



# Portland Housing Bureau

Portland Housing Advisory Commission  
 Tuesday, January 4, 2011  
 6:00 p.m. – 8:00 p.m.  
 Steel Bridge Conference Room  
 421 SW 6th Ave  
 Portland, OR 97204

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

## DRAFT 1-4-11 Meeting Minutes

**Members Present:** Jesse Beason, Andrew Colas, Rey Espana, Deborah Imse, Marc Jolin, Christine Lau, Carter MacNichol, Toby Washington, Mark White, Brian Wilson.

**Members Excused:** Traci Manning, Carmen Rubio

Agenda Item	Discussion Highlights	Outcomes / Next Steps
<b>Welcome &amp; Review Meeting Purpose</b>	<p>The Director set out the goal for the evening: to elicit more reaction from PHAC to the Draft PHB Strategic Plan (SP), and segue from there into a discussion about what impact the SP would have on the PHB Budget.</p> <p>The review of the 12/14 minutes centered around the summary of the discussion of the PHB Strategic Plan on p.7, 2<sup>nd</sup> full paragraph. The summary noted that:  <i>“the [Section 8] program’s modest rent limits pushes families into areas of the city where the rents are lower, but where the infrastructure – transit, schools, sidewalks, supermarkets – is inadequate(e.g. Outer SE and Outer NE).”</i></p> <p>The summary expressed the opinion of the PHAC that “people should have a choice where to live, and that choice should include areas of high opportunity.”</p>	<p>✓ PHAC members reviewed and approved the meeting minutes from December 14, 2010, as amended.</p>

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	<p>Mr. White raised the concern that the parenthetical reference could be read to unfairly malign all of Outer East Portland as an area of low opportunity. Mr. MacNichol observed that the language had the feeling of red-lining an area.</p> <p>Staff provided context for use of the term, explaining that HUD adopted the concept of “high opportunity areas” in its Sustainable Communities Initiative (SCI). In keeping with the SCI, PHB has two goals: (1) to deliver more affordable housing units in neighborhoods now deemed “high opportunity areas,” and (2) to influence its community partners (e.g. TriMet, school districts, the business community) to invest in improving the infrastructure in neighborhoods that are not well-served today, so that they may become “high opportunity areas” in the future.</p> <p>PHAC voted to delete the parenthetical.</p>	
<p><b>Public Comment</b></p>	<p>Mr. Bobby Weinstock of Northwest Pilot Project presented Six Ideas for PHB to pursue in 2012:</p> <ul style="list-style-type: none"> <li>(1) Continue good work coordinating with the Veteran’s Administration. New Congress still supports funding housing and services for homeless vets.</li> <li>(2) In anticipation of the acquisition/rehab or demolition of Portland’s many old hotels that are now home to fragile residents who face many barriers to housing, PHB should develop a</li> </ul>	

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<p><b>Public Comment (cont.)</b></p>	<p>relocation manual.</p> <p>(3) Given the high rate of staff turnover at social service agencies, PHB should invest in developing a housing training for new staff. The training should cover the 10-Year Plan to End Homelessness, and describe the housing resources available for their clients.</p> <p>(4) Given the high rate of staff turnover in multi-family affordable rental property management, PHB should invest in developing training for property managers on resources available to them for assisting their low-income, high-need tenants.</p> <p>(5) PHB should play an active role in the community-wide effort to eradicate bedbugs.</p> <p>(6) PHB should promulgate current data on the shortage of housing affordable to 0-30% MFI households. He is working with stale data based on the 2000 Census.</p> <p>Ms. Veronica Bernier, an advocate for women, addressed a variety of housing needs, including permanent housing for people who have been living in transitional housing, and for youth. She proposed remodeling some existing buildings to meet the needs of these populations.</p>	<p>► The recently released CHAS data should allow PHB Staff to update its estimate of housing shortages or surpluses at every level of affordability.</p>
<p><b>PHB Strategic Plan &amp; Investment</b></p>	<p>PHB's Senior Manager for Strategic Planning and Policy Andy Miller reviewed the SP edits he proposed in response to the equity discussion at the 12/14 PHAC meeting.</p>	

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<p><b>Priorities: Review &amp; Finalize</b></p>	<p>Mr. Colas supported the changes to the bullets under the Mission.</p> <p>Mr. MacNichol raised some concerns about the inconsistent usage of the words “community” and “communities,” and noted that the insertion of the work “economic” in the Values section (see “Equity”) limited the opportunities that PHB promised to extend. He also expressed his preference for more active language.</p> <p>Mr. Washington asked what PHB intended to stimulate in the first bullet of the Mission. He also proposed stronger language, e.g. “provide catalytic leadership” in lieu of the weaker “convening and leading” language in the third bullet. Mr. Jolin supported this.</p> <p>Mr. Espana expressed general satisfaction with the changes. He pushed PHB to follow through on its equity language by adopting metrics to measure progress on achieving equity goals, e.g. utilization rates, access rates for people of color. Not making progress is unacceptable. (This led to a discussion of 2A and 2B.)</p> <p>Mr. MacNichol commented on the ambitious array of goals, and suggested that PHB needed an implementation plan. He highlighted the need for new resource development. The resource development work could nest under Goal 4, because PHB’s organizational sustainability rests on generating new resources to replace declining resources and augment federal and local funding.</p>	<p>▶ In the next couple of months, PHB managers will be developing an implementation plan with outcome measures, including proposed equity measures.</p> <p>✓ Andy Miller invited any PHAC member to suggest measures for assessing the degree to which PHB is advancing equity.</p>

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	<p>Mr. Jolin initiated a discussion about the change from “the agencies and partners that comprise the local housing system” to “partner housing agencies.” He felt that the new language could be read to refer only to government agencies, and to exclude non-profits. Mr. MacNichol favored language broad enough to encompass for-profit developers.</p> <p>The Director shifted the focus of the conversation to the Investment Priorities. She clarified that they were sequenced to show their relative emphasis, and that she had no intention to zero out programs in Priority 4, or to invest all resources in Priority 1.</p> <p>Mr. MacNichol questioned the phrase “deeply affordable.”</p>	<ul style="list-style-type: none"> <li>▶ Staff will clarify that it means households with incomes from 0-30% MFI and may provide dollar figures.</li> <li>▶ The Director and Mr. Miller took all comments under advisement.</li> </ul>
<p><b>Strategic Plan Priorities: Budget Impact</b></p>	<p>Mr. Mike Johnson reviewed the draft Budget Worksheet, organized to track the order of the SP Investment Priorities. Executive Committee is still working on the budget.</p> <p>Jesse Beason commented that the prioritization seems consistent with predecessor budgets. In light of the diminished resources available, what is PHB not going to do, or going to do less of?</p> <p>The Director notes that PHB has two predecessor organizations, BHCD and PDC. At PDC, within Priority 3 (Homeownership), there was a focus on closing the minority homeownership gap, but PDC also supported a range of programs in service of broader</p>	<ul style="list-style-type: none"> <li>▶ Staff will send out a revised draft Worksheet with the FY 2011-2012 base budget and Decision Package columns filled in by Friday, January 14.</li> <li>▶ The current year funding column will change a bit. Certain TIF projects have been delayed to FY 2011-2012. In addition, staff will be able to do finer calculations to make sure that program budgets were properly assigned to the new Priorities. (PHB used different budget ‘buckets’ last year.)</li> </ul> <p>The TIF projections will also drop. Several districts are ending, and big projects are being completed.</p>

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<p><b>Strategic Plan Priorities: Budget Impact (cont.)</b></p>	<p>homeownership goals.</p> <p>Mr. White asked whether “minority” included the Slavic community. Members of this group face a significant language barrier that impedes their ability to purchase homes.</p> <p>The Director clarified that the intention of Priority 3 is to address historic, systemic discrimination based on race and ethnicity.</p> <p>Ms. Christine Lau underscored the need for resources to make information available to Limited English populations.</p> <p>The Director emphasized that PHB’s role is not to provide direct service to every community. Instead, PHB should set goals for partner agencies, ask about how contractors intend to reach those goals, track outcomes, and hold contractors accountable.</p> <p>Mr. Jolin noted the artificiality in the separation of Priority 2 and 4.</p> <p>Sally Erickson, manager of the PHB Access and Stabilization Program (including the range of efforts to End Homelessness) provided some historical context. While persons experiencing homelessness used to be routed to shelters, the best practice now is to use short term rent assistance to prevent homelessness or to rapidly re-house anyone who has become homeless. The City continues to fund shelter because, in this economy, there is an immediate need for shelter off the street.</p> <p>When we have more affordable housing,</p>	

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<p><b>Strategic Plan Priorities: Budget Impact (cont.)</b></p>	<p>shelter will remain useful for people who need documentation or have some other short-term need.</p> <p>Jacob Fox, the Deputy Director, explained that PHB is trying to reduce the cost of shelter, by streamlining operations and increasing efficiency. One possibility: deploy case managers differently, after people are already housed. Spending on shelter reduces the resources available to develop more affordable housing.</p> <p>Mr. Fox is also trying to connect PHB’s housing production and asset management of subsidized housing to the Ending Homelessness mission. Their historical relationship has not always been evident.</p> <p>Mr. Espana supports the notion of looking at case management. First, get people off the street. Then, provide case management and other services.</p> <p>Mr. Espana noted that the figure of \$109 K given in Priority 1 for building a unit was low. Staff confirmed that it assumed that the City contribution would leverage other resources. Mr. Espana maintained that, if the City wants units cheaper and faster, it should be creative, and figure out a way to finance buildings with fewer sources, perhaps by getting the private market involved. Layering and leveraging funding for affordable housing takes time and effort.</p> <p>Andy Miller noted that many of these ideas had surfaced during the Strategic Plan process.</p>	

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<p><b>Strategic Plan Priorities: Budget Impact (cont.)</b></p>	<p>However, to implement them would require moving other people's cheese. While PHB may move ahead with some of them, it expects a big push back.</p> <p>Mr. Colas noted that, in the current economic climate, private lenders are placing additional restrictions on their partners. While this is making it more difficult to obtain private funding for affordable housing development, there is also a lesson in it for the City: we can make demands, too.</p> <p>Mr. Colas noted that, with respect to affordable housing production, we need a baseline so that we can measure progress.</p> <p>Mr. Washington asked how PHB would leverage the private sector.</p> <p>The Director noted that the private sector including not only banks, but private landlords. She also noted that the City has been having frank conversations with its government partners, HAP and Multnomah County, about its ranking of Priority 2 over Priority 4.</p> <p>Marc Jolin agreed that private landlords are key partners, noting that JOIN's model for serving homeless persons is to look for private landlords that want stable tenants.</p> <p>Mr. Washington asked whether Priority 3 and Priority 4 should switch positions, in light of the current market obstacles to homeownership.</p>	<p>► Share Staff work on 0-30% MFI baseline, and PSH baseline.</p>



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<p><b>Strategic Plan Priorities: Budget Impact (cont.)</b></p>	<p>Mr. Colas pointed out that Priority 3 was already Priority 4 in terms of funding level (for FY 2010-11).</p> <p>Mr. Beason noted that the theme of PHB’s SP and investment priority list was: “What is our community doing to serve those who are shut out?” That question pertains to homeownership as well as to rental housing.</p> <p>{Later in the meeting} Mr. Espana confirmed with the group that they did NOT wish to exchange Priority 3 and Priority 4.</p> <p>Jacob Fox noted that Priority 4 shelter would not be going away. Priority 4 also includes funding for the Fair Housing Council of Oregon, HOPWA, 211 Info, and RentWell.</p> <p>The Director informed PHAC that the proposed budget would include as many as five layoffs. These would be over and above current vacancies. These cuts are necessary to ensure that the PHB Admin and Support budget is not disproportionately large in relationship to the much smaller budget projected for FY 2012-2013 and thereafter. The Director informed Staff that she would be making cuts at the January 4 Staff meeting; affected staff will receive up to 5 months of notice. She may reassign some staff to different work, e.g. resource development. The Director hopes that, by right-sizing PHB Staff now, further staff cuts will not be needed in upcoming budget cycles.</p> <p>The Director emphasized that she wants every resource that she can get. However, she noted</p>	<p>► The Director offered to brief PHAC at future meetings on PHB’s relationships with HAP and Multnomah County.</p>

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	<p>that TIF is not a perfect resource.</p> <p>PHAC members expressed their overall comfort with the priorities.</p>	
<p><b>Next Steps Agenda Highlights</b></p>	<p>The Budget Hearing will be Thursday, January 13, 2011, 6:00-8:00pm at the East Portland Community Center.</p> <p>The next PHAC meeting will be Tuesday, January 18, 2011, 3:30-5:30pm at the Portland Housing Bureau.</p> <p>PHAC will move to a monthly schedule in February.</p>	<p>► Staff will prepare a schedule for PHAC's review showing topics for upcoming meetings.</p>