



**PORTLAND  
HOUSING  
BUREAU**

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

## July 2017 Meeting Minutes

**Members Present:** Marlon Holmes, Sheila Holden, Virgie Ruiz, Felica Tripp, Jillian Saurage, Dr. Steven Holt

**Members Excused:** Karin Edwards, Dr. T. Allen Bethel, Triston Dallas, Dr. Lisa Bates

**Staff Present:** Areale Hammond, Sawyer Sheldon, Andrea Matthiessen, Leslie Goodlow, Matthew Tschabold

**Guest Presenters:** Moura Letterer – CCC, Travis Phillips & Andrea Debnam – PCRI, Sheryl Roberts – AAAH, Diana Linn – Proud Ground, Steve Messinetti – Habitat for Humanity

Agenda Item	Discussion Highlights	Outcomes / Next Steps
<p><b>Welcome</b></p>	<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="http://www.Portlandoregon.gov/PHB/NNE">http://www.Portlandoregon.gov/PHB/NNE</a></p>	
<p><b>Vote on change in boundary for the \$5 million allocation to entire URA instead of just within the study area</b></p>	<p>All members voted YES to expand the \$5M allocation boundary to the whole Urban Renewal Area (URA), not just the study area. Jillian asks if one of the Preference Policy Home Buyers who bought out of the old boundaries and it is in the new one, can we address that.</p>	

<p><b>Interstate URA Projects Updates</b></p>	<p>Moura with <a href="#">Central City Concern</a> (CCC) gave the update. The project is at <a href="#">6905 NE Interstate</a>. Says that close in, easily accessible by public transit, and the units will be 30% - 60% MFI. Says the site is next to the Albina Head Start and they gave part of the property for a shared playground but were unable to give them more space to expand due to costs. Says they reached out to the community to see what was a priority for the community and affordable housing was the number one concern so they wanted to supply as many units as they could. Says the site is being designed to be very cost efficient. Says PHB is putting up 28% of the funding and the site will be affordable for 99 years. Says that the residents will come from the area that have been displaced and will use the Preference Policy through PHB. Says that CCC will be able to refer residents to resources and include them on the PHB Preference Policy waitlist. She gave a quick overview of some of the programs offered by CCC all of which can be <a href="#">found here</a>. Says that CCC is committed to the DMWESB (Disadvantaged, Minority, and Women Entrepreneurs &amp; Small Businesses) process and has partnered with an <a href="#">MCIP</a> to help find and certify qualifying contractors. She says that the project set to close funding in July, and will be starting construction August 1 with an 11-month construction schedule. Jillian asks what the unit mix of bedrooms is; says that its 17 2-bedrooms and 34 1-bedrooms. Jillian asks if there are any 3 or 4 bedroom units; Moura says no. Dr. Holt says that he would like to see a DMWESB break down of who is being used and for which trade so they can see who are getting the opportunities. Dr. Holt asks who will manage the facility once it is built; Moura says CCC.</p>	
<p><b>Data Updates from Home Ownership Partners</b></p>	<p>Travis Phillips and Andrea gave the update for <a href="#">PCRI</a>. Travis says that the Beatrice Marrow building is coming along nicely; says that they are continuing to monitor the site for lead contamination and are happy to report there is less than they thought there would be. Says that construction is underway; the footing is poured and have started to put up the walls on the 1<sup>st</sup> floor.</p> <p>Travis says that he wants to work with the committee about how and whether the Preference Policy is working; what they need to change, and what the new goals should be for the policy. Says that they want to think about who they are serving, are the people who need to apply applying – if they aren’t applying, why and how do we reach them, and how do we end generational systemic poverty. Says that they are dealing with</p>	

a population that has been burned by the government in the past and they are reticent to trust the government again; says we need to think about how we reach them and keep the promise of the Preference Policy. Says that home prices and construction costs are going up, and that is not going to stop so they need to address it. Says that the folks that are going through the Preference Policy are lower income and may not be able to get homeownership ready in the current market. Says there is a concern about how much subsidy would be needed to help these new Preference Policy people; says that PCRI has people in their “home buying pipeline” that have been working hard – sometimes for years – to get homebuyer ready and that should be considered. Dr. Holt says that he wants to have that conversation, but there are time constraints tonight and they want to keep that in mind, but that this conversation needs to happen.

Andrea Debnam gave the Homeownership Update. She [presented the demographics data on the slides](#); the data is concerning the Preference Policy applicants that PCRI is helping. Says that the data is fluid and that it can change as the process goes forward.

Travis says that there are 6 PCRI owned sites in NNE Portland that they are looking to develop for homeownership. Says there will be 3 – 6 homes per site in a variety of neighborhoods that they are ready and able to develop. Says they will submit plans later this week, permits and construction starting later this year, they expect the homes will start coming on line in June 2018, on a staggered schedule. Says that they are working with MCIP to identify African American contractors from the area to work on the projects. Says there are some ongoing meetings with neighborhood committees on the impact of construction. Felicia asks if there are homebuyers ready to move into those units when they are done; Andrea says yes, based on the clients they are working with now there will be. Dr. Holt asks what properties are the permits are being pulled for. Travis says the one-off Williams and Alberta, and one off Interstate.

Felicia asks what PHB or the Committee can do to help them with this process. Andrea says that it would be great to talk about the other properties and programs that PCRI has that can help. Says that the timeline is also an issue and that they need to be sure that the intended households are being helped. Travis says that because all the NNE money is going through the Preference Policy it adds another hoop their clients need to jump through. Says they have been working with primarily African American families that have been displaced, but that adding more hoops creates barriers to those communities.

Jillian asks if the units will face Williams; Travis says no they will face a common walkway. Jillian asks if parking is available on site; Travis says they are not building it. Jillian asks if they have done a parking study; Travis says no but there has always been readily available parking when they have been there, says that to develop affordably tradeoffs need to be made and parking is an easy trade off. Virgie says that parking is an issue and should be included in considerations. Travis says parking is a tradeoff and adds about \$30 - \$50k a unit to the price tag. Virgie asks if the homebuyers were aware of the lack of parking. Andrea says they did a survey and the current home buyers said that it was not ranked highly over more space inside the unit. Travis says that PCRI is developing properties with parking if that is a higher need. Dr. Holt says that they are also worried about the process of the Preference Policy taking time as home prices are going up.

Sheryl Roberts for [AAAH](#), Diana for [Proud Ground](#), Steve for [Habitat for Humanity](#) gave the update for the collaborative. She thanks the committee for the yes vote to expand the boundaries to the whole URA. Sheryl explains the breakdown [on the slides](#); says they have three different housing models and the slides show on the demographic make-up of the programs. Reminds the committee that this is a homeownership program and that those in it are getting mortgage ready. Says that a lot of the issues people have are the same; debt, judgements, negative credit history, lack of earnest money, or collections.

Diana says that they have 1 new homeowner in a new home already. Says there are a few working on a lease to own option. Steve says for the past year that it has been a challenge to find property in the area that would be affordable. Says they found a site on the corner of Interstate and Kilpatrick in Kenton; it would have 30 homes, with both 2 and 3 bedroom units, ranging from 850sqft – 1,200sqft. Says that the ground floor units would be 2-bedroom accessible units and a 3-bedroom unit upstairs. Says there will 2 buildings, 1 with 18 units and 1 with 12, and a playground, but no onsite parking. Says the units would be very affordable, around \$130k and up. Says that it would be difficult to complete by the December 2018 timeline, but that they would be more likely to hit spring 2019 as it would be a Habitat for Humanity “Sweat Equity” model which is developed with mostly volunteer labor.

	<p>Felicia asks Steve if the 30-unit project would use the Preference Policy? Steve says that yes. Jillian asks if they could hit the December 2018 deadline if they didn't use volunteer labor? Steve says that they are in the land acquisition phase, so that would take aggressive commitment of funds and permitting to hit that deadline.</p> <p>Felicia asks what will be done to mitigate the risk of condo ownership. Steve says that Habitat has built 25 condo communities and one thing they do is work closely with the families to set up good HOA's with fees that can keep up the buildings. Felicia asks what the committee can do to help them; Diana says that expanding the boundary is a good start, and that they have many other ideas that they would like to set up a time to talk about.</p> <p>Dr. Holt asks how the rents are being used for the Lease to Own model. Diana says that the rent is below market, but above what her mortgage will be; says that difference is set aside for closing costs for the families. Jillian asks how many of the families will be mortgage ready by December 2018. Sheryl says probably 60%, says that they will have a financial plan, but they will not all be successful in homeownership.</p>	
<p><b>Home Ownership Program Updates /Options</b></p>	<p>Andrea gave <a href="#">the update</a>. Says that the AAAH Collaborative has requested an <a href="#">increase in subsidy</a> for their clients in the URA from \$80k to \$100k per homeownership unit. Says that due to climbing costs in the market that PHB supports an increase in the DPAL and development contracts as needed so that their clients would remain competitive in the market; but that would lead to a decrease in the number of households that could be served. Jillian asks if they raise in how many people could be helped; Andrea says it would go from 65 to 50. Jillian wants to know why \$100k was picked, why not \$110k or \$90k. Andrea says that the increase along with expanded geography boundaries that were approved tonight there is a hope that \$100k will help people who are struggling to find a home with only \$80k. Jillian and Felicia say that they want to see the analysis for why this extra \$20k would help the Preference Policy applicants become homeowners. Says they need to do their due diligence. Andrea says that when this all started there was a promise for 65 single family units to be developed; says that things have changed, the market is completely different now, and there will likely be more semidetached and town house units rather than single family one.</p>	
<p><b>Public Comment</b></p>	<p>Susan Rodriguez Allison – Says that she wants to talk about the people who are working to get homeownership ready. Says there are people trying their best but they won't</p>	

	<p>reach that 620-minimum credit score and wants to know what will happen to the money that is not used. Says that these are real people with real hopes and wants to know what will happen to them. Dr. Holt says that they are worried too, says that December 2018 is not their deadline but one picked for them, but they are working within those deadlines to use the funding. Felicia says that she is confident there will be programs to help them, says that it may not be this time; but that homeownership is the goal and they should keep them focused on that goal.</p> <p>Linda Tellis Kennedy – Says she is a Portland native, says she lives in NNE and has her whole life. Says she is passionate about her job and helping people here. Says that it is important that the implementation of the new Preference Policy process not be a deterrent for the clients already in the PCRI’s homeownership pipeline. Says that it is important this is not yet another hurdle or hoop for people. Matthew tells the committee that this comment about people already in the pipelines of existing partners has come up a few times. Says there are 3 options to remedy this the oversight committee could authorize 1.) A Direct allocation of resources for people already in the pipelines of existing partners, not using the Preference Policy 2.) Commit resources and do a Preference Policy for just those in the pipeline 3.) keep doing Preference Policy the same way.</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 September 14, 2017.</p>	