

Portland's Housing Bond

Bond Oversight Committee
 Thursday, October 1, 2020
 9:30 – 11:00 am
 Via Zoom

Meeting Summary: October 1, 2020

Members attending via Zoom: Susan Emmons, Anneliese Koehler, Allan Lazo, Todd Struble, Dr. Steven Holt (facilitator)

Staff attending via Zoom: Shannon Callahan, Jennifer Chang, Jill Chen, Mike Johnson, Molly Rogers, Tanya Wolfersperger, Stacy Jeffries (recording, meeting support)

Agenda Topic	Speakers / Key Topics Covered	Clock Time
Welcome: Call to Order, Roll Call, Administrative items	<ul style="list-style-type: none"> Roll call was taken and recorded. After a motion from Susan Emmons and a second from Anneliese Koehler, the meeting summary from the July 16, 2020 meeting was unanimously approved by the BOC Committee Members in attendance: Susan Emmons, Anneliese Koehler, and Allan Lazo. (Todd Struble abstained, since he did not attend the July 16th meeting.) 	09:26:54– 09:38:11
Public Testimony	<ul style="list-style-type: none"> There was no public testimony. 	09:38:14– 09:39:36
Portland Housing Bond Updates: <ul style="list-style-type: none"> Year in Review Bond Project Progress Dashboard Report Expenditure Report 	<p>Tanya Wolfersperger, Program Coordinator for the Housing Bond, presented the year in review, highlighting the progress made over the past 12 months:</p> <ul style="list-style-type: none"> Production goals met and exceeded, including: <ul style="list-style-type: none"> Goal: 1,300 total units; EXCEEDED: 1,494 units Goal: 600 units at 30% AMI; EXCEEDED: 622 units Goal: 300 units of PSH; EXCEEDED: 313 units Goal: 650 family-size units; EXCEEDED: 689 units Total units increased for two projects: 3000 SE Powell and Anna Mann House Positive findings and recommendations from two audits (a performance audit and a financial audit) New templates drafted for financial and regulatory documents for all of the bond-funded projects Partnership with Prosper Portland to increase representation of DMWESB-SDV (<i>Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, Service Disabled Veterans</i>) contractors on those projects 	09:39:40– 10:02:38

	<p>Jill Chen, Housing Investments and Portfolio Preservation Manager, presented the Bond Project Progress Dashboard Report. Key points include the following:</p> <ul style="list-style-type: none"> • Council approval of the first Bond-funded project – Crescent Court Apartments. Closing and start of construction in November 2020. • Projects are on target, but there are tight closings – 8 over the next 6 months. Changes in unit count will require approval. • One project is experiencing extraordinary site costs due to: <ul style="list-style-type: none"> ○ COVID (affecting construction timelines); ○ Construction costs (cost of timber, drywall); and ○ Financing (Low-Income Tax Credits softening, from \$0.95/dollar to the low \$0.80s/dollar) <p>Mike Johnson, Finance and Accounting Manager, provided expenditure report highlights. Key takeaways include the following:</p> <ul style="list-style-type: none"> • One significant change is that our interest/credits amount has jumped to a larger percentage due to Bond sales; we sold \$164M in bonds recently, which is generating significant interest earnings • With eight project closings over the next 6 months, we will start to see some significant draws on bond funds • Still a fair amount of funds not yet committed, and we’re earning interest on the funds in place 	
<p>Project Updates</p> <ul style="list-style-type: none"> • Cathedral Village – Related NW and Catholic Charities • Las Adelitas – Hacienda CDC 	<p>Stef Kondor from Related NW and Travis Phillips from Catholic Charities of Oregon gave an update on the Cathedral Village project.</p> <ul style="list-style-type: none"> • Project located in North Portland (priority location); will house 250 – 300 people (conservative estimate) • 110 units, 50% of which are family-size • 8 units of permanent supportive housing (PSH), with Catholic Charities providing services and case management for those 8 units • Project features a music technology room for kids, and grants are being pursued for murals on the front of the building by Portland-based artists <p>Issues and Challenges:</p> <ul style="list-style-type: none"> • Increase in total project costs due to increased lumber prices, complications due to the COVID-19 pandemic, and increased insurance costs <p>Community Engagement:</p> <ul style="list-style-type: none"> • Partnership with VIBE PDX will provide after school youth music and arts program • Feedback from partners resulting in the following unit amenities: 	<p>10:03:19 – 10:42:21</p>

	<ul style="list-style-type: none"> ○ Bathtubs (varying sizes in units whenever possible) ○ Multiple laundry rooms ○ Improved family-size units to accommodate 2 twin/bunk beds and a queen-sized bed ○ Space planning for community and teen room ○ Office and meeting spaces for PSH services in addition to resident services space <p>Kevin Kellogg and Traci Manning from Hacienda CDC gave an update on the Las Adelitas project.</p> <ul style="list-style-type: none"> ● Project will house between 400 – 450 people ● Planned closing January 14th, with construction to start soon after and continue into 2022 ● Site of the former Sugar Shack strip club; highly sustainable building designed by Salazar Architects ● 7,000 sq. ft. common area on the first floor is purely non-commercial and includes event space and private areas for residents ● Hacienda CDC will provide resident services on site ● Cascadia Behavioral Health and Familias En Accion will provide services for 18 units of permanent supportive housing (PSH) ● Planned competition for murals <p>DMWESB-SDV Updates:</p> <ul style="list-style-type: none"> ● Contractor is in the process of finalizing bids; estimate is 30% DMWESB-SDV sub-contractors (<i>Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, Service Disabled Veterans</i>). There was also a high percentage of minority contractors in the predevelopment phase. <p>Issues and Challenges:</p> <ul style="list-style-type: none"> ● Same as Cathedral Village - supply chain disruptions; insurance and lumber cost spikes; lottery bonds un-funded by COVID; debt, equity markets very tight <p>Community Engagement:</p> <ul style="list-style-type: none"> ● Las Adelitas project is a partnership of 4 community organizations that teamed up to purchase the former Sugar Shack site: Hacienda CDC, Habitat for Humanity, Verde, and NAYA. ● Cully and prospective residents deeply involved in the design process from the uses to environmental features 	
Closing Remarks	Mayor Ted Wheeler provided closing remarks.	10:42:27 – 10:54:05

- The Mayor acknowledged the unprecedented challenge posed by the housing crisis and the huge accomplishment of providing housing for over 3,000 Portlanders through Bond-funded projects.
- He also thanked Director Shannon Callahan for her leadership and for exceeding the production goals promised to taxpayers.

Susan Emmons (BOC Committee Member) thanked PHB staff, calling them “the brightest and the best.”

Todd Struble (BOC Committee Member) thanked Mayor Wheeler for taking time in the beginning to make sure equitable guidelines were created for the Housing Bond despite the time pressure.

Allan Lazo (BOC Committee Member) echoed Todd’s remarks and added praise for the resiliency of the community and how rooted it is in the work being done through the Housing Bond.

Anneliese Koehler (BOC Committee Member) referred to the work done so far as “a moment of hope and excitement in the midst of what has been a tough 2020” and added that she is hopeful about what can be accomplished in the future with additional investment coming down the pipeline from the Metro Bond.