



**Portland  
Housing  
Bureau**

**Portland Housing Advisory Commission**  
**Tuesday, April 3, 2012**  
 3:00 p.m. – 5:00 p.m.  
 Steel Bridge Conference Room  
 421 SW 6<sup>th</sup> Ave, Portland, OR  
 97204

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

**Meeting Minutes**

**Members Present:** Jesse Beason, Marc Jolin, Shannon Singleton, Carter MacNichol, Sarah Zahn, Christine Lau, Andrew Colas, Deborah Imse

**Members Excused:** Elisa Harrigan, Carmen Rubio, Rey Espana, Brian Wilson

Agenda Item	Discussion Highlights	Outcomes / Next Steps
<b>Welcome &amp; Review Meeting Purpose</b>	<p>Marc Jolin chaired this PHAC meeting.</p> <p>Marc asked the group to review the March minutes. Jesse requested revisions to equity discussion portion.</p>	
<b>PHB Equity Business Plan Follow-up</b>	<p>Daniel provided an update on the equity business plan. She has met with Marc, Rey, Christine, and Carmen; she received a final draft of the plan from Bruce Watts which will be posted to the website.</p> <p>Daniel provided an update on PHB’s Equity and Diversity Council: this is a cross-functional team which recently asked for a new generation of employees to participate. The expectation is for them to be a review body but also a generative body which can generate an equity lens tool and refined final draft of the guiding principles. The E &amp; D Council is a think tank for discussing ideas and tracking goals against the equity business plan.</p>	

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	<p>Kate Allen has met with PHB program managers to develop equity goals and a roll-out method for next FY contracts. She will work with contract managers and business operations internally. Daniel is meeting with external partners to gain additional perspective. She will develop a communication in the coming week to share with PHAC. Daniel acknowledged that PHB's equity work is iterative and changes often with feedback, which will lead to progress over time.</p> <p>The first phase of the equity plan is to recognize who we have served in the past, to publish this information and be transparent.</p> <p>The second phase is to have context around the need and access level of existing programs. In this phase, PHB wants to develop a methodology to get through the first fiscal year and to increase service to communities of color by a certain percent.</p> <p>The third phase requires community engagement. Communities can help us understand how they experience homelessness and other barriers to homeownership. Using this feedback, we can develop strategies to shape programs for the future.</p> <p>The fourth phase is to collect rich information and strategies. In this phase we need to develop ways of measuring and refining data. We will decide how to serve people not yet served and will make progress with the equity agenda. PHB would like feedback on how we communicate.</p> <p>Christine said she appreciates the transparent process and would like to see more methodology and data.</p>	

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	<p>Traci added she appreciated the discussion from the last PHAC meeting. She understood the feedback as: the equity plan is a good idea; let's figure out the right way to talk about it. She is willing to have more discussion regarding the methodology. PHAC's role is to push PHB to go further and to give an outside perspective.</p> <p>Daniel said that PHB is in talks with Oregon ON and has a forum each quarter. The June forum will have an equity focus.</p> <p>Traci added that the equity plan could be seen as controversial because of the need to roll language into contracts in the next fiscal year.</p> <p>Sarah said that for small contractors, transparency and involvement is key. This plan will create nervousness; we need to engage to bring contractors along with our new paradigm.</p> <p>Marc said that contract managers will help contractors understand the new plan and PHB's intentions.</p> <p>Traci added that most contracts are related to homelessness programs and that Sally Erickson is involved with the equity agenda. Everyone can learn more about the plan.</p> <p>Andrew asked how the equity plan relates to primary/large contracts and how language will be included.</p> <p>Daniel said that at this point, we have started looking at who we have served across programs and where we can decrease disparity. The idea is to increase service</p>	

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	<p>proportionally. In rental development, we can look at who is living in the units and ways to increase numbers in the workforce. The equity plan should affect professional services, project sponsors, and so on. The new contract term fiscal year starts July 1 and we will have conversation around program areas and contracts.</p>	
<p><b>Consolidated Plan</b></p>	<p>Kim McCarty introduced herself to the group. She is working on the Consolidated plan update. The Consolidated Plan is a document required by HUD and is the basis of how we spend PHB funds. PHB is the point agency to create the plan and is part of a consortium with Multnomah County and Gresham. The Consolidated plan is a five-year plan. The current plan covers 2011-2016 and was completed last year. We are now working on a one-year action plan for FY 2012-2013. Christine and Marc are representatives of the FFOC and there are representatives for Multnomah County and Gresham as well. These people are assigned to hear from the community what the needs are. PHAC's role is to consider the needs of Portland. Upcoming public hearings are April 12 (PHB), April 18 (Bud Clark Commons), and April 25 (PHB). Kim asked PHAC to invite their stakeholders or other interested parties to these hearings. Consolidated Plan priorities include rental housing, homelessness prevention, homeownership, short-term shelter and safety, economic opportunities, and relationship with the County. The County and Gresham have additional priorities. April 15 will be the start of the public comment period. We will post Consolidated Plan updates to the website at that time. The Plan is meant to be submitted by May 15, but we are asking for an extension due to budget timing.</p> <p>Marc asked how the Plan drives investment policy and</p>	

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	<p>does HUD look to the Consolidated Plan. Kim answered, yes: the Consolidated Plan creates a formula for how funding is directed to different programs and it can be refined annually through the action plans. Public comment is incorporated and can create an important process for the future when we can get the Consolidated Plan in sync with the Strategic Plan and therefore help inform the budget. We are a little behind schedule this year. The upcoming April hearings should probably have occurred in the fall to sync better with the budget process. The meeting schedule is online and we will also accept electronic comments from the public.</p>	
<p><b>Fair Housing -- Portland Action Plan</b></p>	<p>Daniel introduced Kim as leading the fair housing agenda. Kim supervises contracts regarding fair housing inclusion and leads FHAC. She also works on public engagement regarding the AI report. Daniel acknowledged Kim's zeal for leadership and consistent voice in connecting communities.</p> <p>Kim briefed the group on fair housing. A set of recommendations came out of the AI report to further fair housing. This is also required by the Consolidated Plan. Fair Housing is embraced by Commissioner Fish and the City. This set of recommendations is called the Fair Housing Action Plan of Portland and we have been working on it for four months. The Action Plan is designed to develop ways to align our efforts with and commit to strategies to further fair housing. The Action Plan reflects key impediments, strategies, and outcomes.</p> <p>Kim reviewed some of the progress to date and key milestones.</p> <ul style="list-style-type: none"> <li>• Advocates for fair housing: we need people to hold</li> </ul>	

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	<p>us accountable. This can be a role for FHAC. FHAC is a diverse group which includes three PHAC members. FHAC is consortium-wide and includes City, Gresham, County, and at-large members. FHAC strives to represent Coalition for Communities of Color, immigrant communities, the disability commission and others.</p> <ul style="list-style-type: none"> <li>• Funding: it was decided not to cut funding to fair housing contracts which shows the importance of this issue. Fair Housing Council secured additional funding for City and County. Oregon will be a place in the future that receives federal dollars; we have our foot in the door. The ground work has been laid to acquire future resources.</li> <li>• TIF Set-Aside is critical. It is important to set aside resources for vulnerable communities.</li> <li>• Communication with contractors is important.</li> </ul> <p>Carter requested a legend for the acronyms on the Action Plan.</p> <p>Shannon asked number 4 on the Action Plan: Credit criteria. She would like to know what work is being done on this issue. She would like to see more support.</p> <p>Kim said that the AI report indentifies this as a critical area. Kim has reviewed Oregon ON best practices and is making progress. Service providers have also brought up this issue and we need to create guidelines to address.</p> <p>Marc stated that the enforcement RFP is on hold and asked if there is a revised timeline.</p>	

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	<p>Daniel said we don't have a timeline but we heard a lot of feedback about goals of testing. The main goal is enforcement against severe violations. We put out an RFP and an FHAC subcommittee reviewed responses. The responses did not fit our needs. We now need to revise our plan for the RFP.</p>	
<p><b>Oregon ON Best Practices</b></p>	<p>Sarah discussed Oregon ON Best Practices. FHAC has done good work and now Oregon ON has created a best practices document. Oregon ON is a non-profit that represents property owners, housing authorities, and so on. It is a statewide consortium. Oregon ON's Best Practices is still in draft form and is being refined. The goal is for the Best Practices to serve as guidelines for property owners to work with managers and third parties. It can guide organizations in how to put fair housing practices in to play. It can inform project sitings, management oversight, how management puts fair housing into practice, marketing, etc. There is a lot of nuance involved in language. An example is screening criteria and needing to not negatively affect protected classes. The idea is to create a welcoming community among managers, properties, etc. Census and other data is helping track how the population is reflected and touches on a broad range of fair housing issues. OON represents a wide group of developers and owners and also serves rural areas. Sarah is not sure when the Best Practices document will be finalized.</p> <p>Traci asked if landlords identified areas in which they could use more information or training and what did OON members ask about.</p> <p>Sarah said that screening and waitlist criteria were</p>	

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	<p>mentioned. Waitlisting can lead to rejection. People would like to know how to keep the process equitable and fair. Section 8 can often have long waitlists. There is a need for management oversight. Non-profits have great missions but they still need oversight and advisement.</p> <p>Carter asked if third party property managers are involved in the process and Sarah responded yes, adding that the Best Practices concept does not just apply to affordable housing.</p>	
<p><b>MMHA Best Practices</b></p>	<p>Chris Hermanski introduced himself to the group. He runs Mainlander Property Management and is on the MMHA board. They represent over 150,000 units. Their members are primarily property management companies and come from around the state: Portland, Willamette Valley, Salem, Bend, Medford, etc. Chris commended the group and the Portland Action Plan. He sees good things happening. He would like to make fair housing a goal and wants members to be aware and concerned. They have started the process of creating MMHA Best Practices. They have similar points as OON. They included main points and goals rather than detailed information. They conduct educational forums for property managers. It is important for screening criteria to protect client but also allow units to be rented. They do not want to discriminate; they need to strike a balance. Reasonable accommodation and accessibility is a hot topic right now and over the last two years. MMHA is organized and have created a system. They have increased membership in order to increase education. They have formed their own in-house fair housing committee to create Best Practices. National speaker Nadine Green attends their annual meetings. MMHA is increasing opportunities for education in rural Oregon, such as Bend. MMHA has a lot</p>	



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	<p>of fair housing discussion including in their newsletters. The Best Practices document can be used for training, screening, marketing, and making accommodations. They are working on creating the right questions to perform self-testing. Chris talked about secret shoppers reviewing sites for fair housing. It is important to train managers and agents to catch issues and educate early. This way we can achieve fair housing goals.</p> <p>Jonathan Clay is a legislative analyst for MMHA who attended today's meeting with Chris.</p> <p>Jesse mentioned that an MMHA member raised concerns regarding who is performing fair housing testing and this was reported in the <i>Tribune</i>.</p> <p>Chris said that MMHA membership is concerned about testing and whether it is fair and unbiased. He said there is evidence of unfair testing in the past. Bad testing reflects poorly and is not accurate. MMHA is sensitive to how testing is performed. Chris would like testing to be more black-and-white. MMHA was the subject of a BOLI test which was largely unfounded. Chris does not want to see tests performed to exploit groups or for financial gain or public attention.</p> <p>Daniel said this is a conversation for PHAC. MMHA has been clear about their concern about testers being unbiased.</p> <p>Jonathan said that they have studied third party testers and have looked at how to qualify and fill role of testers. They would like to see future testing be legitimate and fair. They need to gain trust and identify who are the right entities to perform testing.</p>	

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	<p>Carter asked if we have talked to other cities to see how they have performed testing.</p> <p>Daniel said we want to learn from the last round of tests and work with PHAC. Feedback from MMHA and other organizations is important. Most testing has historically been performed by fair housing entities. We have to consider if an organization’s mission to combat fair housing and whether they are removed enough. Our funding source is HUD and they contract with fair housing organizations. PHB wants to try to look at other organizations and establish goals.</p> <p>Carter asked if BOLI is the only enforcement and Daniel said yes.</p> <p>Chris said that we need a non-advocacy group that is not biased to perform testing, such as organizations whose funding is not affected by testing.</p> <p>Shannon said that using fair housing organizations are common practice. She asked if there is evidence or fear that they are influenced in the ways Chris mentioned. Chris said that fear is driving the concern.</p> <p>Andrew said that bad testing makes everyone look bad. The public perspective is that access to fair housing is not being provided. We have to recognize bias—even testers may be biased. There is no way to test the reaction of hearing a name over the phone. If we are afraid to use an organization like PHB, we will never work toward a solution.</p> <p>Jesse said that he is equally concerned that tests are not done professionally. He does not want results to be</p>	

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	<p>challenged because there are issues with the methodology. He asked the group to consider how we can agree on a methodology.</p> <p>Sarah talked about the RFP subcommittee. The challenge is how to get a robust methodology from RFP contractors. There are not fair housing organizations currently that can do what we have asked—enforcement not just testing. It can be easy to prove disability violations but familial status is an issue. People can be treated differently because they have children. This is harder to prove.</p> <p>Carter said that this is a major issue in many cities. Even if testing occurs through advocacy committees, the methodology is out there.</p> <p>Daniel said that many methodologies are proprietary and there is a reluctance to release information to a public entity because it could become subject to a public records request and testers would lose the element of surprise.</p> <p>Carter said that property managers shop each other all the time and there is not really a secret about methodology.</p> <p>Daniel said that after last year, we have heard the community wants testing and wants it to be specific. We probably do not have the funding for scientific sampling. With a limited budget we want to focus on testing that leads to enforcement. We want to catch and target known offenders, not catch first time slips. We would like to try to craft a fair, transparent, and competitive process. There are two schools of thought: one which agrees with existing methodology and one for which</p>	

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	<p>methodology does matter and for which there is fear results will be compromised.</p> <p>Chris said that there is cultural change from previous reports. Awareness is higher and the fair housing message is coming across. The next round will show more changes and improved results.</p> <p>Carter said that some pieces are easier to measure than others. We need to take baby steps with processes like certifications. We need to get people to accept Best Practices. We need to figure out how to get to that point.</p> <p>Marc asked how lawyers are involved in PHB's fair housing enforcement.</p> <p>Kim said that Legal Aid and Oregon Law Center are invested. Most resources with Fair Housing Council are for education. It would be helpful for Portland if there were more communication between legal entities. We have convened with them with HUD and law enforcement regarding the Action Plan. PHB will convene with contractors to discuss how to streamline the process.</p> <p>Andrew asked how many lawyers are involved. There are hundreds of thousands of units but not very many people involved at the legal level. We need steps not to run from testing but to help. We need to set up processes. We know there is a problem. The best practices information from Chris and Sarah is positive. This should be part of everyone's mission.</p> <p>Chris said fair housing needs to be an ongoing mission. Sarah said after we adopt practices, we need to enact and implement. Kim added that Deborah has suggested</p>	

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	that Best Practices be a living document.	
<b>Director's Update, New URAs</b>	<p>Traci provided an update on the budget process. 40 percent of the general fund is one-time only. PHB has been asked to propose what we would do with 2M, 3M or 4M dollars. PHB is taking a high-level approach with targeted budget recommendations. One million dollar chunks is very broad. This would not cause cuts across the board but would require entire programs to be cut. PHB will talk to Council about the impacts of funding cuts on community and the strategic plan. OMF asked about backfilling with other funds. There is little federal funding eligible to be used in these programs (shelter, rent assistance, etc). There is not a lot of backfill opportunity. The budget recommendation is the same as last year: cut STRA, one-time homeownership, and 6 percent of the general fund. Budget hearings have started. PHB has one hour to present to Council. The presentation is Wednesday, April 11 at 1pm. Mark or Brian will be there to present but there is not public testimony. PHB will speak for fifteen minutes about budget, equity, the Portland Plan and other significant issues and then answer questions.</p> <p>Jesse inquired about the revenue forecast. Traci said it remains the same. The COLA is 3.3 percent. Business tax receipts will be an item to discuss. The Mayor's budget is due the first week of May.</p> <p>Sarah asked if PHB is looking for PHAC activism or support regarding the budget presentation.</p> <p>Traci said that either Mark or Brian will be at the table and it would be great to have support of PHAC members</p>	

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	<p>in the audience but there will not be an opportunity to speak.</p> <p>Traci shifted to discussion on URAs. There are six micro districts. These are neighborhood initiatives and commercial districts which are targeted on economics. We do not want to take out the 30 percent set-aside as long as districts do not get any bigger or have more debt. Funding is enhanced by general fund. Jesse and Rey are on the committee and other members are encouraged to attend. Council will make a decision on April 11. Sarah added that Human Solutions supported this URA and has six housing projects involved.</p> <p>Traci talked about the proposed education district near PSU. This would provide 42M for affordable housing and would include the set-aside. We would need to leverage partnerships. Many partners have existing units in this area that need preserving. There are expiring Section 8 contracts near the border of the education district. We need to decide if these units should be included or not. How can we benefit. There is some community concern about this area. There is no pushback from the Mayor or PDC regarding the set-aside. This is going before the PDC commission on April 11 and the Planning commission on April 24. Council approval is May 9.</p> <p>Traci mentioned the separation of Komi Kalevor with PHB. We have lost resources and need to shift to preserving existing portfolio. We will review HDF and Asset Management teams in order to bring together.</p> <p>Alissa Mahar, PHB Business Operations Manager has resigned. She will be Sr. Business Operations Manager at PBOT which is a higher position that PHB does not currently have. We will have access to Alissa through the</p>	

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	<p>budget process.</p> <p>Andrew said that Komi leaving is a big loss from an equity and community standpoint. He said it is important to have people of color in leadership for agencies to be taken seriously.</p>	
<p><b>Meeting Wrap-Up and Planning for Next Meeting: LTEs and Rental Housing</b></p>	<p>Marc said that Kate Allen will lead LTE discussion in the next meeting. We need to align LTE programs with housing goals, the Portland Plan, and the Consolidated Plan. PHB needs strategies to collaborate with the County. Proposed changes are in process for committee review. LTE changes were discussed with developers on April 6. Kate is talking with lots of groups. Marc suggested a PHAC briefing and public hearing which would be the first week of May. Carmen, Brian, Carter, and Deborah volunteered to assist.</p> <p>Traci said that she will lead next month's PHAC and will discuss rental housing update. She needs volunteers for this: Carter, Sarah, and Shannon volunteered. Portfolio management review will be bumped to June. If there is a lot of testimony on restructuring LTE, we can be flexible with rental housing discussion. LTE is the priority for the next meeting.</p> <p>Traci said we can set a time for the three volunteers and see if others want to join the rental housing discussion.</p> <p>The group discussed whether July 3<sup>rd</sup> would work for the July meeting and Marc said we can decide in May.</p>	<ul style="list-style-type: none"> <li>▶ PHB will set up an LTE meeting with Kate Allen and PHAC volunteers: Carmen, Carter, Deborah, Brian.</li> <li>▶ PHB will set up a rental housing meeting with Traci Manning and PHAC volunteers: Carter, Sarah, and Shannon.</li> </ul>