



Portland Housing Bureau

Portland Housing Advisory Commission
Tuesday, January 10, 2012
 3:00 p.m. – 5:00 p.m.
 Steel Bridge Conference Room
 421 SW 6th Ave
 Portland, OR 97204

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

DRAFT 1 10 12 Meeting Minutes

Members Present: Jesse Beason, Andrew Colas, Rey Espana, Elisa Harrigan, Deborah Imse, Marc Jolin, Christine Lau, Shannon Singleton, Sarah Zahn, Brian Wilson

Members Excused: Carter MacNichol, Carmen Rubio, Toby Washington

Agenda Item	Discussion Highlights	Outcomes / Next Steps
Welcome & Review Meeting Purpose	Deborah Imse chaired this PHAC meeting. Traci reviewed the agenda	
Con Plan Amendment – Otesha Place	The City intends to use \$82,184.37 in CDBG-R funds and \$1,043,972 in CDBG funds for the rehabilitation of the 11-unit Otesha Place apartments located at 1488 NE Alberta Street. The funding is critical and time sensitive as tenants have been relocated due to an exposed roof that needs extensive repairs.	▶ City of Portland, Gresham and Multnomah County proposed this amendment on December 14 th , 2011 for the 30 day public comment period which will end on Friday, January 13 th , 2012.
Public Comment on the Budget	Justin Buri, Deputy Director, Community Alliance of Tenants: There is a high demand for Short Term Rent Assistance and affordable	

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	<p>housing in Portland and many low income people are on multi-year wait lists for assistance. The private market is short on affordable units and with the increase in foreclosures, rents have gone up. The City should continue to fund rent assistance and advocacy, and affordable rental production. Safety net programs and programs that assist people of color, seniors and people with disabilities should continue to be funded to the fullest extent possible.</p> <p>Veronica Bernier, Women’s Affordable Housing Group: Would like to see funding for women and seniors preserved as well as for Section 8 and acquisition rehab.</p> <p>Catherine Kes, Housing Director, Hacienda CDC: If the proposed cut of \$250,000 to Homeownership Education and Counseling was to take place six partner organizations that perform these critical services wouldn’t be able to fund up to one FTE each. These services are critical to the implementation of the Portland Plan and PHB Strategic Plan equity goals. A joint letter in support of housing education and counseling (HEC) programs was submitted by AAAH, Hacienda, NAYA, PCRI, PHC and Proud Ground and is attached as Exhibit A.</p> <p>Felicia Tripp, Deputy Director, Portland Housing Center: The minority homeownership gap has widened in Portland and has one of the widest in the country. This is one of the goals outlined in the Portland Plan in order to</p>	

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	<p>make up for choices the City has made in the past that forced many people of color out of their neighborhoods. This is the time to invest in homeownership as we are experiencing historically low interest rates and have the ability partner with nonprofits to provide housing education and counseling.</p> <p>Ardelia Gipson, African American Alliance: Over the last few years PHB has reduced staff in the area of homeownership education and counseling services resulting in more of this work being taken on by partner agencies coupled with a smaller financial commitment from the City for these programs. HEC support is crucial to ensuring that communities of color have access to and opportunities for homeownership.</p> <p>Deborah Turner, PCRI: There is a continuum of housing from temporary housing to transitional housing to affordable renting housing to affordable homeownership. If any part of this continuum is interrupted it can have far reaching impacts. Even though the dollar amount is \$250,000 this amount is leveraged way beyond that. Every housing option must be kept available for low income people and minorities to continue to have equitable access to all housing options. Most importantly, getting a family into homeownership is the most cost effective way to free up units and make more affordable rental housing available to others in need.</p> <p>Megan Kidd, Salvation Army (SAFES): The</p>	

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	<p>Salvation Army Female Emergency Shelter provides shelter to one of the most marginalized populations in our community and assists females with rapid re-housing. The City's financial support for case management and ongoing support is critical to SAFES ability to provide those services. Many of the women SAFES serves have faced domestic violence, drug addiction and mental health problems and need this kind of advocacy and support. There is a critical need for shelters and a long waiting list so this funding should be preserved.</p> <p>Three emails were received as testimony and distributed to PHAC and attached as Exhibit B.</p>	
<p>PHAC Budget Discussion</p>	<p>Traci framed the discussion by saying that PHB will be looking for guidance from PHAC on how to make budget decisions, framing and looking at the numbers.</p> <p>Alissa explained the handouts and the two rankings. There is a core mission ranking and the community priority ranking, the core ranking ranks each program against the community priorities in terms of overall utilization and popularity. The spreadsheet shows how the community ranked each priority in prior years. These rankings will influence budget decisions if there appears to be a large conflict between ranking, strategic plan priorities and budget decisions. PHAC discussion should line up with what your rankings are.</p>	<ul style="list-style-type: none"> ✓ PHAC will rank their priorities for the one time only requests and PHB program areas. ▶ PHB will revisit the across the board \$180,000 cut to priority 3 and reasoning behind the use of non-renewable HIF funds to fund this priority ▶ PHB will do further analysis around how cuts to shelters, rapid re-housing and short term rent assistance are intrinsically linked and could have a ripple effect on each other depending on where and how much the cuts fall.

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	<p>The one time only money is a separate ranking process. PHAC can also address comments about ranking in the letter to City Council.</p> <p>Staff handed out an all sources spreadsheet and a spreadsheet that shows sources of funds that can be impacted and three scenarios. The scenarios are arranged by priority that correlates with the large spreadsheets.</p> <p>Jacob presented 3 scenarios: Scenario 3 was an across the board cut to all programs equally, scenario 2 shows cuts based on strategic plan priority area alignment and scenario 1 shows targeted cuts PHB came up with based on a cross functional team of staff and program manager's recommendation. Community input is ongoing. Staff has identified ways to reduce costs, create organizational efficiencies and do resource development (most of which are long term changes).</p> <p>Scenarios are based on a point in time and were developed before contractor conversations so they aren't set in stone. These scenarios don't include one time only funding decisions. Cuts to the Bureau's serial one time only funds may require revisiting the scenarios presented here today.</p> <p>Deborah posed the question: What does PHAC think about deviating priorities from what was set as goals in the strategic plan? The strategic plan priorities still represent long</p>	

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	<p>term goals, but PHAC may recommend that the reality on the ground today doesn't line up with that. PHB has identified critical need areas and developed scenarios around them. There are multiple pieces of analysis besides just what was written in the strategic plan. Some of the scenarios aren't feasible. The targeted cut scenario makes the most sense in this budget environment and is PHB's best thinking for the bureau to get to where we need to be and "the new normal." TIF resources aren't included in these spreadsheets.</p> <p>Traci explained that this is “the tide us over” budget and it's PHB's responsibility to advise Commissioner Fish of what the backup plan is for the future. The bureau will be proactive about resources going forward with the help of the PHAC.</p> <p>Andrew said he would consider the staff input as the “best thinking” because they are here working day to day in the programs and know the most about how things work. Scenario 3 doesn't seem worth considering but was formulated at the request of PHAC just to see what an across the board cut would look like. \$194,000 was taken off the top at PHAC’s request based on staff recommended internal cuts before presenting the scenarios.</p> <p>Rey asked a question about the 3 scenarios as a whole. For instance, priority 3 has a \$180,000 cut across the board in each scenario. What analysis was done that made</p>	

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	<p>this an across the board cut? How was this number determined and why? That cut will have a significant impact on priority 3, yet in scenario 4 there was a statement that it simply couldn't be cut past a certain point. Staff responded that the \$180,000 was HIF, which is not an on-going source.</p> <p>Rey noted that much of the public testimony was from people saying that this priority is a critical area of funding.</p> <p>The numbers continue to change each day so the spreadsheets may not reflect exact amounts. Marc made the point that if the cuts are as high as the spreadsheets show for the shelters, rapid re-housing and short term rent assistance areas then it will be difficult for those programs to function because they are intrinsically linked.</p> <p>Andrew and Jesse commented that they were both leaning towards a mesh of multiple scenarios using targeted cuts as the basis and combining that thinking with elements of scenario 1. If areas take a bigger general fund hit it would make sense to deviate from the strategic plan to reduce exposure in those areas.</p> <p>Once final decisions on the one time only funds are made, the scenarios may need to be revisited. Before this happens, PHAC should be pre-engaging city council to emphasize how important funding in some of these areas is and the dire consequences some these cuts</p>	

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	<p>would have.</p> <p>Marc said that it's easier to say PHAC supports the targeted cuts if all of the one time only money requested gets approved. If one time only funds go away, a lot of current programs will need to be reconfigured and reconsidered.</p> <p>Once broad themes have been agreed upon, Daniel will draft a letter, send it around for edits and PHAC will sign off on it. Last year 5 main themes were focused on. These included: reaffirming the city's commitment to meeting unmet housing needs and ending homelessness, alignment with strategic plan, emphasis on not cutting core services, plea to be exempt from one time only ongoing cuts, preservation of core services, right sizing the bureau. administrative cuts, conversion of one time only money into ongoing and the idea of sustainability.</p>	
<p>Themes for Letter to City Council</p>	<p>Themes heard today:</p> <ul style="list-style-type: none"> • PHAC still supports strategic plan priorities but given the realities of today is willing to react to the pressing needs of the current situation. • Focus on not dismantling system capacity and take partners into consideration when making funding decisions. • Make sure that input from staff and their 	

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	<p>expertise is carried through the work of our budget decisions.</p> <ul style="list-style-type: none"> • Within each investment priority we should make sure a lens to prevent exposure is used while looking at opportunities for leverage (shelter/re-housing/STRA tie in) and keep an eye towards generating resources (HIF example). • Strategy of using targeted cuts would be supported. Transitioning one time only to sustainable funding needs to be strongly emphasized. • Intentional commentary on equity and address opening up access and equity in the community. • Point out the fact that without one time only funds for homeownership counseling and education there would be a 70% cut in that work. • Importance needs to be highlighted that homeownership helps free up affordable rental housing for others in need and is a very cost effective way to make affordable units available. 	
Meeting Wrap-Up	The next regularly scheduled PHAC meeting is Tuesday, February 7 th from 3:00-5:00 p.m.	



January 10, 2012

Portland Housing Advisory Commission
Portland Housing Bureau
421 SW 6th Avenue, Suite 500
Portland, OR 97204

To: Members of the Portland Housing Advisory Commission

We, the undersigned organizations, provide this letter in response to the proposed budget cuts to the Portland Housing Bureau 2012/13 budget as it relates to Homeownership Education and Counseling Services. In the current budget, under the category of One Time General Funds, there is \$250,000 in funding to our six organizations who effectively provide first time homeownership education and counseling as well as foreclosure prevention services in the City of Portland. The majority of the families served by our programs are low to moderate income, first time and often first generation buyers, and from Communities of Color.

We are requesting that PHAC (a) support our request for continued funding at current levels and highlight this request in your Transmittal Letter to OMF and, (b) consider ways PHB can work with our organizations in the future to provide stable long-term funding for Homeownership Education and Counseling, thus enabling us to foster sustainable homeownership for communities of color for years to come.

We urge PHAC to consider the impact any cuts will have in relationship to the minority homeownership gap that persists in the City of Portland. The communities of color served by the culturally specific Homeownership Education and Counseling (HEC) we provide will be deeply and negatively impacted by any cuts. Impacts will be seen in the areas of first time homeownership and homeownership retention - creating an even deeper gap between majority and minority homeownership, and will turn back the progress being made by our organizations.

Our organizations support the City's vision of a strong housing continuum and increasing opportunities for communities of color to maintain and increase strong roots in the City of Portland. To do this we need your help and advocacy to maintain funding and support a budget that retains Homeownership Education and Counseling.

The African American Alliance for Homeownership, Hacienda CDC, Native American Youth and Family Center, Portland Community Reinvestment Initiatives, Portland Housing Center and Proud Ground have outlined 10 critical points for your review:

- c. The foreclosure prevention services we provide have kept large numbers of families who are low-income and from communities of color in their homes; many who were victims of predatory lending.
- 6. Funding provides a leverage opportunity**
- a. Funding from PHB does not provide for the full budget for us to effectively run our programs; however it is core financing to our organizations and provides a great leveraging tool to secure further funding from sources such as Oregon Housing and Community Services, HUD, and local and national funding sources such as banks and foundations.
 - b. Without the base funding from PHB, several of our organizations will no longer be able to provide HEC services to the communities of color we serve.
 - c. Not only will HEC services be impacted, but there will be a domino effect on programs such as Financial Fitness, Individual Development Accounts (IDA's) and access by families from communities of color to the DPAL program.
- 7. Future impact of funding cuts on homeownership gap: communities of color**
- a. Without a strategic plan to maintain homeownership as a housing choice, the gap in homeownership between the majority and minority populations will grow even greater. The City of Portland already has one of the greatest gaps in the nation.
 - b. HEC services have been effective in keeping seniors, low-income families, and families from communities of color in their homes; without these services vulnerable populations become the victims of foreclosure prevention scams.
- 8. Continuum of services from homelessness to homeownership: "No Housing Program Left Behind"**
- a. There is a need to ensure all housing choices are available to the community. As a family moves from instability to stability, they utilize a continuum of services that move from temporary housing to transitional housing to affordable housing to affordable homeownership. An interruption anywhere along this continuum is detrimental to the City of Portland's goal of providing various housing choices to all residents.
 - b. Moving a family from affordable housing to affordable homeownership is the least expensive way of increasing the City of Portland's affordable housing stock.
- 9. DPAL and other programs are tools for the Homeownership Counselors; not a stand-alone program**
- a. The success of programs such as the Down Payment Assistance Loan Program (DPAL) is heavily dependent upon the HEC work that our Homeownership Counselors do in preparing individuals for first time homeownership. DPAL is a tool in our tool box and a way of getting more families into affordable homeownership. The DPAL program is a key way that the City of Portland supports affordable homeownership for communities of color. If the City cuts HEC the DPAL program will no longer be an effective tool to close the

minority homeownership gap and create homeowners within communities of color.

10. Equity lens when looking at funding cuts; disparate impact

- a. As outlined in the Portland Plan, Equity is a primary objective. Funding cuts of 60% to the HEC programs has a disparate impact on this category of housing and upon the services provided to communities of color who heavily depend upon this program for entry into homeownership and for those in trouble, assistance with maintaining homeownership through proven and reliable foreclosure prevention services.

In summary, we are asking PHAC to consider the long-term impact of cuts to this housing choice category and to support the families who would be impacted by such cuts. Thank you for the time you allowed us today to make our request known.

Sincerely,

Organization:

Executive Director

Contact

African American Alliance for Homeownership	Cheryl Roberts	Same
Hacienda CDC	Victor Merced	Catherine Kes
Native American Youth and Family Center	Nichole Maher	Sara Libby
Portland Community Reinvestment Initiatives Inc.	Maxine Fitzpatrick	Deborah Turner
Portland Housing Center	Peg Malloy	Felicia Tripp
Proud Ground	Jesse Beason	Same

Welch, Mary

From: Kalez, Jennifer
Sent: Tuesday, January 10, 2012 9:49 AM
To: Welch, Mary
Subject: FW: Advisory Committee Comment

PHB Budget testimony.

From: andrew + korney [mailto:kortandy@yahoo.com]
Sent: Tuesday, January 10, 2012 9:03 AM
To: Kalez, Jennifer
Subject: Advisory Committee Comment

Ms. Kalez--

I will not be able to attend the Portland Housing Bureau's Advisory Committee Meeting today, but I did want to let you know how our family has been impacted by housing policy in Portland.

We became very proud homeowners this last year! Great prices and interest rates coupled with education and support from NAYVA Family Services made this possible. I don't think home ownership was even something we dreamed of; it was too far off, too impossible.

Then we opened an Individual Development Account through NAYVA. We started saving toward a down payment for a house. We also started taking home ownership and financial wellness classes through NAYVA and Hacienda.

The matched savings program was an amazing boost to our down payment fund, but without the education we received, we would never have become home owners. We learned so much about the process and about ourselves! The classes and support we received through NAYVA gave us the tools and the confidence to buy a house.

We purchased a foreclosed home in St Johns. A home that now holds a family. A family that is a part of the vibrant community taking root in St Johns. A family who can walk to the grocery store and the library and even to work! A family that has a place for a garden. A family surrounded by good neighbors.

The City of Portland has an obvious interest in promoting home ownership. This is the sort of place Portland wants to be. A place where families can safely grow. A place where dreams can grow!

Please consider all the good work that NAYVA makes possible as you consider the upcoming budget.

Thank you for your time. Please feel free to contact me.

Kortney Garrison

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Portland, OR 97203
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kortandy@yahoo.com

Welch, Mary

From: Kalez, Jennifer
Sent: Tuesday, January 10, 2012 9:40 AM
To: Welch, Mary
Subject: FW:

Public testimony regarding PHB Budget. I replied to Ms. Macfie.

From: Paula Noel Macfie [mailto:purnanoel@yahoo.com]
Sent: Sunday, January 08, 2012 10:35 PM
To: jenn@navapdx.org; Kalez, Jennifer
Subject:

Aloha,

My name is Paula Noel Macfie. I am a single mother of two young children and live with a diagnosis of Multiple Sclerosis. I have been working with NAVA as a client for the past two years. I waiting for a grant in the next three months to become a first-time home buyer. I have been in the process of being buyer-ready for the past two years, and without NAVA I would not be where I am today. With the help of the NAVA Family Center 's Home ownership Program, I am able to purchase my first home, while living on a low-income disability income. As a first-time and first-generation home buyer, I needed help getting ready to buy a house. I have learned how to repair my credit and get my credit score above 700. I have learned through a Financial Wellness class at NAVA, how to pay off my bills and save money. I have been given the opportunity to have an IDA (Individual Development Account) through NAVA.

NAVA is an organization that has given my family of three an opportunity that I would never have found with any other organization. It is a place I feel safe and comfortable sharing with my home ownership and financial wellness counselors all of my money issues. I have been able to completely turn my life around for my health and my two children. I will have the opportunity to have a stable residence that I can actually afford - and most importantly, no matter what happens with my health, my girls have a place to call home that is theirs.

I believe that the City of Portland should invest in Communities of Color by supporting Homeownership Education and Counseling services. Home ownership provides the chance for my family to have an opportunity that I would NEVER be able to have on my own. PLEASE keep this program going. There are many people like me who would not have a chance to give my family a sense of stability and community that NAVA offers to us. With having an incurable disease and being a single mother with two small children, NAVA has given me a hand up that no other person or organization possibly could. I am forever grateful for NAVA and the chance they have given my family - to have a life I have only dreamed of.....to own my own home. You have no idea how much this means to me.

Aloha, Paula Noel Macfie

P. Noel Macfie, PhD
Remembering Our Ancestors:
Indigenous Mind/Indigenous Science Education

www.rememberingourancestors.org

"We don't worship our Ancestors, we consult them."
~Zulu~

Welch, Mary

From: Kalez, Jennifer
Sent: Tuesday, January 10, 2012 9:46 AM
To: Welch, Mary
Subject: FW: Homeownership Education

Public testimony for PHB Budget.

From: Natalie Mitchell [mailto:natdmitch_royce@yahoo.com]
Sent: Monday, January 09, 2012 11:18 AM
To: Jen Matheson; Kalez, Jennifer
Subject: Homeownership Education

Hello, my name is Natalie. I am a single parent of three sons and I have lived in the Portland/Gresham metro area since 1983. I have rented in Troutdale, Hollywood District, NW 21st, Lents, North Gresham, Kenton neighborhood, Centennial neighborhood and I hope to purchase a home in Gresham. My goal is to "live, work and play" in my chosen community and having a home for my family that I own is very important to make that goal happen. I have been a very dedicated community member for years by contributing my time to volunteer events, shopping at local businesses and supporting civic events. The next step in contributing to my community is to be a homeowner by paying property taxes and being a part of a neighborhood community. For ten years I worked and volunteered in my community while raising my sons and attending college (MHCC, Concordia University and PSU). I now have my Master's in Social Work and feel that becoming a homeowner is the next step towards family stability. My children on getting older now (high school), but when they were very young they had to experience many moves because stability in the world of renting is very slim. I would like to be able to give them the secure feeling of homeownership and would love to someday have my own grandchildren running around my home. As mentioned, I attended college and my higher education path started with a financial education class and IDA sponsored with Mercy Corps almost 14 years ago. That relationship helped guide my financial choices and spurred me on towards my MSW. Last year I had the opportunity to attend a Home Ownership Education class at NAYVA and was then able to commit to an IDA with NAYVA as well. Without the class, guidance and financial opportunity provided by NAYVA my goal of home-ownership would still be so far off. I am currently living in an RV while waiting for some logistical steps to take place, however once those steps are complete I will be able to accomplish my original goal set with the NAYVA home ownership counselors of purchasing a home for my family. My family is comprised of many ethnicity (Mexican, African American, Native American) and having an opportunity to leave behind the world of renting would be a blessing. Please make a commitment to stand behind housing services when making budgetary choices.

Natalie Mitchell, MSW

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