

Portland's Housing Bond

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

Bond Oversight Committee July 12, 2018 Meeting Minutes

Members Present: Allan Lazo, Todd Struble, Susan Emmons, Jes Larson (Vice Chair), Dr. Steven Holt (Facilitator)

Members Excused: Stephen Green (Chair)

Staff Present: Shannon Callahan, Karl Dinkelspiel, Tanya Wolfersperger, Jennifer Chang, Antoinette Pietka, Mike Johnson, JoAnn Gillmer (recording)

Guests: Janet VanGilder, Cascade Policy; Martha Prinz, City Auditor's Office; Brian Squillace, BORA

Agenda Item	Discussion Highlights	Outcomes / Next Steps
Call to Order, Roll Call	Dr. Holt welcomes those in attendance and advised there will be an opportunity toward the end of the meeting for those who wish to offer public testimony. He invited Committee Members to review and discuss the minutes from the prior meeting. A motion was made by Susan Emmons and seconded by Jes Larson to approve the minutes from the May 9 BOC meeting. The motion passed without discussion.	Minutes from May 9 Meeting approved.
Director and Staff Updates	<p>Shannon Callahan announced that PHB is on the Auditor's schedule this year for an early implementation look at the Bond. Martha Prinz, who was present at the meeting, will be representing the Auditor's Office. The bureau is looking forward to this opportunity to gain feedback and perspective at this early stage. We don't yet know the scope of the audit but the process is starting next week. It typically takes several months before a report is drafted and we'll have an opportunity to review the report.</p> <p>Mike Johnson spoke about the interim finance method used as we wait on the outcome of a vote on a Constitutional Amendment and move to a Bond issuance. The interim method is from a Bureau of Development Services (BDS) fund with a draw amount up to \$48M. We borrowed \$47M from BDS for the Ellington and paid all but \$10.2M immediately with the first Bond sell. We're paying a rate of 1.5%. In addition to getting a very good rate, by borrowing internally we can act on opportunities quicker than if we go through an RFI/RFQ process to secure a private lender. In reply to a question from</p>	

	<p>Allan about what drives the need for interim financing, Mike discussed economies of size and timing efficiencies (as early as six weeks) for internal borrowing.</p> <p>Shannon updated the committee that we are in process of finalizing the next newsletter. Some of the content will also be used in the annual report. PHB will ask BOC members to work with us on a letter to accompany the report, and we'll be reaching out to them via e-mail before the next BOC meeting.</p> <p>Jes asked if there was an annual audit in addition to the annual report. Shannon confirmed the ballot language includes an annual audit. Mike and his team are working on the scope of the first audit, which will primarily address the Ellington. This is a separate audit than the one the Auditor's Office is preparing to start.</p> <p>Shannon invited Committee members to join PHB at Council this Wednesday for the 4^h Bond purchase. More information on the project will be provided later in the agenda.</p> <p>Jennifer Chang reminded the committee of the work being done toward a policy to address when tenants are not income qualified (over-income) at the time of a bond property acquisition. There have been several meetings between PHB and Home Forward and an initial proposal has been drafted. We plan to share it at the next meeting. Meanwhile, both PHB and Home Forward are working through the issues relating to coordination and/or synchronization with existing policies.</p> <p>Jennifer also discussed the work Home Forward is doing, as they have assumed day-to-day management of the property, in collecting demographic and income (qualification) information for households at the Ellington. Notices have been sent to households inviting them to participate in an income verification process to determine if they qualify for the 30% or 60% AMI units. Around 40 households have not responded to the notice. Home Forward believes most of these households are over-income. No households have received non-lease renewals. There are also several unique situations which highlight the need for additional policies (e.g. over-housed policy and occupancy standards.)</p> <p>Todd asked if it was an assumption the households who hadn't responded had not done so because of income, or if there could be other barriers, such as an inability to read the notice. Jennifer noted she will follow-up with Home Forward's Asset Management Team</p>	
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	<p>regarding how they reached out to those households and any other information they regarding not receiving responses. She acknowledged the importance of making sure potential barriers such as language, physical ability (sight), and literacy levels were addressed and will share with Home Forward.</p> <p>Susan asked for an update on the effectiveness of the community organizations’ referral process, and our efforts to reach and refer communities of color and households exiting from homelessness. Did the targeted referral work? Jennifer replied there will be an updated status report at the next meeting and will include a summary of results from targeted referral efforts.</p> <p>Jennifer asked Committee members to give some thought to how they would advise the bureau if/when an opportunity (or necessity) comes up to name (or rename) a property. There was some general discussion about the potentials and pitfalls for corporate sponsorship naming rights, naming in honor of a historic figure or prominent person, etc. Todd suggested an advisory committee and the need for multiple perspectives. Susan mentioned a specific person who was eloquent in her support of the project in her neighborhood. She also mentioned a preference for the name Portabella because it means “beautiful gateway”.</p>	
<p>Progress Report Dashboard and Bond Project Updates</p>	<p>Tanya lead the committee through a series of slides on the status of the three projects acquired to date (i.e., the Ellington, 30th and Powell, and 105th and Burnside.) The Ellington is 263 units with a max potential of 1106 people. 30th and Powell is approximately 200 units and up to 350 people. 105th and Burnside is 51 units and up to 167 people.</p> <p>These total approximately 514 units housing a maximum potential of 1,623 people. She showed a map of what parts of the City where current and pending projects are located. Another slide showed progress toward the over-arching goals of the Bond.</p> <p>She presented a slide of the acquisition timeline of 105th and Burnside, which we closed on in June, and a summary of the investment: Purchased for \$14.3M; 51 units, 100% affordable; 24 family sized units; 16 (two-bedroom) units at 0-30% AMI; 4 ADA units with the remaining units type B-adaptable; 9 (two-bedroom) Permanently Supportive</p>	

	<p>Housing (PSH) units, approx. 167 persons house. Susan asked if there would be an opportunity to see the property. She also voiced her expectation that there be an update on the lease-up efforts in the October meeting. Shannon answered that, while official “grand opening” has not been organized, PHB would certainly arrange for BOC members to see the property and some of the units. Tanya then showed a slide of the development timeline of 30th and Powell. Construction on this vacant land is scheduled to begin in Fall of 2019. Significant outreach was done to engage WMESB vendors. Michelle DePass was acknowledged for her efforts. She showed an overview of the newest acquisition, which is in the Cully neighborhood. That property is at 5827 NE Prescott. At present, a single-family residence is on that site. PHB is assuming the property management contract and plans to keep the existing tenants in place until the property is ready to be developed. Shannon acknowledged Karl Dinkelspiel’s work on acquiring the property for a very good price. It’s 19,000 square feet and expected to accommodate between 50 and 75 people. Todd asked that the committee be reminded what CM2H zoning means in terms of potential. Karl responded that it allows for a 2.5 to 1 floor area ratio and approximately four stories.</p>	
<p>Public Testimony</p>	<p>Debbie Iona, from League of Women Voters of Portland, expressed her thanks to the Committee for using their microphones.</p>	
<p>Closing/Next Meeting</p>	<p>Dr. Holt thanks the community and the committee for their time and for coming.</p> <p>Next meeting Thursday, October 4, 2018, 9:00 AM at the Portland Housing Bureau (421 SW 6th Ave, Portland OR 97204).</p>	