geographical area, it could be possible many projects could end up in Gateway, unintentionally concentrating bond funds because there is a particular kind of neighborhood that lines up with scoring criteria. She thinks that, bond projects should be scattered across the whole city and in areas where there aren't affordable units, where they can do the most good.</li> <li>• Another participant said the focus should be getting the most out of bond funds by leveraging the dollars with other resources like homeless programming, publicly owned land etc. and focus on selection criteria that benefits projects that significantly leverage other community resources to achieve unit production and serving the community.</li> <li>• A participant responded that a number of factors could change the model assumptions enough to impact the number of units achieved. They asked, is the process flexible enough to allow for that due to changing priorities like larger family sized units, PSH etc. They said that question needs to be answered by the group at some point.</li> </ul> <p>Cupid ends the topic by asking the group to complete the feedback on the Selection Criteria List and the Questions for SAG on Draft Selection Criteria List handouts and to return them to PHB by 6/27/17. Cheyenne will provide the forms in an electronic format before the end of the week. Jennifer will work to aggregate the provided feedback and information and present a revised draft to the group at the next meeting.</p>
<b>Acquisition and Development Discussion</b>	This topic was moved to a future meeting due to time constraints. The group took a short break and returned for public comment.
<b>Public Comment</b>	<p>Public testimony begins, each testifier is given two minutes to make their comments.</p> <p><b>Allen Hines</b>, a community member and organizer advocating for people with disabilities, made comments that he also provided in writing. Read his full testimony <a href="#">here</a>.</p> <p><b>David Gutzler</b>, a participant in the housing work group of A Home for Everyone (AHFE) and a supporter of affordable housing, made comments that he also provided in writing. Read his full testimony <a href="#">here</a>.</p> <p><b>Richard Rubin</b>, a community member, made comments in support of an alternate housing model for unrelated, unmarried adults. The units could have several bedrooms with shared living spaces like kitchens, living rooms, bathrooms, and community spaces. He believes this model is economically feasible and provides a down-scale way of life where individuals share resources. The idea is to promote community for single people and seniors without family and who have simple needs and don't need a lot of space. He</p>

	<p>thinks many people would appreciate being able to spend less money for housing and have the security of a simple place and community. He thinks they should be modeled on student dormitories.</p> <p><b>LaQuida Lindford</b>, a community member who works as an Outreach and Engagement Specialist for the Urban League of Portland, made comments. She shared that she has been working in housing since returning to Portland in 2014. She now works at the Urban League and with the JOHS in outreach to homeless shelters and camps. 1300 units of housing are needed right now for all levels of income. She happened to have a letter with her from a property management company that is requiring a \$1400 deposit and six months upfront rent for her client because he has several barriers to housing. She would like to move as quickly as possible to develop additional units. She cautioned that communities are continually changing and that the time for talking about gentrification in N/NE Portland is past. It is important to focus on East County now before gentrification forces get worse.</p> <p><b>Ross Cornelius</b>, a community member and affordable housing advocate, made comments in support of getting the work right. He is happy to hear the discussion and see the participants wrestling with difficult issues. He encouraged the group to think of this bond as the first of many future bonds and keep asking what it will take to “do it right” and what that actually means for the group as well as through the lens of a voter who will judge the work on this bond and determine whether they will support future bonds. It’s important to recognize that the voters are not experts on affordable housing development or community development which makes it more important to communicate the plan clearly to the community for the sake of this bond and any future asks. He responded to David Gutzler’s testimony regarding keeping costs down by creating duplicability in sourcing – there have been many affordable buildings developed in Portland that are great, but are also very custom designed. It’s time to start modulating the design of units so they are the same and costs and builds are predictable and efficiencies can be built into repeated projects. He added that in order to hit the unit goals the City should keep design ambitions modest and efficient. In regards to equity he doesn’t understand how that manifests in the current draft of the selection criteria. The bond dollars will create a lot of jobs and he wants to make sure that translates into MWESB targets and other equitable outcomes.</p>
<p><b>Summary and Update on Community Outreach</b></p>	<p>Michelle DePass presents on the Bond Community Engagement Plan portion of the <a href="#">presentation</a> beginning on slide 7.</p> <p>High points of presentation;</p> <ul style="list-style-type: none"> <li>• Various methods of engaging communicating with the community are planned and ongoing (slide 8) <ul style="list-style-type: none"> <li>○ Bond SAG public meetings</li> <li>○ Contracting with OPAL and MACG to communicate with their members and constituents</li> <li>○ Employ the ONI CEL Program to engage immigrant and refugee communities</li> <li>○ Employ PHB Community Liaisons to share information with neighborhood associations, coalitions, and other housing stakeholders</li> </ul> </li> <li>• The draft Framework Plan will be shared with the community and community feedback will be received in a variety of ways <ul style="list-style-type: none"> <li>○ Reporting from contracted partners (OPAL/MACG)</li> <li>○ ONI CELS will conduct surveys and share results with PHB</li> <li>○ Communicate through neighborhood newspapers and neighborhood coalitions</li> <li>○ Multnomah county libraries</li> <li>○ SUN Schools sites</li> <li>○ NPI and Main Streets</li> <li>○ Community organizations</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ PHB will collect feedback through the website, written comment, phone calls, and feedback from community stakeholders identified above</li> </ul> <p>Questions after the presentation are;</p> <ol style="list-style-type: none"> <li>1. Regarding the timing of the draft Framework Plan going out to the groups. The draft Plan is not scheduled to be complete until August 14<sup>th</sup>, but the timeline to share the plan is shown from July 1<sup>st</sup> through August 15<sup>th</sup>. How will it be possible to do outreach to the planned communities in such a short period of time?       <ol style="list-style-type: none"> <li>a. Michelle answered if the draft Plan is completed 8/14 there will only be about a month to hear feedback before the plan is finalized and heard by City Council. There is an estimated four-weeks for OPAL and MACG to do their work.</li> </ol> </li> <li>2. Is there specific engagement or outreach to communities who have lived experience with homelessness? It doesn't seem like OPAL or MACG will engage with those communities since they don't appear to be part of their coalitions. OPAL and MACG will be providing an update to the SAG at the July 11<sup>th</sup> meeting – the update will include who they are engaging with.       <ol style="list-style-type: none"> <li>a. Michelle answered there hasn't been a plan to engage directly with that community, but she thinks it's a good idea. Michelle hypothesized that it might be a good idea to engage with LaQuida Lindford as she has a good track record of meeting with those communities. Michelle is happy to consider how to go about that within the planned timeframe.</li> <li>b. Another participant strongly agreed the homeless constituent group needs to be a part of this engagement plan especially if those constituents are not part of the OPAL and MACG coalition groups. Engaging with groups that already meet regularly and gather feedback from these groups like AHFE is important. She added getting the plan in front of the Welcome Home Coalition who worked hard to pass the bond should be a priority.</li> <li>c. Michelle added OPAL has a proven track record of engaging with communities of color. Michelle wasn't sure about the specifics of MACG's coalition. Bob Brown of MACG clarifies MACG is a membership organization whose constituents include many faith institutions, community organizations, labor unions, healthcare organizations etc. For a full list see their website <a href="#">here</a>. They haven't done a demographic analysis of their member institutions as of yet. He also shared that he wasn't aware of the short timeline for engagement and that it will be difficult especially if the plan is to incorporate feedback into the plan.</li> <li>d. Michelle agreed to talk with staff to see if there is a possibility of adjusting timelines. Matthew committed to report back on timelines as well.</li> </ol> </li> <li>3. A participant stressed that early outreach works very well – she also added that involving the school district can help to engage the community. She wanted to stress that the community should be involved after site selection as well to educate and inform them of possible community impacts which can quell anxiety about negative impacts.</li> </ol>
<p><b>Overview of Guidelines for Development, Operations, and Programming</b></p>	<p>Matthew Tschabold discussed a topic for the coming meeting and answered questions that have come up regarding development and operations and detailed the following points;</p> <ul style="list-style-type: none"> <li>● Per City and State laws, purchase of properties for acquisition or development are considered Public Works Projects. Therefore, PHB is required to use the City's Procurement Services process, in the Office of Management and Finance, to solicit and select services.</li> <li>● Details on the process are found here: <a href="https://www.portlandoregon.gov/brfs/26522">https://www.portlandoregon.gov/brfs/26522</a></li> </ul>

- At the SAG July 11th meeting, PHB will provide more detail on the City PTE procurement process, including what is known about anticipated timelines, requirements and process steps.
- Nonprofit entities and private firms may respond to procurement solicitations, based on eligibility for the types of services that will be procured.
- PHB will retain ownership on all bond properties per bond legal requirements.
- PHB is considering procuring external partners for the following functions:
  - For Development/Construction of projects:
    - Owner’s Representative (to manage the construction process)
    - General Contractor
    - Design Firm
  - For Operations of projects:
    - Property Management
    - Possibly Resident Services
- In regards to Programming:
  - Bond funds can only be used for capital costs. Bond funds cannot be used to pay for any services.
  - PHB will look to the SAG for guidance on processes for connecting housing with planned support services, guided by priorities in the Framework Plan.
    - For example, PHB may initiate and enter into formal and informal service partnerships with culturally specific agencies, other CBO’s and public entities to solicit, leverage and connect funding or resources to provide support services for residents. This may include, but is not be limited to: release of “Request for Interest (RFI)” for services and establishing Memorandums of Understanding (MOU’s) for on-site services or agreed funding commitments with partners.

Questions and comments include;

1. A participant is concerned the procurement process not be accessible to smaller organizations due to how complicated the process tends to be – he wants to make sure the process is accessible to MWESB organizations.
2. A participant asked if there is a procurement to select a development partner, who will then select an architect, engineering services, general contractor etc. will the City’s procurement rules govern that development partner’s selections as well? He added that there is a lot of capacity within the non-profit community to do development and he hopes there would be a role for them in the process or whether it is city staff basically making a whole series of development decisions. He sees an owner’s rep as a consultant to city staff who are ultimately driving the project.
  - a. Karl answered the procurement of an owner’s representative would be governed by Oregon statute as would be the general contractor, design team, etc. He added that since the City will be the owner of the projects that are developed and thusly has a very strong interest in what gets built, the City is open to the idea of any type of organization taking on development roles.
3. A participant would like these questions addressed at the next meeting; whether the procurement process will add costs that were not anticipated in the model assumptions and whether the current ADA compliance standards are good enough and what standards will apply to buildings built with bond dollars.

	<ol style="list-style-type: none"> <li>4. A participant stated he wants to make sure the group takes the necessary time to “do this right” and to make sure the procurement process has a focus on equity, which is a stated value of the SAG and PHB.</li> <li>5. A participant asked if the requirement to use the procurement process was a legal requirement or a policy requirement. <ol style="list-style-type: none"> <li>a. Karl responded it was absolutely a legal requirement. These are city-owned assets bought with public dollars so it falls under <a href="#">ORS 279</a> just like a road, a sewer pipe etc.</li> <li>b. Matthew added normally since PHB doesn’t own its developed assets it is not subject to the state statute procurement rules. Since these bond dollars require ownership it triggers the procurement rules.</li> </ol> </li> <li>6. A participant stated he doesn’t think the most important thing is where the housing is built, or for which communities, he thinks the focus should be on getting the most units possible using the bond dollars along with other leveraged resources. People in the community desperately need housing. He thinks the best way to leverage would be for the city to buy the land and lease it out to a developer to build which would mean it doesn’t have to go through a procurement process. It might not be possible to do that in all cases, but it allows the city to spend a lot less money per project and maximize the number of units. If this is not possible, using long-term leverage makes sense. The City spends the money to develop without debt which will create cash flow which can be used as leverage for additional projects. Program income would be free from all of the restrictions that exist for bond funds. <ol style="list-style-type: none"> <li>a. Karl responded in the first meeting he presented in a high level way basic cash flow that showed since the bond states that all units have to be for people earning 60% AMI or less the rents have to be restricted to those levels. There are expenses related to operating and maintaining a building – for a building that is all 30% AMI units it cannot support its operating and maintenance costs from the rents alone. For a building with all 60% AMI units, it can support operating expenses and a moderate amount of cash flow left over.</li> </ol> </li> <li>7. A participant want to have a discussion about being more proactive about buying available properties that may not be listed for sale but who have a willing seller. She also clarified that the City has to own the bond properties until the bond debt is paid, but once the debt is paid the city can choose to sell to a non-profit or other organization.</li> </ol>
<b>Closing/Next Meeting</b>	Cupid closed the meeting. Next meeting is scheduled for July 11 <sup>th</sup> at the Portland Housing Bureau from 9:00 am – 12:00 pm.