



# Portland Housing Bureau

## N/NE Neighborhood Housing Strategy Oversight Committee

February 9, 2017

6:00 -8:00 pm

New Song Church

2511 NE MLK Jr. Blvd. Portland, OR 97211

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

### February 2017 Meeting Minutes

**Members Present:** Felicia Tripp, Virgie Ruiz, Bishop Steven Holt, Jillian Saurage, Reverend T. Allen Bethel, Marlon Holmes Dr. Lisa Bates

**Members Excused:** Orlando Williams, Lorenzo Poe, Lisa Faust, Katrina Holland, Sarah Zahn

**Staff Present:** Matthew Tschabold, Letimya Clayton, Cupid Alexander, Dana Ingram, Sawyer Sheldon

**Guest Presenters:** Trina Whitman & Kim McKay - Bridge Housing, Travis Phillips & Maxine Fitzpatrick – PCRI, Cheryl Roberts AAAH

Agenda Item	Discussion Highlights	Outcomes / Next Steps
<p><b>Welcome</b></p>	<p>Bishop Holt welcomes the Committee and the public. He explains that this meeting was moved from January to February due to the weather. Says that the next meeting will be in March so that we are back on the schedule of meeting every other month, during the odd months. 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 current agenda items. For comments, issues, or concerns, not related to the current agenda items 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="http://www.Portlandoregon.gov/PHB/NNE">http://www.Portlandoregon.gov/PHB/NNE</a></p>	
<p><b>Interstate URA Projects Updates: Port City / Williams Project</b></p>	<p>Trina Whitman and Kim McKay give the update. Trina reminds the committee of some of the hot topics brought up at the last committee meeting they attended (California builders coming to Portland, capacity, commitment to residents, resources for residents,</p>	

ect.). Says they are working on those topics, and will bring data to the committee regarding those issues.

Kim McKay gave an overview of who Bridge Housing is and what they do. Kim says Bridge Housing was started 35 years ago and now has 100 developments along the west coast including 23,000 homes. Says their vision is scale, sustainability, and affordability. Says their median income for all of their properties is \$32,000, but says that 90% of the people in their 23,000 homes make no more than 50% MFI, or around \$12,000 a year. Says the population make up of their properties is 30% 0-18 years old, and 20% seniors.

Kim says CEO is from Portland, went to high school here and then Portland State. Says the CEO was the Housing Director in Seattle, and now is in San Francisco to lead Bridge. Kim says she was the CEO's first hire and has been interested in being with Bridge since she was in graduate school. Says Bridge is focused on diversity, and with a staff of about 400 people, 29% of whom are Caucasian, 35% are Hispanic, 16% are African American, and 17% are Asian.

Says Bridge has 4 completed projects Oregon, and many in pre-development, which are spread across Portland, Hillsboro, and Cornelius. Says that The Abigail, in the Pearl, was their first new development in Oregon and was done in 2016. Says they are working on a 350-unit project on the South Waterfront that will have 200 units of affordable housing, and a market rate mixed income component as well. Says are working on a project on the east side as well, that project is in development still but they have planned on it having about 250 units. Says that Bridge will be moving into office space on the south waterfront in 2019.

Kim says that Bridge focuses on Communities of Color, and community area hiring. Says 51% of the clients they serve are minorities. Says that Bridge aims to surpass local hiring requirements, and on their last project they were at about 22%. Says Bridge wants to identify what is important to the community; usually jobs, but can also be amenities such as day cares, community centers, and schools.

Kim uses Potrero as an example, and says that this neighborhood was extremely disenfranchised and overcoming that was big part of the 8-year project. Says that they broke ground a couple of weeks ago on a 600 affordable housing project, and that they

	<p>are taking a serious commitment to gaining the community’s trust. Kim talks about the Jordan project, and they are working on 700 units of affordable housing; mixed income and a community center. Says Jordan has been cut off from LA and they are replacing the public housing 1 for 1.</p> <p>Trina gives the North Williams update, says the site is still being evaluated for the environmental contamination, and site constraints. Says they are reaching out to stake holders in the community and seeing what support and services folks who will live there will need. Next steps are having the CEO of Bridge come to the next NNE meeting, design, programming, and property management and resident services. Says that some ideas for upcoming meeting topics are: outreach, community engagement, site challenges, design of the buildings and outdoor spaces, site services, and resident needs once we get closer to completion.</p> <p>Jillian asks when construction will begin, and when will the project be completed. Trina says breaking ground spring and summer of 2018 and about a year for construct; so fall of 2019 for move in. Says that there are existing buildings that need to be demolished and soil work that will need to be done to check for contamination and hazards. Dr. Holt says that there are still special considerations for this neighborhood and community but that he is looking forward to the ongoing dialog. Kim says she will leave her card for the community, if anyone has any questions.</p>	
<p><b>Fast Start Update Interstate URA – Spring NOFA and 2017 Plan</b></p>	<p><a href="#">Karl talks about the 10<sup>th</sup> NOFA</a> (Notice of Funding Availability), applications opened Jan. 23, proposals are due March 9, and decisions will be made by April 11. This NOFA is exclusively for the Interstate corridor; it is for \$13M URA funds, of that \$4M is for building or remodeling a minimum of 40 units for rental housing. Says the new aspect of this NOFA for him is the \$9M that is earmarked for homeownership. Explains that in the last NOFA PHB bought a property at 5020 N Interstate (on Interstate and Alberta), and that of the \$9M homeownership dollars, \$5M of it will be used to develop that property for homeownership opportunities. Says there is \$4M in the NOFA for any homeownership in the Interstate IURA.</p> <p>Lisa wants to know what processes have been put into place for the review of the applications based on the feedback from this committee. Karl says that they will have 1</p>	

external committee, and that they will be looking to Dr. Holt and the committee to fill those spots. Lisa asks how they will evaluate and score the equity components of the NOFA. Karl says the equity part looks similar to the last NOFA they put out, but that this NOFA will also have a development piece taken right from the NNE Housing Strategy.

Lisa asks who else will be on the external committee that is not on NNE, wants to know how those not connected to the NNE committee will be educated on the equity issues so to fully evaluate the applications? Karl says that he will look to this committee to help educate those folks who are not staff members.

Holt asks about the Interstate Alberta site; wants to know if they are looking at family sized units? Karl says there is a minimum requirement of 30 units, with at least 10 2-bedroom units, and 10 3-bedroom units. Holt says that they would like nothing less than a 2-bedroom unit, says that is a high priority for the community. Karl says they are trying to strike a balance between buildability and feasibility, but that right now 67% is going to be 2 or 3 bedrooms, and that 33% could be 1 bedroom units but nothing has been decided yet.

Jillian wants to know how these homes will stay affordable in the future. Karl says that they want help from the committee on this, but that they are currently looking at using 2 models; a land trust, and down payment assistance model. Jillian asks about the down payment model, wants to know if when that property is sold down the road, will part of that money be folded into down payment assistance for another buyer, or would it come back to the city? Karl says that in the past PHB has been “reimbursed” when the home sells, and then “recycled” that money back into homeownership programs for the area. Matt says they are also now bound by city code, and these units will be subject to the Mandatory Inclusionary Housing code; that code has a requirement for 99 years of affordability on both the ownership and the rental side.

Karl gives an overview of the Fast Start program, says that they are developers on a “short list” to start building housing faster. Says they have 32 proposals that will be presented to PHAC in March. Says PHAC will help decide what the next level of criteria should be when a project is presented for Fast Start use. Holt asks about the equity considerations for that project. Karl says that there was an equity question on the

	<p>proposals, but that once a project presents itself they will ask for a full blown proposal from the developer; those proposals will include the standard MWESB and equity requirements. Holt asks what the implementation looks like for this group of Fast Starters in NNE. Karl says that Fast Start is not likely to work a lot in NNE due to the community engagement that is required for the community.</p> <p>Karl says that the last week of March will be the NOFA evaluation phase, and that he really wants to see people from this committee on those panels.</p>	
<p><b>Home Ownership Partners – Updates</b></p>	<p>Maxine from PCRI gives the Grants Warehouse update. She says that site has been rechristened The Beatrice Marrow site, in honor of the famous African American activist and pioneer; the site will have 80 affordable units with a focus on historically displaced community members.</p> <p><a href="#">Andrea gives the Homeownership update.</a> Says that after the 2 info session that PHB held at New Song, about 35 participants showed interest in PCRI in the first round, 17 selected them as their first choice, and 8 of those people are actively working with PCRI; 5 people from the second round are now working with PCRI, and 9 from the third round. Andrea says that PCRI’s goal is to work with 22 families during this process.</p> <p>Travis gives the development update. He says that PCRI is developing 5 sites, 2 sites in the King neighborhood, 2 in the Humboldt neighborhood, and 1 in the Overlook neighborhood. Says they have an architect working on the concept designs. Says they would like 2 – 6 homes per site to best utilize their space. Says that they are being careful to develop homes that their clients will have a need for. Travis says that they have concepts that will be refined over the next month, including a 2 and 3-bedroom attached townhome design. Says the first permits will be submitted in June, they will get permit approval and break ground in October, and will be move in ready by June 2018. Says this timeline is based on recent developments, and what trends the architect and developers are seeing for active projects right now.</p> <p>Felicia asks what MFI are they looking at for their buyers. Andrea says that they want to be below 80%, but hope to be around the 60%-80% MFI, but that in the IURA they can go to 100% MFI. Felicia says that she is thrilled they are building as we have a housing shortage and there is no stock in that market. Travis says that this program allows these</p>	

	<p>participants, who are trying to compete with better off cash buyers, have a chance in the hot real estate market.</p> <p>Jillian asks if there will be an HOA for these buyers and how PCRI is looking to manage that ahead of time. Travis says they are looking at a condo type ownership model and that will require some sort of HOA. Says that the sites will look like some PCRI has developed in the past. Travis says that they are looking to keep the HOA negligible and is being considered for the affordability of the units. Says that since there will be shared walls between owners there will be some sort of simple agreement around maintenance. Jillian says that her concern is looking at 30 years in the future, and the roofs need to be replaced, and HOAs haven't collected enough dues, worries that the houses will then unaffordable because of those maintenance costs. Travis says they have lots of data on those types of concerns which will inform them going forward.</p> <p><a href="#">The AAAH update was given by Cheryl Roberts</a>, as well as the directors of Habitat for Humanity, and Proud Ground. Cheryl says they are offering 3 home buying options, down payment, self-help home ownership (sweat equity), and permanent affordability. Says these options are available through their collaborative effort which includes Habitat for Humanity, Proud Ground, Hacienda CDC, NAYA, and AAAH. Says in the first info session, 15 of the 35 participants choose to work with the collective; 6 DPAL, 5 permanent affordability, and 4 self-help ownership. They are still awaiting the final selection decisions from the other two info sessions. Says they have 2 home buyers that will be ready to buy in the next 3 months. Says that they the other 13 will be ready in 6 months.</p> <p>Cheryl says that one of the challenges they are facing is the lack of housing stock. Says they would like to see more people invited into the preference policy program to participate as they are seeing some drop out, which is leaving slots available. Says that lack of earnest money, fees, poor credit score, and low income (around \$12,000) is slowing the process as well. Says the market is also hard; the average sales price in the area is \$462,000, and that the earnest on those homes is about \$5,000.</p> <p>Diane gives an overview of the 4 properties they have available right now. Says that Proud Ground likes to stay around 60% MFI. Says that these 4 homes are indicative of</p>	
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the stock that they are working with, and that they are hoping to match people with the right home. Says that the market value of the homes has already gone up \$60,000 since when they bought the homes in the fall.

Steve from Habitat for Humanity says that they try to maximize the resources that the five partners have to offer. Says the homes they are building will likely be attached townhome style. Says that they are looking to build for the families buying the homes, so they are working to get people ready to own before they design and build. Diane says they are working with other funding sources to help their people with that earnest and capital burden.

Holt says that the committee is very committed to working with families and keeping the housing stock affordable. Says that the committee is looking to be thorough, even if it seems rigorous, so that they can be sure that the families buying these homes can really afford them. Says he looks forward to seeing the progress updates as things move along.

Jillian asks if the family who they said was in the process of purchasing their home is close to closing? Cheryl says that they are using the DPAL program, and they should be done in about 2 months.

Felecia asks how long the homes the collaborative bought can be held? Diane says they are willing to do whatever it takes to make it happen.

Lisa asks what rolls Hacienda an NAYA are playing in the collaborative. Cheryl says they are providing what the other organizations are providing; homeownership one on one counseling, home buying resources and education, as well as the 8-hour home buying class required by HUD for many of their assistance programs.

Bethel wants to know how these homes will stay affordable, and what that looks like from start to end. Diane says they start by bringing the price point of the homes down to a level of affordability; with a goal of 30% monthly income going to housing. Says that once the family moves in they can stay as long as they want, but if/when they sell the home the people will get every penny they put into the house back, as well as 25% of the increase value from when they bought the home to when they sell the home. Says that they have been tracking this agreement type for 15 years, and what they see is when

	<p>people sell their home after about 10 years they are making around \$60,000 on their homes. Explains that when they buy the home they sign a community land trust agreement. Says that this allows another income qualifying family to purchase the home at an affordable rate thusly keeping the community affordable.</p> <p>Marlon asks if they own more than these 4 homes? Dianne says they would like to buy more, but right now they are looking for a way to keep this process rolling so that it is constant. Says they are working with brokers to monitor the market as well.</p> <p>Lisa asks PHB about bringing more people into the pipeline. Matt says that they are looking in to it, but running this policy is very staff intensive. Says it also comes down to people not getting back to them in time because once an applicant is selected they need to bring their documentation in to verify their preference points; says this takes time because some people trying to defraud the Preference Policy by lying and claiming the maximum number of points when they do not qualify for them. Says that there is a real worry that moving too many people to the active pool could lead to false expectations as well. Says they don't want someone to misunderstand their intention and choose to not make life decisions, such as buying (or not buying) a home in a different neighborhood, because they were moved. Says they are looking at how they could process people on the inactive list by verifying their preference points, without setting up that false expectation.</p> <p>Cheryl says that there was also a sense from the people in the program now thinking they will "get" something for free. Says this is a homeownership program and that people need to know that. Says that it would be helpful if a letter was sent to those on the inactive preference policy list letting them know that this is a homeownership program, and provide a list of what you need to become a homeowner. Matt says an easy Preference Policy application was the tradeoff for not throwing barriers in front of people. Says that this was so that people didn't self-select out of applying, but also knowing that when they open the applications for rental programs that they will be dealing with tens of thousands of applications, and they need a better system for sorting those.</p>	
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<p><b>Public Comment</b></p>	<p>Maxine says that PCRI owns a piece of property off MLK and Mason, and they have been trying to develop it for 5 years to turn it into senior housing. Says that they have applied to PHB for 5 years to fund this project but they have not been able to. Says they see other organizations get funding for similar projects but not PCRI. Says that she wants NNE to speak up and help PCRI build this project to help these seniors. Jillian says that she was on that committee didn't select PCRI for funding and that she would be happy to sit down with them explain their reasoning. Maxine says that she has heard those reasons and they are not true. Says that there is an equity issue when only \$4M is awarded to 4 culturally specific organizations a year and that needs to be looked in to.</p>	
<p><b>Wrap-Up</b></p>	<p>Lisa says that she would like to see the Mayor's office take interest in this committee. Says seeing that buy in from the new housing commissioner would go a long way to showing the community Portland's commitment to equity and to the neighborhood. Says that they need to see that the social equity and justice issues that this committee touches on are vital to Portland, and would like to see the Mayor and his office show interest. Holt agrees, says he will draft a letter that he will send around to the committee. Says that is would be great to see the Mayor attend at least one of the oversight committee meetings, and an ongoing presence from the Mayor's staff at the meetings.</p> <p>Dr. Holt says that he would like to see at least one member from the committee participate on the NOFA, says the request was for two people. Dr. Holt thanks the community and the committee for their time and for coming.</p> <p>Next meeting March 9, 2017.</p>	