



**PORTLAND  
HOUSING  
BUREAU**

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

**March 8, 2017**

6:00 -8:30 pm

New Song Church

2511 NE MLK Jr. Blvd. Portland, OR 97211

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

### March 2018 Meeting Minutes

**Members Present:** Sheila Holden, Virgie Ruiz, Felica Tripp, Jillian Saurage, Dr. Steven Holt, Dr. Karin Edwards, Cupid Alexander, Triston Dallas, Marlon Holmes, Dr. Lisa Bates

**Members Excused:** Dr. T. Allen Bethel

**Staff Present:** Sawyer Sheldon, Andrea Matthiessen, Dana Ingram, Javier Mena, Dyvisha Gordon, Matthew Tshabold, Ira Bailey, Leslie Goodlow, Shannon Callahan

**Guest Presenters:** Linda Tellis – Kennedy, Julia Metz – PCRI

Agenda Item	Discussion Highlights	Outcomes / Next Steps
<b>Welcome</b>	<p>Dr. Holt welcomes the committee and the public. He reminds the public in attendance that this is a public meeting, and not a public forum. He invites the public to comment on any of the <a href="#">current agenda items</a>. For comments, issues, or concerns not related to the current agenda items, or in <a href="#">today's presentation</a>, please speak with one of the committee members or PHB Staff present, or use the contact information on the business cards provided.</p> <p><b>Admin Note - Contact information on the business card is as follows:</b>  N/NE Neighborhood Housing Strategy  421 SW 6<sup>th</sup> Ave., Suite 500, Portland, Oregon 97204  Phone: 503.823.1190 Fax: 503.823.2387  Email: <a href="mailto:NNEstrategy@portlandoregon.gov">NNEstrategy@portlandoregon.gov</a>  Web: <a href="https://www.portlandoregon.gov/phb/72705">https://www.portlandoregon.gov/phb/72705</a></p>	
<b>PCRI – Down Payment Assistance Issue</b>	<p>Linda Tellis Kennedy gave the update. Says that she is concerned that at the October meeting PHB recommended an increased in down payment assistance in a two-tiered model; \$100k for down payment assistance and \$125k for newly constructed units; the mayor approved this with new language stating that the \$125k would only go to newly constructed permanently affordable units. Says that this is not the model that PCRI does.</p>	

	<p>Says that excludes people in their program because it's new construction but not permanently affordable. Says that the Preference Policy participants using PCRI still need the \$125k because it is new construction. Julia Metz explains slide 7 to the committee; says that construction costs are up 30% – 40% making it about a \$60k difference per unit from their original proposal. Says the increase to \$100k certainly helped but that there is about a \$40k gap. Say that PCRI is working on finding funding to eliminate that gap. Says that at the beginning of this process the down payment assistance was the same across the board so when Preference Policy participants selected who they would work with there wasn't a difference in subsidy; says this is also an equity issue. Linda says that the 5 or 10-year plans for N/NE Portland is what has caused a lot of the displacement and gentrification. Says the Preference Policy was supposed to give people two years to become mortgage ready and purchase a house which is not realistic for many of the participants of the program and for those for whom the program was intended for.</p> <p>Dr. Holt asks what PCRI's ask of the committee is? Linda says that they want the \$125k subsidy for new construction to be the same is across the board, just like it was proposed back in October.</p> <p>Dr. Lisa Bates asks what the intention of the conversation was at the October meeting was, since she was not there. Dr. Holt asks the committee if the \$125k being for permanently affordable units was part of the conversation? No one can recall. Lisa says that there is an ongoing set of issues around the homeownership work since the beginning. Says that the committee's recommendations are not being followed and wants to know where the funding decision is being made.</p> <p>Dr. Holt says that city committees oversee, evaluate, and/or advise policy; says that only the elected officials can implement policy. Says that this is an oversight committee that weighs in specifically on what is decided.</p> <p>Cupid says the committee makes a recommendation, PHB then brings that to the mayor / housing commissioner, who then needs to get 3 / 5 other commissioners to agree to it (or 4 / 5 if an emergency) and pass it.</p> <p>Shannon says that this was a recommendation from PHB, says the choice of verbiage was an error on PHB's part, says she will take ownership of that. Says that PHB is not</p>	
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	<p>trying to treat people differently based on who they chose to work with. Says that the committee would need to recommend that all DPAL (down payment assistance loan) loans be equal to new construction loans.</p> <p>Leslie says that PHB has not changed the allocations of what PCRI and the AAAH Collaborative got, just how it is being pieced out.</p> <p>Lisa says that one program is still receiving more money than another. Shannon says that when PHB does construction loans there are construction coordinators out on the sites, they ensure MWESB participation, PHB is billed monthly for their progress; says that DPALs are loans where they write a check to the home buyer and say go look for a house. Says they are two different products.</p> <p>Felicia says that historically there have been two decisions from this committee that have gone a little wonky. One such decision was the DPAL fund, it was initially \$65k, then it was increased to \$80k and again to \$100k, and the same on the construction side. Says that communication break downs happen quite a bit and that needs to be amended.</p> <p>Dr. Holt says that next steps are; identifying a time when PHB and PCRI can sit down, and finding a voice to weigh in at the higher level of government. Says that the concern is around how equity happens in the community.</p> <p>Felicia says she wants the record to show that she worries that it has been 3 years and very little of this money has gotten out to the street and they are on a deadline.</p>	
<p><b>Oversight Committee Concerns from Annual Report – Plan from PHB</b></p>	<p>Shannon and Andrea gave the update. Shannon says that PHB and Dr. Holt met with the Mayor before this report went to council and there were very serious concerns from the committee. Andrea talks about slide 10, says that some of the participants were not expecting to need to be mortgage ready; says that as we approach year 3 of the N/NE Housing Strategy many of those households are making progress towards that goal. Says that PHB wants to track that progress, says will do this through surveys. Says surveys will help PHB better serve the participants in both the AAAH Collaborative and PCRI.</p> <p>Felicia says she is disappointed that there have been only 4 homeowners in 3 years. Shannon says that she agrees. Says they will work closely with partners to make sure</p>	

	<p>they are meeting key deadlines. Says that PHB and partners will work together to make sure that they are not creating artificial barriers.</p> <p>Shelia says that she would like to know how best to articulate their message for the Mayor and the commissioners. Wants to know how best to work with them.</p> <p>Lisa says that the models we have to buy homes in this geography don't work; says it may take someone 2 years to repair credit and become mortgage ready but they may not work for this geography. Says they are working with finite amount of money and that shrinks every time they up dollar amounts; says less people can be served. Says there needs to be something bold and new to make it happen.</p> <p>Marlon says he wants to know there have been only 4 families. Wants to know if the partners programs are too long or if PHB is not doing its part. Shannon says that some of the units are going to be newly built so partially waiting on those to be completed. Says that people are having trouble finding homes they can afford in the URA; says it's hard to compete with cash buyers. Says she doesn't know if PHB has been adequately monitoring the home buyers experience; says they want to better understand where each person is in the pipeline.</p> <p>Dr. Holt says he wants specifics by next oversight committee.</p> <p>Andrea explains slide 11; says they are tracking 46 parcels of the 65 homes needed. Says that they are in different stages, from acquisition and permitting to actual building. Says there are construction coordinators assigned to each project. Says all future meetings will include status reports and updates on the progress of these. Dr. Holt wants to know about the estimated completion dates; says they are beyond the original deadlines.</p> <p>Andrea says that part of the ask from the committee tonight was a review of the time lines since originally, they were supposed to be done by the end of 2018 but these are going to be done by the mid / end of 2019. Says that part of that is the realization that he home buyers would need more time to be mortgage ready. Another delay was identifying affordable parcels of land to build on, permitting was another, and so on.</p> <p>Sheila asks how many homes are represented by each project? Andrea says that the AAAH Collaborative has 24 units in 2 projects; and PCRI has 22 units in 3 projects. Shelia</p>	
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	<p>wants to know what happens to the remaining 15 units? Andrea say that they are hoping to give them DPAL's and / or get them into one of PHB's tax exemption programs.</p> <p>Lisa would like a report on how the partners are doing overall. Wants to know how many homeowners they help overall and if that percentage is different from the PHB clients. Cupid says that the Preference Policy was meant to reach is different from the partners usual clients. Says that it was suggested that the Preference Policy have income guidelines but that defeated the point of the Preference Policy which was to help those who have been displaced. Says that those people have many barriers to homeownership and these barriers take time to overcome, says that is a huge part of the conversation that is missing.</p> <p>Dr. Holt asks if these completion dates are solid. Andrea says that PHB is monitoring progress of the developments and right now the timelines look good based on what they have seen. Dr. Holt says that he is worried that they are still having the same conversation; says that cash buyers won't go away and that the construction costs are going up.</p> <p>Marlon wants to know if the city can purchase homes and hold them for people in the pipeline. Andrea says that PHB has helped partners purchase building to hold them, but there are still obstacles to overcome such as price point, holding costs, and condition of the units.</p> <p>Shelia wants to know if the Preference Policy participants will be ready to buy a home at the end of 2019, when the units come online. Andrea says that the partners tell PHB yes, the homebuyers will be mortgage ready.</p> <p>Felicia says there needs to be an income minimum so it's not impossible for the partners to get people Mortgage ready. Says that someone making \$12k - \$20k won't be able to buy in the Interstate URA. Shannon says they will have to look at that carefully for future rounds of the Preference Policy so they are not setting people up for failure or disappointment.</p> <p>Andrea moves on to slide 12. Shannon says that there needs to be better communication surrounding the Preference Policy as well.</p>	
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	<p>Shannon moves to slide 13, says that PHB agrees with the committee that there should be loan forgiveness after 30 years. Says they are working to finalize that loan structure.</p> <p>Andrea moves to slide 14. Says PHB has made modifications to reporting for the program. Says they have recalibrated staffing for the program so there isn't unspent resources at the end of the year. Says that in 2016 PHB did a lot of grass roots advertising to get the word out about the program; says they want to get back to doing that so the people they want to target are getting the word that the program exists. Says they want to do 50 home repair projects in N/NE in 2018 – 2019.</p> <p>Shannon moves on to slide 15. The Reach / Argyle project is not as proposed in the NOFA and continues to change based on feedback from the committee. Shannon proposes that they give a full presentation at the May meeting to make determinations and look at tradeoffs together.</p> <p>Lisa says that it would be helpful to see a budget of where all the money is; says that there has been money added and moved to fill gaps and that she would like to know what is where right now. Says that she was disappointed to see this report pushed back; says it should have been presented to council then clarified if need be. Says that it being pulled was a dodge and shouldn't have been.</p>	
<p><b>Public Comment</b></p>	<p>Andrea Debnam says she understands the frustration Felicia has on how many people have successfully gone through the process. Says that when PCRI began looking at the opportunity to support families they were already working with. Says PCRI has their own right to return policy that has successfully done what the committee is trying to do. Says that they have been helping people for 25 years. Says that when PCRI submitted its application they had people in the pipeline that they could have helped. Says they don't PHB to micromanage the process. Says she needs PHB to stay out of the way so they can do work they know how to do.</p> <p>Debbie Doyle says she is a tax accountant says she know what high wealth individuals and low-income individuals report; says people of color don't have money to buy a house. Says she works at a tax clinic for people that don't make more than \$65k a year and have families. Then goes to work and sees people gift their kids \$50k down</p>	

	<p>payments. Says they don't stress about their down payments. Says that these stipulations and guidelines remind her of slavery where the bar for freedom keeps moving and changing. Says that there is always a barrier, wants PHB to get out of the way. Says that they must beg to become homeowners. Says if they wait for these people to have the money to buy a home it's not going to happen.</p> <p>Daijsa Able says that going back to the proposal that was changed, says it affects her directly; says she is on the Preference Policy and chose to work with PCRI. Says that what was proposed was \$80k for a DPAL towards a newly constructed home; says that was increased to \$100k. Says that if this did not happen it would be very unfair for herself and others that chose to be in PCRI. Says the process has been confusing. Says she got a letter to pick a program. Then a letter to look at condos. Then to look at other homeownership programs; says it has been confusing. Says she is now getting to a place where she can buy a home. Says that without the program she would not have been able to buy a house.</p> <p>Travis Phillips says he wants to talk about the communication the committee gets. Says that the committee is here every two months, and the partners get 5 or 10 minutes to present and that is very difficult. Says that it is very hard to get a holistic picture of what they do and the clients they work with. Says he would like to see a better way to communicate. Addresses Felicia's concern about 4 homeowners in 3 years; says those are only Preference Policy clients. Says that the Preference Policy clients didn't come to the partners until November 2016 so it hasn't been 3 years, it's been 16 months of the partners working with the clients. Says that they have continued to put people into homes, that this is just 1 bucket of money. Addresses Lisa's concern leverage funds, says that the amount of money reserved for down payments for the people they are servicing is about \$1.76M, says that is leverage into \$4.5M going into those homes. Tells Sheila that they are working on home repair as well.</p> <p>John Washington says that the committee isn't impotent, tells them to keep up the pressure. Says that, regarding the 15 or 30-year DPAL forgiveness, when you give people a leg up that should end at about 15 years. Says that people have kids going to college and should be let go at 15 years.</p>	
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	<p>Felicia says that almost everyone in the committee lives or was born in N/NE. Asks the community to hold them accountable and the elected officials accountable.</p> <p>Lisa says that she understands that all the partners are bringing in additional dollars. Says what she was told when joined this effort was that the City of Portland would be promoting an innovative new approach to de-gentrifying a whole district. That this would be talked about nationwide. That is the leverage she was talking about. Says she doesn't see the private partners coming to the table. Says that the lack of resources is part of the problem.</p>	
<p><b>Wrap-Up</b></p>	<p>Dr. Holt thanks the community and the committee for their time and for coming. Reminds the audience that these meetings are available on cable channel 30 and on YouTube.</p> <p>Next meeting May 10, 2018.</p>	