



Portland Housing Advisory Commission

Tuesday, July 27, 2021

3:00 pm – 5:00 pm

Zoom Meeting

July 27, 2021 Meeting Overview

Members Present: Nate McCoy, Diane Linn, Stef Kondor, Kymberly Horner, Julia Delgado, Ernesto Fonseca, Taylor Smiley Wolfe, Felicia Tripp Folsom.

Members Absent: Sarah Stevenson

Staff Members Present: Jessica Conner, Shannon Callahan, Leslie Goodlow, Mike Johnson, Matthew Tschabold, Tawnya Harris.

Agenda Topic	Key Topics Covered	Time
Call to order, roll call	<ul style="list-style-type: none">Chair McCoy welcomed everyone to the meeting and took Roll Call.	00:00:00 – 00:03:00
Public Testimony	<ul style="list-style-type: none">No Public Testimony at the moment. Will return after Director's Update.Kurt Creager, Bridge Housing, presentation Sitka Refinance and Repayment of TIF.<ul style="list-style-type: none">Building is located in the Pearl district, locked into a historically low interest rate for 35 years. Permanent Affordability Reaffirmed and Preserved through 2066.	(00:03:00–00:03:03) & 00:13:40 – 00:18:02
Director's Update	<ul style="list-style-type: none">Director Shannon Callahan, provided an update on the Bond progress report.<ul style="list-style-type: none">PHB has two packages to submit to community partners, including rent assistance for eviction notices, homeowners, and for funding for tenants in affordable housing.Commissioner Linn had questions regarding the additional funding for renters and prioritizing the funds and the Pilot program related to the Bond.Metro Bond Opportunity will be solicited next month in October.PHB Projects are set to close next month.	00:03:03-00:13:38

	<ul style="list-style-type: none"> Community based companies are working with the public with rent assistance and eviction notices. Commissioner McCoy any additional updates on relationships with other public entities and community partners. 	
Commissioner Discussion	<ul style="list-style-type: none"> Jessica Conner, open ended Commissioner discussion. <ul style="list-style-type: none"> Commissioner Linn, IH adjustment and homeownership questions, related to the application of the IH rules with rentals units and homeownership. Director Callahan explained the agreements in place and the developers options with homeownership and rental buildings and opportunities. Reconfiguration of units and changes to address the unattended consequences from previous IH rules. Commissioner McCoy, PHAC commissioner vacancies. Director Callahan, had a significant number of people apply. Had a conversation with City Commissioner Ryan last week and will develop a way to select new PHAC Commissioners by September. 	00:18:02 – 0:24:57
Affordable Housing System Financial Stability	<ul style="list-style-type: none"> Director Callahan, Affordable Housing System Financial Stability presentation. <ul style="list-style-type: none"> Mike Johnson, PHB Forecast. Bureau returning to FY 14 funding levels in FY 26. CET has replaced TIF as primary rental housing source in addition to CDBG & HOME. Bureau focus likely portfolio rehabilitation, compliance, and rental service. The Bond fund is the primary funding source. TIF is the major funding source until the Bond is depleted. Commissioner Linn, questions on the federal funding and grants. Explanation of past funding trends and also Covid-19 CDBG funding used primarily for rental assistance. Commissioner Fonseca, what does the future look like for home ownership if we replace the dollars with housing units and production? 	00:24:59 – 01:34:45

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| | <ul style="list-style-type: none">○ Director Callahan, we would need to make a lot of discussions before that could occur. CDBG and Home resources have Administrative caps on staffing and for the organization. They are also used to provide a variety of different sources.○ Leslie Goodlow, Staffing and Administration Costs. Between FY 22 – FY 30 without any additions or cuts. The admin costs are a slight increase. Budget is about \$250M per year admin cost is approximately 5% of that. Includes overhead and all staffing costs.○ Mike Johnson, TIF property taxes have been frozen and property taxes continue to increase and the City is able to use that income to issue debt and debt is what we have been using to fund affordable housing.○ The General Fund with the debt being paid off is going to grow to \$50M over the timeframe on the present graphic. Which is on-going funding.○ Director Callahan, explained the Bureau has chosen to fund its economic development agency and affordable housing agency through tax increment financing but the funds are going to start returning back to the general fund at a very rapid pace.○ Director Callahan, the bureau would like to explore with City Council a dedication of the returning resources, general fund resources to support the work of the bureau and partner agencies. Also, looking to the establishment of some reserves with Ad-hoc or one-time resources. To help weather some of the economic hurdles.○ There are also a number of decisions because of our mission to create new affordable housing.○ Also discussions around the SW corridor as well as the Community is doing some self-exploration, around community led TIF district.○ Commissioner Kondor, There has to be a diversity of different funding. That's where you get more stability. Maybe a transaction fee on a home sale. Just different ways to find income. | |
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- Director Callahan, We have short term rental taxes, a fee, and a tax devoted to the Bureau.
- Commissioner Linn, its upon City Council to think about how they structure funding for housing and going forward. Rethink it entirely and reprioritize it. The State is considering some kind of finance opportunity, housing finance agency role. That could generate a little bit of interest income that could be leveraged.
- Matthew Tschabold, Potential Funding Sources. 8 to 10 years ago conversations were happening around the sustainable of our affordable housing delivery system. Housing Oregon and other PHAC at the time were considering a 5-year forecast.
- Examples of other income opportunities, Impact Fees, linkage fees, dedicated local general funds, Value capture taxes or fees, Vacancy taxes or fees, and Local public/private/foundation funded housing trust funds.
- There are great examples from other areas around the country of jointly funded housing trust fund that supports affordable housing development and can be recycled and the trust fund can grow over time.
- Commissioner discussion on doing public private/partnership with beneficial outcomes.
- Discussion about supporting capturing a portion of the tax increment resources that are returning to the general fund before the end of the year.
- Commissioner Wolfe, suggested a later discussion a percentage and or support of drafting a letter or taking a position at the beginning of the next month.
- At the September meeting a suggestion to share more information, and create concepts that anyone would like to provide with any additional information on affordable housing and the industry.

Meeting adjourned at 4:49