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## Homelessness and Housing Committee

### Subject matter:

- Housing investments, permitting, and the continuum of housing supports.
- Sheltering and the City's role in homeless services.
- The needs, programs, policies, and bureaus addressing housing, homelessness, and homeownership.

[Committee meeting schedule](#)

### Committee Chair



[Candace Avalos](#)  
District 1 City Councilor

### Vice Chair



[Jamie Dunphy](#)  
District 1 City Councilor

### Committee Members



[Angelita Morillo](#)  
District 3 City Councilor



[Dan Ryan](#)  
District 2 City Councilor



[Eric Zimmerman](#)  
District 4 City Councilor

## [April 22, 2025 Homelessness and Housing Committee Agenda](#)

**City Hall, Council Chambers, 2nd Floor – 1221 SW Fourth Avenue, Portland, OR 97204**

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**Tuesday, April 22, 2025 12:00 pm**

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**Session Status:** Adjourned

**Committee in Attendance:**

Councilor Dan Ryan

Councilor Angelita Morillo

Councilor Eric Zimmerman

Councilor Jamie Dunphy, Vice Chair

Councilor Candace Avalos, Chair

Councilor Avalos presided.

Officers in attendance: Diego Barriga, Acting Council Clerk

Councilor Dan Ryan left at 1:15 p.m.

Committee adjourned at 2:05 p.m.

### **Regular Agenda**

1

[Fair Housing Month](#) (Presentation)

**Document number:** 2025-170

**Introduced by:** Councilor Candace Avalos

**City department:** Housing Bureau

**Time requested:** 20 minutes

**Council action:** Placed on File

2

[Update on the Homelessness Response System Steering and Oversight Committee](#) (Presentation)

**Document number:** 2025-171

**Introduced by:** Councilor Eric Zimmerman; Councilor Candace Avalos

**Time requested:** 10 minutes

**Council action:** Placed on File

3

[Mayor Wilson shelter plan update](#) (Presentation)

Document number: 2025-172

Introduced by: Councilor Candace Avalos

Time requested: 20 minutes

Council action: Placed on File

4

[Affordable housing production and preservation](#) (Presentation)

Document number: 2025-173

Introduced by: Councilor Candace Avalos

City department: Housing Bureau

Time requested: 1 hour

Council action: Placed on File

## Assigned documents

2025-045

Last action 2 months ago

[Amend Affordable Housing Code to add prohibition of anti-competitive rental practices including the sale and use of algorithmic devices \(add Code Section 30.01.088\)](#)

# Portland City Council, Homelessness and Housing Committee

April 22, 2025 - 12:00 p.m.

## Speaker List

Name	Title	Document Number
Candace Avalos	Councilor, Committee Chair	
Diego Barriga	Acting Council Clerk	
Dan Ryan	Councilor	
Angelita Morillo	Councilor	
Eric Zimmerman	Councilor	
Jamie Dunphy	Councilor, Vice Committee Chair	
Claire Adamsick	Council Policy Analyst	
Josh Roper	Policy and Planning Director, Portland Housing Bureau	2025-170
John Miller	Executive Director, Fair Housing Council of Oregon,	2025-170
Keith Wilson	Mayor	2025-172
Skyler Bocker-Knapp	Director, Portland Solutions	2025-172
Helmi Hisserich	Director of Portland Housing Bureau	2025-173
Danell Norby	Housing Investments and Portfolio Preservation Manager,	2025-173
Breonne DeDecker	Manager, Rental Services Office, Portland Housing Bureau	2025-173

## **Portland City Council Committee Meeting Closed Caption File**

**April 22, 2025 – 12:00 p.m.**

This file was produced through the closed captioning process for the televised city Council broadcast and should not be considered a verbatim transcript. The official vote counts, motions, and names of speakers are included in the official minutes.

**Speaker:** Good afternoon. I will call the meeting of the homelessness and housing committee to order on Tuesday, April 22nd at 12 p.m. Diego, can you please call the roll?

**Speaker:** Ryan.

**Speaker:** Here.

**Speaker:** Morillo. Here. Zimmerman.

**Speaker:** Here.

**Speaker:** Dunphy. Here. Avalos.

**Speaker:** Present. Claire, can you please read the statement of conduct for council committee meetings?

**Speaker:** Welcome to the meeting of the homelessness and housing committee. To testify before this committee in person or virtually. You must sign up in advance on the committee agenda at [Portland.gov/council agenda](https://portland.gov/council-agenda), slash homelessness and housing committee. Or by calling 311. Registration for virtual testimony closes one hour prior to the meeting. In person. Testifiers must sign up before the agenda item is heard. If public testimony will be taken on an item, individuals may testify for three minutes unless the chair states otherwise, your microphone will be muted when your time is over, the chair preserves order. Disruptive conduct such as shouting, refusing to conclude your testimony when your time is up or interrupting

others testimony or committee deliberations will not be allowed. If you cause a disruption, a warning will be given. Further disruption will result in ejection from the meeting. Anyone who fails to leave once ejected is subject to arrest for trespass. Additionally, the committee may take a short recess and reconvene virtually. Your testimony should address the matter being considered. When testifying, please state your name for the record and address is not necessary. If you are a lobbyist, identify the organization you represent. And finally, virtual testifiers should unmute themselves when the clerk calls your name. Thanks.

**Speaker:** Thank you claire. Today we have four items on our agenda. First, we will have a presentation from city staff and community partners on fair housing month. Next, councilor zimmerman is going to share his monthly committee update on the work of the steering and oversight committee. Then we'll have an update from mayor wilson on his plans to address unsheltered homelessness. And for the second half of our meeting, we'll focus on affordable housing production and preservation. So, diego, can you read the first item, please?

**Speaker:** Item one. Fair housing month.

**Speaker:** April is fair housing month, and we have city staff and the fair housing council of Oregon here to talk about the importance of fair housing. And we are joined by some very special guests. These are student artists who are the winners of the fair housing council's annual poster contest. So with that, josh roper and john miller, please come on up. State your name for the record and begin. Thank you.

**Speaker:** Thank you. Good afternoon. Chair avalos. Vice chair. Dunphy, members of the homelessness and housing committee. I'm josh roper, policy and planning director for the Portland housing bureau. I'm joined by john miller, executive director of the fair housing council of Oregon. Thank you for setting aside some time in today's agenda to discuss fair housing in Portland and to celebrate the

student winners of the annual fair housing poster contest. This year's poster contest theme is together we build a neighborhood. And i'll turn it over to john shortly to tell us more about the winners and to show us their very impressive posters. First, I want to share a few brief notes on fair housing. Earlier this month, mayor wilson proclaimed April fair housing month, consistent with decades of tradition in Portland. As the mayor put it, fair housing is a promise to ensure every Portlander has access to safe, stable and equitable housing. Fair housing month reminds us of our shared responsibility to address the injustices of the past, and to build a future where housing opportunity is available to all. I think that quote is particularly important because it highlights the broad aspirations of fair housing, and it acknowledges the significant work still left to do to realize those aspirations. Preventing discrimination, as the fair housing act requires, is foundational, but we also need to ensure that Portlanders can find housing that can afford that their homes don't make them sick or put them in increased risk of injury, and that they can establish and maintain long term housing stability. Historically, in this country, government and private industry have taken deliberate action to exclude communities of color, particularly black Americans, from housing opportunities, for example by establishing exclusionary covenants, preventing access to mortgages, refusing to show, sell or rent certain properties, or in certain neighborhoods, and including predatory terms in sales and lease agreements. The federal fair housing act, part of the civil rights act of 1968, was intended to prevent housing discrimination and to reverse segregation patterns across the country. Over time, federal anti-discrimination protections have been supplemented by state and local law. Today in Portland, it's illegal to engage in housing discrimination on the basis of race, ethnicity, color, national origin, religion, gender, familial or marital status, disability, sexual orientation, source of income, military status, gender identity, or a

history of being subjected to domestic violence, stalking, or sexual assault. These protections are essential, and the Portland housing bureau continues to invest in fair housing, audit, testing, education and enforcement efforts through partners like the fair housing council of Oregon to enhance compliance with them. And during the housing bureau's later presentation this afternoon, you'll also hear about some of the other work we're doing to get us closer to that broader promise of fair housing. For example, anti-displacement programming like eviction, legal defense. In the meantime, thank you to mayor wilson. Thank you to this committee. And thank you to City Council as a whole for promoting and advancing this work. There is much more to do and quite a bit of history to undo, but we at the housing bureau are proud to work for a city that is committed to pursuing a more just and equitable society. Now i'll turn it over to john miller, executive director of the fair housing council of Oregon. Thank you.

**Speaker:** Thanks, josh. And as josh stated, I'm john miller. I'm the executive director at fair housing council of Oregon. I have to say, this is my first time in the new chamber and the remodeled chamber. It looks beautiful. Kudos to the designers. I was trying to figure out how would we fit 1212 folks plus a mayor. Great job. So with that, so fair housing council of Oregon. We've been around for 35 years. We serve the entire state. We have folks in central Oregon, southern Oregon, eastern Oregon, and up and down the valley. And we do outreach and education. So we go to into communities and we teach them about fair housing. We teach landlords and realtors and the general public just all about the fair housing law throughout the state. We also conduct enforcement activities throughout the state. And so with jurisdictions like Portland and other areas, we have contracts where we actually do fair housing testing to make sure that landlords are following the rules. And then if they're not following the rules, we do investigations and sometimes we

bring action against the landlords. So that's in a nutshell. That's what our organization does. Around the state, we, as you may have heard right now, fair housing is actually under attack by the current administration in Washington, dc. Around the country, 79 organizations have lost their fair housing funding, including ours. That comes from hud. So it's a it's a it's a very interesting and difficult time right now for housing groups around the country. We're we're involved in national efforts to push back on this. And we're also involved locally on trying to get other folks to step in and help replace some of that funding that we're losing right now. Another thing that hud. Hud has announced that the region ten office is going to be closed. That serves Oregon, Washington, idaho and alaska. That's a significant blow to the area as well. And so we're also working against that. But with all that, the law is the law and fair housing law is still in place and must be enforced. And we are fully dedicated to continue. To our to this work and to continue that the law is upheld. And we I want to give huge thanks to the city of Portland for giving us an annual grant to help fund this work. It's hugely valuable. And it also reflects the city's commitment to fair housing. Overall, and I know that the city holds fair housing as a top priority. In my past life, I served on the on a homeownership advisory committee in which we tried to we created a strategy to close the minority homeownership gap in Portland. This was back in the mid 2000. And then later I served on the fair housing committee for housing advisory committee of city of Portland. So there's been a long history of dedication to fair housing here in the city of Portland, and we really want to acknowledge that. And thank you for that continued support of that work. And the commitment is really valuable. And given what I just said, it's actually even more important than ever before. So thank you for that. So as I said, we're going to continue this important work. And after that doom and gloom, I'm super excited to talk about one of the fun things we do every

year. Each year we have a poster contest, as josh alluded to. And we actually reach out across the state and we invite folks in schools to submit poster entries into a contest. This year's theme was together we build a neighborhood and around the state we had. We had nine schools participate, and we had 78 entries in all. And so it's during the process, we actually work with the schools and we provide education about fair housing law and what the what the benefits of fair housing law are. And then we ask the kids to come up with posters that express that around the theme that we've given them. And so today, as I said, we had nine schools. Portland, milwaukie, tigard and bend were represented. And all the entries we got, all 78 were fantastic. We have a committee of community organizational partners, other folks from around the state that are engaged in this work. It's not just staff that picks them, but it's community members. And they there's a whole process we go through to select winners of the of the poster contest. And I'm really excited today. We're going to go through and we'll present all the different winners. And then we have several of them here in the room. And so as we go through I will be we'll be acknowledging them as we go. So with that why don't we go ahead and start the slideshow. All right. So in our third place category for grades one and three, this one came from the le monde french immersion school. Oscar keizer and leo pyle are the are the winners of this one. And you can see from the drawing we've got different housing types and different flags, etc. That represent inclusivity within the neighborhood. Next one. So next we've got violet schaffer also from le monde french immersion school second place grades one and three category. And so this is violet's entry here. You've got the planet earth and really all inclusive to building a neighborhood. Next next slide. Andre ortiz. And here this is the first place winner grades one and three. Andre's comes from expressions after school program at hacienda cdc. And you can see the great artwork here that andre has submitted. All

right. Next. And next we've got eloise vigorito celine medal and minnie levy. These are the second place winners. Grades four and five category. They're from the le monde french school. And I do have a little bit of notes on on these folks. So eloise, I believe, is with us today. And the eloise favorite subject is art and history. And she feels like everyone should have a home as good as everyone else's, no matter their race, age, or how much money they have. She also thought it would be fun to enter in an art contest with her friends. And then celine, celine's favorite subject is math drawing, and celine was excited to do this with her friends. And then minnie. Favorite subject was drawing and painting and also playing catcher on her softball team. So. And I think they're all here. Oh, great. Thank you. Excellent. All right. And the next slide. Oh it is I'm sorry. Thank you. We're already there. So here we've got lacey elaine webb second place grades four and five from riverside elementary. And again you can see the diversity of all the folks within the neighborhood there. Different housing types as well. And next. Next slide. And this is maddie oats and adele sporborg. First place grades four and five category. The le monde immersion french immersion school as well. And once again we've got I love the colors on this one. Really vibrant. Vibrant depiction of a great neighborhood and all the different wonderful people. And next. And so kazmarek and owen childers, second place grades six through eight category from the le monde french immersion school. And you can see their artwork here. Really great. Great. Different messages there. Okay. Next please. And marin, first place grades six through eighth category. Le monde french immersion schools. And you can see here the once again different housing types, different folks enjoying the neighborhood. And next. And this is our grand prize winner. I should have mentioned beyond bragging rights, there's actually cash prizes that go with with these with these winners and with the grand prize winner, we actually create a poster which you will all receive in a moment. The. So this is the

grand prize winner. So it's avery driscoll and alice snyder. Alice's favorite subjects are math and art. Alice participated in this year's fair housing contest because it sounded fun. Alice believes fair housing is important and loves to draw, and the art teacher said it would be a good idea to participate. And avery. Avery's favorite subject is art, and avery participated in this year's fair housing poster contest because she believes in supporting a fair housing community for all. And as I mentioned, these this poster, this particular prize, the grand prize winner is created, put into a poster. We have those posters in spanish and in english and everyone will get one, including folks that aren't here today, but to place those in your offices. And with that, that's it. Thank you. Thank you. Guys all want to stand up, please. All the winners that are present. All right. Thank you.

**Speaker:** Thank. That's all that.

**Speaker:** Thank you so much for having us here today. Looking forward to seeing you again next year. And in the meantime, fair housing council of Oregon is going to keep fighting the fight. So thank you for your support.

**Speaker:** Thank you.

**Speaker:** Thank you so much for your presentation. Thank you so much to the winners who are in the room. We are very impressed and I'm very excited to hang my poster up. And in general, it is never too early to start teaching kids about fair housing. So I love that they're engaging in it in their way and showing a future that we are all striving to create for our our future generations. So we appreciate this inspiration. It definitely motivates the work that I'm doing up here at the dais. Colleagues. Any comments? Thoughts? Yeah.

**Speaker:** I am just unbelievably delighted. You guys are such incredible artists and I can tell you put such hard work into it. And it was so I honestly feel like I needed that. I really needed to see all of the art and your thoughts on everything. And I

think that gave me the strength to make sure that we're pushing the right things forward as your City Councilors. So thank you so much for taking time to be here today at City Council and sharing that with us. You guys put such immense work, and you're so talented at such a young age, and I'm so excited to see what you're going to do. Thank you.

**Speaker:** Thank you again so much for your time. And I'm sure you enjoyed playing a little hooky from school as well. So we loved having you in our audience. Thank you for coming. Appreciate it. Okay. With that, we are going to move into our next item. Diego, if you could please read it.

**Speaker:** Item two update on the homelessness response system steering and oversight committee.

**Speaker:** All right, well, this is our monthly report from councilor zimmerman on the discussion and agenda of the soc, which last met on the 16th. I ended up watching it online and was both overwhelmed and energized by the scale of the data. So I'd be curious to hear your reflections. Councilor. Go ahead.

**Speaker:** Thanks. So, steering oversight committee is, of course, a joint endeavor between city of gresham, Multnomah County and the city of Portland, where the mayor and I sit. I think the big news out of that, colleagues was that for the first time, the county published a by name list dashboard of data, which is something that some of us have been sitting in these halls for a while, have been calling for extensively because I've never been in a place where you can fix a problem when you don't know who and what type of help is needed in what place. So very happy that the that the data and the dashboard exists. That is kind of where my positivity ends, because the data that did come out was not good. Last year, the county had estimates with their point in time count in the 11,000 range. Last week we heard that that number has grown over the last year from January to January, and we're

well above 14,000 folks who are homeless now. And so that is very concerning from a perspective of and I will say, I think, I think there's a lot about a discussion about whether or not those are new names or new people, or if it's just a better accounting. And I would estimate that given the trends of the last few years and the increasing that it is a bit of both, that it does not represent 3000 new faces, but it certainly doesn't represent just 3000 of improper counting previously. So that's a problem when we think about how the sheltering program was developed in 2023 and into 2024, where the joint office for the first time really accelerated their funding for shelter. It was based on those previous numbers. And so now everything relative to getting the street camping issue addressed it with the most minor intervention. Which shelter is that much bigger now. And I think that's really important for us to hear we. But but like I said, you know, from this I am I am hopeful that this dashboard remains something that we can work on and have an have an idea for when a person is homeless in Multnomah County. What is their story? The previous six, 12, 18, 24, 36 months? Because a lot of that is what can lead to some of our our solutions development when it comes to who finds themselves homeless in Multnomah County, is Multnomah County a place that other communities are sending folks to? Are we a community who are sending people away? Those types of things have been bandied about, I think, in the in the atmosphere for a long time about about that. And I think we have a chance now to get real data around that. So I'm looking forward to that information so that we can talk about real stuff and not feelings. And so that will be important. I want to also note that the soc received an econorthwest report regarding. In particular and its impact in the community and some other contributing factors as they see it relative to housing development, the economics of that tax. Et cetera. Just a few things that I think I would I would want us as the housing committee to be aware of Portland

and the port. Excuse me, Multnomah County and the port of time, a point in time count that occurs. We represent about 85% of the homeless folks in the region who are affected by dollars. And we receive 45% of the hhs funds, right. Because funds go to the counties based on population. And so clackamas and Washington are being provided hhs funds based on their population, but not relative to their population of homeless individuals. And I think that over the last few years, more and more folks in city hall have started to call into question if that funding model makes sense. And I think we have to have a real conversation about that. And I hope that that lands with each of you, that 85% of the homeless in the point in time count versus 45% of the funds. If we're ever going to talk about an extension of that, those types of numbers need to be at the beginning of the conversation. It also noted that Oregon is the second lowest state in the union for the ratio of housing units per population as of 2023. And I think that is particularly important when we hear about. The number of permits that have come through the city of Portland in the last 12 to 18 months, the number of new houses, new apartments, new whatevers that are being developed, that we are second lowest in the nation and we are not permitting, nor are people asking to permit any number that gets us out of second from last. And I think that as a housing committee is something that I really want to have come off the page. And I know that chair that sent out sent out that presentation, I would encourage each of you is it is worth 30 minutes to receive that econorthwest presentation, and the slides are helpful. To put some context around it, this committee has both titles, housing and homelessness, and I think it directly gets involved there. But I will I will stop with that and just say, I think that the by name report gave leaders who sit on that committee some pause, because the programs that are being developed, in the mayor's words, the goalpost got moved and anytime the goalpost gets moved, regardless of your perspective that,

you know, that requires some introspection about, okay, what are we doing? What is the next? What is the next program that we're funding? What is will will the strategy that we're asking to put in place make a difference, given the fact that the goalposts just moved? And I think that is collectively where folks around that table for the soc exist right now. And, you know, you're aware that the that the leadership over at the homeless services department at Multnomah County is going through a leadership change in the in the right now, right now, time into the very near future for a new director. And so I think this will be important to see how the county reacts and then how, you know, i'll keep my eye to this of how does our mayor react with respect to our contributions to the joint office system and the items that we are funding from the city side versus the things that the county is funding? So all of that is in flux, given this by name list. But I cannot under I cannot overemphasize just how important having a by name list is to people who have been in this work for a while. And for those of you who did advocate for it, I am very appreciative because there are a lot of people who have worked in the homeless services world for a long time, who really resisted us when we called for a by name list, and they put us back way too far. We should have had a by name list a decade ago. And so I am just so appreciative to the people who stayed on this topic, because the county is very excited about this list, and I think we have a chance to go in a direction at an individual level, talking about individual challenges and needs in a way that we've never been able to do before. So. And i'll stop there, chair.

**Speaker:** Okay. Thank you so much. Did you raise your hand? Yeah. Oh go ahead.

**Speaker:** Councilor zimmerman. What table do I need to be sitting at in order to have that conversation about the supportive housing services funding allocation? How do we begin that conversation and how do we tie the allocation of those dollars to that list?

**Speaker:** Great question counselor. So there is a body sitting with with metro president peterson, a couple of members of the county commission. Right now, I don't mayor, I'm not sure mayor is on that as well. I think that is the table who's trying to talk about the future of what hhs looks like. So that's where I would point you. And I think that council president or metro president peterson has been open to some of these conversations in ways that maybe we weren't expecting, because I think that there is a recognition that hhs is not meeting the public's expectations. And so it's in real trouble. And so that's where I would point you.

**Speaker:** And also just we know that Multnomah County has the overwhelming majority of the homeless individuals in our state also, that for whatever reason, the clackamas county numbers are in the, I believe, triple digits total. Does. Is there is there conversation about expanding this by name list to all three metro count counties? You know? Is clackamas planning on joining their 200 homeless people that they claim is Washington county at the table for those.

**Speaker:** I don't know right now? Yeah, certainly a good question.

**Speaker:** Councilor rain.

**Speaker:** Thank you, chair avalos. First of all, thank you for that update. And thanks for acknowledging how many years it's taken to get this report. I know we passed that in the version of the committee that I was on in 2021, in the spring, and commissioner myron and I sponsored that, and it was passed, and it's taken about 4 or 5 years just to get it up and running. So let's hope there's a little bit more of a focus. And being steadfast on the importance of data, because if you don't know where you are, it's really hard to know where you're going. I think what two things that stuck out at me when I dug in a little bit is the recidivism. Those who are placed into permanent housing, and then 50% are back out on the streets in a pretty short period of time. Is that a dialog that you're having on this committee?

**Speaker:** Thanks. An important question. It did come up during this. I will convey to you, all of you, that there was a desire in that meeting that we need to get into that information. But the meeting and the way soc is structured is that that dialog is not happening yet. It is. It is a frustrating, you know, from an agenda management perspective. There are times when you receive data and then there's times you discuss. And what I would say is that group has not I don't think we've established our legs yet to have a robust conversation about that. And I think it needs to.

**Speaker:** I have to get creative, even discover that.

**Speaker:** Yeah. The, the. I think where where I hope that the soc goes is that it is able to have those types of discussions so that we can set guidance for more of the implementation committees and the and the bodies doing the work, rather than right now. I think it kind of feels like information is pressed up to the soc just to get the check in versus a versus a check about if you're on the right path or not. And I think that we all have experience with committees that mean something and committees that are performative. And it's a it's a mismatch at times on agenda information. Who drives what who who wants to get into information, who wants to get into topics that maybe are less flattering. What I did ask the staff at the joint office was, what is our commitment to transparent data? You know, if we see that a shelter system is not performing, they have bad outcomes. If that doesn't meet our hypotheses that we went into, how how do we ensure that we still publish that data on this wonderful data dashboard? Meaning who's the authority for what does get published and what doesn't? I think just by asking that question, they understood that there's an expectation, and they did assure that there's there is an expectation that data will not have some gate to meet at some political bodies. Yes or no. It can be published standard, which I hold is hopeful because we'll be able to talk about certain types of shelters, certain types of housing placement that have good or bad

retention and decide if they continue to stay part of our continuum or not. And I think that there are some of us who've said for a long time that describe what it is you need to be successful, because over the last few years, I think that the county and the city have shown providers were willing to pay for things that will be successful. So this idea that the legacy model was always done on the back of a napkin, and you had to be incredibly lean to get anything done. Well, if you're not producing results, I think I think we've got to continue to break that idea that that everything has to be done lean. We know that's an expensive system. We know the people who remain homeless today in Portland require a tremendous amount of wraparound services, and that is expensive. And we are not talking just about poverty based placements. We are talking about poverty, lack of access to placements, lack of access to mental health care, lack of access to treatment care. Et cetera. Et cetera. And those are expensive endeavors. So the guarantee that I feel like I got out of that is that data will be available, and we can get into that data and that it won't be gate. There will be no gatekeeping with the data. And I think that's an important transparency metric and perspective that we share. If the county is going to ask this public to continue to invest in moving forward.

**Speaker:** Well, thanks. I'll just ask this question as well. When we were building the test sites, the villages, same thing, we really made it clear that behavioral health services and workforce were a big part of that time, that you're in one of those villages and if, in fact, you're receiving those services, that you're in the workforce, there's data that says you'll most likely be much more successful once you move into permanent housing. It's been really difficult to see if the county, who is the mental health and behavioral provider, is actually providing those services. And I continue to have a hard time finding the overlay of that data. My gut says the hunch is that many people that are being put into housing, that aren't hooked into

behavioral health services, that aren't a part of workforce are definitely part of that population that's back out on the streets. And when you think of the big investment that we're making in this community, if we don't have the fidelity to connect those dots, it worries me that anyone will want to continue to invest in this very important system. Is, is that becoming more of a topic, and is there more accountability to that? In when you talk about looking at our contracts at the joint office with our providers?

**Speaker:** So my concern councilor. So a couple of things. I do think that that is becoming more talked about, but I'm going to use the shelter provider example that's in with my district, where I think that this difference in the city's approach versus the county's approach is, is on display, where in my visit to the Multnomah test site to learn how that provider that was currently there gets folks into the other types of services treatment, workplace, workforce training, etc. Their numbers were so much lower and they are provided and paid for by the county compared to the ones that are paid for and provided by the city. And that standard of how we approach an expectations. I think that there is humans do well when people put expectations on us. I think that's an important part of growing up. I think it's an important part of any struggle that any of us have been in. And i, as the district four representative, was very unhappy with the visit that I experienced in Multnomah village based on the one that was being provided by the county. We are taking that over. I'm happy that the city is taking that over, and it sounds like a different provider is going to come in who has a better track record with those types of enrollments in the support services? And that's where my concern is, is that if the county does not have a similar expectation and funding model for providers who have levels of enrollment in the other support services, that will have one half of this equation continuing to just. Not demand a level of accountability and working

through of issues that I think is an important part of, of the continuum. And so is it happening? It's happening. Is it is it fully invested yet in the county's culture and how they provide social services? I wouldn't go so far to say that yet. I think it's a continuous struggle at the county to get them to admit that, that providers and those who are enrolled in our services have to be enrolled, meaning do doing active programing, working with case managers, being part of a solution for their their situation. That's a that's a struggle at the county culture right now. And we remain partners. But when I look at what I am expecting, we're going to see with the county the city is funding in this next year. I think this partnership is very strained moving forward because I'm, I'm less and less understanding what the point of the joint office is if we continue to take back on the sheltering role at the county, at the city, which is one of the main reasons we got out of this business originally was in the beginning of the joint office ten years ago, and if we are going to continue to hire social workers to do the work on behalf of our shelters, because the county's won't, that is a very serious point for us to consider, especially given the fact that we send money to that iga.

**Speaker:** Thank you. I know I'm repeating myself for the past four and a half years, but I really appreciate everything I just heard, and we really hope that those standards become a leveled out, that they're expected across the board. And then we've always been asking for three years longitudinal data once they move into the housing to see three years later who's still in permanent housing. And that's a great way to measure the impact of the work that went on at the shelter system in the whole continuum to move them to that point. Thank you.

**Speaker:** Thank you. We've got a couple more minutes. Councilor morillo.

**Speaker:** I'll keep it brief so we can stay on schedule. Thank you. Thanks for that update, councilor zimmerman, I appreciate your perspective in being in that space

and the knowledge that you bring there. I'm I have kind of some random questions to ask. As far as you know. I think with everything happening at the federal government with tariffs, with trump threatening to garnish people's wages to force them to pay back their student loans, I think that we're going to see a different type of person become unhoused more frequently than we are now in the next few years. And so I guess I just want to highlight that for everybody that this is, you know, we do have a lot of folks who have mental health crises and addiction who are on our streets. And I think you're also going to see a lot of different types of people become homeless now. And I'm also curious, just given the trump administration's actions lately, if we have thought about or maybe if this is a question you could bring back to the group next time, how we are preserving and protecting the privacy of folks who are being tracked on this list, and just making sure that they are safe from any federal actions that might come down the pipeline later. That's just like an open question that I have. It's okay if you don't have an answer now.

**Speaker:** It's a great question that I'm going to take back instead of bumbling through. Yes.

**Speaker:** Thank you. Thank you, councilor zimmerman, for that report. Like we said, it is available also on the website on the homelessness and housing committee website for folks in the audience. If you want to take a look at the presentation, lots more to discuss, but I think the rest of our conversation will tackle some of those areas. So with that, diego, can you go ahead and read the next item?

**Speaker:** Item three mayor wilson shelter plan update.

**Speaker:** Okay, we have asked the mayor to come provide the committee with quarterly updates with his shelter plans. Mayor wilson, thank you for being here

today to share more about your plan as chair of the homelessness and housing committee, I know that our shared goal is to reduce and eventually end unsheltered homelessness. But as we've seen time and again, good intentions without long term strategy can lead to unintended harm. So I'm really interested today. Just talk more about your plan, learn more about your progress, and give the committee an opportunity to ask questions and talk about how what you're doing is fitting in with what we're also working on in conjunction with your leadership. So with that, take it away.

**Speaker:** Chair avalos. Thank you, vice chair dunphy. Good afternoon, councilors. Thank you for this opportunity to provide this update. Thank you. Multnomah County has now released their by name database representing an important advancement in how we make data informed decisions on homelessness strategy. Councilor zimmerman I agree, and I thought that was a great brief you just provided on the numbers and the sobering numbers that we're looking at. It also confirms that we've what we've seen on the street in about a year, our unsheltered homelessness population has increased from under 5000 to nearly 7000. Sheltering hasn't kept pace, and the shelters we have are effectively full. Which legally prevents us from fully enforcing our existing laws on encampments and rvs. If we fail to act, focus on those who we have already temporarily sheltered, or focus only on unproven solutions that will take years to enact. We will be responsible for the suffering and economic catastrophe that follows. We'll probably never get a satisfying answer on the number of folks who become homeless in our city over last housed in another jurisdiction. And frankly, it doesn't matter legally, logistically, or morally. My greatest fear is that our domicile and known deaths will continue to track these increases and will see yet another year of record setting deaths on our street. And again, we had 456 people die on our streets in 2023. When we closed

the chapter on 2024, we're expecting that to be at or around 600 with this chapter yet unwritten. Are we willing to accept 700 of our neighbors dead on our streets? Each of us, all of us were elected to act. Our insight survey is one of the most scientifically robust, thorough, and equitable ways we seek out public opinion on the issues that impact them across every district, across every education, race, ethnicity, and income level. Our homeless crisis remains the most important issue for the public we serve, outstripping even other core services. In fact, 85.4% of Portlanders agree we need to focus on and solve this. We cannot look at this and fail to deploy an emergency response designed to address the issue at scale. Our systems work best when they work together. That's why we are so focused on better coordination for our existing teams. These improvements enable us to better reunify individuals with family. I sent you an email two weeks ago about giovanni locked on our streets for three years, frightened to call his mother. We provided that call, provided the ride back home to brooklyn, and he was reunited with his mother and she so dearly wanted him home. We now are shuttling vulnerable individuals, and that's through the expansion of our Portland street response and the scope increase, and we coordinate with the justice system so individuals don't end up on the street. We're currently working with the Multnomah County jail that when they release that they're not releasing to homelessness, providing that access and that entry into our system. From a budget standpoint, I am focused on outside funding for our emergency shelter response, protecting our existing shelter assets and securing more funds to remove hazardous rvs and encampments. Our our constituents want us to get the basics right. That means more street cleaning, graffiti removal, and dealing with trash. Long term. Our efforts will only pay off if we increase housing production. I'm focused on housing production and empowering a permitting and housing strike team. Every person on my team is counting down

to December 11th. That is 223 days away in our leadership meeting on Monday. We begin with this date. Every senior leader in Portland has committed to hitting and making sure this date is the date that we're providing care for neighbors. At our incident command meeting for Portland solutions every Monday, we start with this date, and then we go over our core actions, our core values, which focus on action. We're in the capacity building stage of the plan right now. Since I've taken office, we've opened three shelters and we're on track to open more. We have promising long term solutions in the works, including City Council innovations on social housing and the one housing roadmap that was introduced here two weeks ago. Unlocking private developers, aligning with state level housing goals and funded behavioral health beds. To accomplish these goals, we must restructure, restore the missing link of emergency night shelters, deal with the issue at scale, and enforce our existing community standards and codes. And I'm happy to say that we've continued to learn to continue to look at best practices. Former new orleans mayor landrieu will be meeting with us on Wednesday. We can accomplish the task ahead. He was greeted with 8000 people living on his street, and two years later it was 1000. We met with salt lake city last Wednesday to work with their homeless department to see how they're managing their critical resources. Right now, we are moving our plan forward, but we're not satisfied. We're continuing to learn and gain information, so we focus on learning from these lessons and best practices, and we're going to employ them here to the best of our ability. So thank you for this opportunity.

**Speaker:** Great. Thank you for the presentation colleagues. This is the time to ask some questions. All right. Councilor dunphy, you want to kick us off?

**Speaker:** Absolutely. Mayor, in light of the new data from the county, how have you been adjusting your plans?

**Speaker:** You know, councilor. That word adjust was exactly what I said at the slc. The mission is still firm. We're focused on ending unsheltered homelessness, providing a bed for everybody in need by December 1st. And I simply said the missions said we simply adjust to changes along the way. And so that's what we're going to do as adjust to it.

**Speaker:** At this point. Does it have an increased cost that you're anticipating?

**Speaker:** No, we are you know, we have successfully funded for the mayor's plan. We've successfully we've successfully funded for the srt and the test site continuance. We'll modify. We are with every conversation and contract, we are focusing on scarcity. We're being very wise with every dollar. We have to make sure it it might have to stretch.

**Speaker:** Councilor zimmerman.

**Speaker:** It's pertinent to this presentation, and I could have said it in the last one. One of the data points that came out of the dashboard that I think is supportive of, of the mayor's shelter plan is that 91.7% shelter occupancy rate in February 25th? I take that in more common terms, as shelter is being used. And if we create it, we're still using it at above the 90% rate. If you build it, I won't say they will come. I think that would be a bad illusion here. But the idea that Portlanders don't want shelter, Portlanders who live outside don't want shelter. I reject that based on this data point. And I think that the mayor's plan to adjust given these new numbers is important that way, because not many things in this continuum have a 91 point anything use rate. So I just want to offer that up. I think it was relative to the last point as well.

**Speaker:** Thank you, counselor zimmerman. I put myself on the list here. I've got two kind of specific questions. I want to talk a little bit about the 90 day stay limit. You know, we've gotten some recent feedback from providers and county data that

indicate that the short term, short term shelter, hard words to say at the same time currently stays especially capped at 90 days, can disrupt service continuity and actually reduce housing placements. So I want to talk about what data you're using to support that. And how will this model avoid cycling people through those temporary spaces? Do you have any interest in discussing a change to that limit?

**Speaker:** Yeah. You bet. So two things. First of all, the existing systems we have don't have that employed. That's when we have enough shelters to allow the continuum to go up and down. So right now with the 24 hour shelters, those aren't being applied, not at our shelters, but as time goes by and we have additional capacity. You know, I've been working with commissioner singleton, who's an expert in this field, and she's been she and I have been meeting on this and we set or determined the 90 days is that focused. So the participant knows that this isn't a long term focus, but we are setting it to be trauma informed. Let's say somebody is coming into the shelter and they're experiencing survival mode. What takes 4 or 5 weeks for them to start sleeping, eating, dreaming. And then you connect them with services, case management. It may go beyond the 90 days, so long as they're engaging in services. There's oftentimes behavioral health issues where they may not have the acuity to interact like somebody who is, you know, medically disabled as opposed. So it has to be a flexible system. All the 90 days is, is to ensure that the participant is engaging in the services. But I was at sunderland rv last night going through their system and working with our participants. We had a meeting with their guests in there because I wanted to know more about it. And to your point, councilor zimmerman and the county system versus the city system. There's no engagement requirements, there's no stay limits. There's no case management management. And now their participants can leave for three days, so long as they call, it's fine. They get ten days away from the facility per year. Pardon me? Per

month. Do you see? We're not creating this opportunity. There's no case management involvement. And so I ask them what's next. And they're all going about their their process of how they hope to leave. But there's no sense of urgency in the system. And yet we're spending \$3,600 per month per rv camp spot. And so when you think about that high cost, we could have two single room apartments for that one rv parking spot. It is like gold. We must treat it like gold. And we must treat these guests like gold, but use self-actualization to bring them to the services to help them in that next step. Because we don't want to sustain somebody at the rv park. God knows we don't want somebody sustained at an overnight shelter, right? So it creates that partnership of that guest and the jurisdiction or the entity trying to help.

**Speaker:** Well, you started to speak to what my next question was going to be around. So we're hearing that. So one of the city's chosen shelter providers, urban alchemy, that they don't actually have the ability to provide housing vouchers or do case management services. So I'm just trying to understand exactly what do they provide if they're if they're not providing those kinds of placements? And are we relying on other entities to fill those gaps?

**Speaker:** Sure. Thank you for the question. I think it would be better for my all knowing director.

**Speaker:** Sorry, director of Portland solutions for the record. So thanks, travis, that the urban alchemy provides case care coordination, case management, but they call it care coordination on site. They also do navigation to housing and provide some client assistance through that process. But the city does not have housing vouchers or placement dollars, basically to go into housing that is provided by the state and then through the county. So Multnomah County, in previous years we have received one time housing assistance dollars from the state and from the

county. And when we were provided those, we were able to house folks very quickly. And we're very successful with that. However, in this last year, we have yet to be allocated housing assistance dollars for a number of our shelter sites. We are in the process right now working with the joint office of homeless services to get those dollars as fast as we can to the sites that really haven't had them for the last nine months. So we're really excited about that coming through kind of the procurement system at the county. But that's the current status. So it relies every year on coordination with the county and the county coordinating with us to provide those housing placement dollars, if that makes sense, does.

**Speaker:** But just to further emphasize so urban alchemy does have the capacity, and it's in their plan to be able to connect. Folks, I'm trying to understand what this care coordination is that does that mean something different than case management?

**Speaker:** No, it's just what they call it. So case management okay. Okay. Counselor Ryan.

**Speaker:** Thank you. Chair. Avalos. Mayor Wilson, I want to start off with your comments about the Sunderland site, the way that was designed and the way it was visioned and the way the plan was supposed to be executed is not happening. And so let's not let's remember that there was clear and crisp plans. There was the experts that's been mentioned are the same people that have been around. So how am I supposed to ever trust that when we make a change, suddenly the culture is going to change and we're going to start being accountable? We won't sugarcoat data and act like we can't talk about certain things. I'm just confused on being in this same conversation for four years.

**Speaker:** Yeah. You know, I think it comes down to the management of that facility. I really appreciated the conversation beforehand. That contract is currently

being managed by the county. Right. And it's going to be converting over to the city on July 1st. And so we're working on adding more capacity and we'll we'll look to change that contract and the expectations of the contract.

**Speaker:** And finally, I'm happy to hear that we're finally admitting that we.

**Speaker:** Need and interviewing them yesterday councilor they were as well. So I think they really like the focus that Portland. And to director Brock Knapp's point of view, she's done a great job.

**Speaker:** And then when you look at the data from the last set, when you look at slide 14 and it compares a lot of west coast cities, specifically with places like New York who have a big shelter system. But you notice that proportionality of total houseless and unsheltered homeless in New York sticks out, and that they put people in shelter every night, but they obviously have a lot of people who are homeless. And so I we don't want to look like that. That's right. Okay. And yet, unless you start to hear what the pathway is after, they're unsheltered and we have a radical cultural change in how the city and the county work together, and we finally start being accountable and having standards and are honest about all the data and all the factors involved. How are we not going to look like that?

**Speaker:** Well, they have their in particularly with New York and New York City, they have the right to shelter their public. Were so frustrated with the suffering on the street that I believe it was a class action lawsuit was brought forward and you must be provided shelter if you show up by 10:00 at night or something of that nature. It's extremely costly system. What we need to do is just recognize we can't allow suffering and people dying on the street. I think we can still meet the spirit of in New York, right to shelter. But we don't need a law to tell us to care for our community, and we can do it at a lot more rational, intentional approach by looking

at the inputs for cost and expectations. And then we work at the system on expectations of the entire system. I think we can do better than new york city.

**Speaker:** I hope so. They're hitting it out of the park when it comes to sheltering folks. They're not making a dent in how many people are actually homeless.

**Speaker:** That's exactly right. They have 60,000 people in shelter in a \$3 billion budget that would break us. So we need to be intentional and do it on our own.

**Speaker:** Our scale is a little different.

**Speaker:** A little scale, yes, yes, i'll give you that. But the growth is the concern.

**Speaker:** And then when you look at houston, it's obviously the sticks out as the best data on this list. And we all know it's because in houston they build, build, build, build in ways that we can't in Portland. That's right. And so did what's your analysis of that when you compare those two. Because those are the two extremes. And we want to get more towards houston and not looking like new york. Correct.

**Speaker:** A lot of collaboration in houston. But you are right. They have housing and permitting that can go up much quicker, much faster than what Portland is.

**Speaker:** You know what their cost per door is compared to ours in houston.

**Speaker:** You know, I don't I don't.

**Speaker:** Yeah okay. Thank you.

**Speaker:** You're welcome.

**Speaker:** Counselor zimmerman.

**Speaker:** Thanks, chair. Mayor, my questions and comments are going to go down the route of as we open up more shelters. I'm hoping that I can share with you an expectation for how we work with neighborhoods. But also if you can share with us your perspective on that. And I am, you know, one of the great privileges I've had working in city hall before elected was helping the brooklyn neighborhood, the hosford-abernethy neighborhood and the central eastside together form the good

neighbor agreement that surrounds the clinton triangle test site. And I recognize there are a few people in this, in this chamber who have had to. Pay the check that they cashed, that I made that agreement with. But point being is that I think good neighbor agreements are our path to opening more shelters. It's something that I took really seriously at the county. And I haven't asked a ton about it here because of the speed in which I think you have to move to achieve your plan. So my question will be, what is your perspective moving forward on good neighbor agreements? And I consider the fact that we as a city had to pay a different provider to do neighborhood outreach at the test site in my neighborhood, because the provider that was there refused to do that as a that's a non-negotiable, cancel the contract kind of move for me. If you're going to be a provider for the city of Portland, I expect that you play ball and that you work with the neighborhood, that you take their calls. So when people have a shelter coming to their neighborhood or already there, how do you want neighbors to engage when a problem comes up? Most Portlanders are very compassionate. As long as the problem can be dealt with. They're not asking that the problem never arise. What they're saying is when it pops up, how do I deal with it in a timely manner and not three months later? So how are you approaching that good neighbor agreement perspective in all the districts?

**Speaker:** Let me handle concept and then I'm going to have you handle mechanics. You are exactly right, councilor zimmerman. We need to act fast. So we've created what's called an engagement zone. When a shelter opens a 1000 foot radius, or I should say 1000 foot from that shelter, we now immediately improve it by using outreach workers, by if you post a tent, it's immediately posted to where we're going to improve every neighborhood in the livability around the shelter, because we want the neighbors to be welcoming as opposed to frustrated. And

then before I turn it over to you, the more street is a perfect example. We moved in middle of January, a lot of consternation from the neighbors because we were just getting started. We started adding the engagement zone. Now it's becoming a lot less issue and the neighborhood's improving and we want to be accretive to the neighborhood. We don't want to be a negative. We want to be a positive to every shelter we open up and mechanics. I'm going to turn it over to skye for that.

**Speaker:** Yes. Thanks, councilor. It's a great question. So to the mayor's point, we're trying to institute an engagement zone that will be realized at every single shelter that we're opening. So we will adhere to all the good neighbor agreements that we've already signed, obviously, and all those commitments that we have made. But in order to move quickly, we wanted to create some standard kind of model. So what that includes is, as the mayor mentioned, immediately posting camps in the surrounding area, we encourage neighbors to attend the problem solver meetings in their area. So we're connecting them with our shelter and outreach teams, as well as pmo and their team that engages in those meetings every other week. So they're able to engage on specific issue areas that they might want to bring up. We've also provided contact information and been in regular contact with the neighbors. We also have outreach teams that go out for two hours in the morning. If a shelter is closing for that morning after having folks there overnight, we have outreach workers in the vicinity. We have an ability to transport. We are able to connect folks to different services. We're also providing note cards that have those resources that are in the vicinity on them, so folks know what services are available in the surrounding area. We'll provide a map in each of the sites that shows where those services are as well. And then we're working with the providers on site. So right now that's the salvation army at the two sites that we opened in January. And they've been great partners in working with community

members and really facilitating a lot of those relationships as well, to try to address any concerns. We do want folks to still call 911 if there's an issue. And I think that's been some education that we've provided to different members of the community, but we're always there just to be on call. And I'll just be really transparent. Our team has been taking calls since January and we will take them ourselves. We will try to solve the problem as fast as we possibly can, and we're meeting with different businesses and neighborhood associations in the surrounding areas as well.

**Speaker:** Thanks for sharing that. And I have seen some of that in action, both myself and on behalf of my constituents, and I appreciate the perspective. One of the one of the value propositions that I told the former mayor was that we've got to sell this to the neighbors most closely, and proximity, because there will be the ones who either let us open the next five test sites or not based on their experience. So I just think that's so important. And in how we if we're going to open up enough shelters to actually meet the need that we just saw in the slides, that we're going to have to also have all of our neighbors understand that not only are we recognizing that you're taking on this challenging situation, but we are going to address problems more quickly than if you didn't have a shelter within that thousand foot radius. And we're going to address problems more quickly than you've seen in the city for the last several years. And I think that that's important for neighbors to understand as we move forward, is that the city is at least going to admit that shelters can have an impact on your neighborhood. And it is okay to talk about that, that we are not going to gaslight you the way that another government has for almost a generation, saying that you are a bad person. If you have concerns about a shelter going into your neighborhood. And I just am so appreciative that this government that this city has taken on, I would say an adult and mature approach to let's do this together instead of ignoring the concerns that come with

shelter. So thank you for that approach. And if you need stuff in the budget to make these good neighbor agreements successful, mayor, I hope you put it in the budget or you ask us for it if it comes in late, because a good neighbor agreement on paper with no resources behind it is just paper. Thanks.

**Speaker:** Thank you.

**Speaker:** We are a few minutes over time, but I want to make space for these next couple of questions. So to the next presenters just hang tight. We've got two more questions for you, mayor. Councilor dunphy, thanks.

**Speaker:** I'll be very brief. You know, if I can leave one legacy of my service here, it's that we just stop reinventing the wheel. I think that a lot of folks, a lot of communities across the country have experimented and tried things. But to that specific comment today, I've heard specifically references to salt lake city and houston and I you know, in 2018, 2019, the city of Portland flew the director of homeless response from houston out to here to see what we could learn. And we learned that homelessness in houston was directly tied to the cost of a barrel of oil, that when oil went above \$90, homelessness dropped by 50%, and that they don't have zoning codes and they don't really have much of a government. And they have jamie dimon from chase bank, they can just call up and ask for a quick \$10 million check to address a project. So there wasn't a ton we could really learn directly from their specific experience. And salt lake city was held as the gold standard for solving homelessness. But in reality, they changed the definitions of what considered homelessness and bought a bunch of bus tickets and said, hey, don't you have friends in Portland? We can learn. But you know, from what other jurisdictions have done, but it's, you know, I'm glad we are not passing the buck. We are actually trying to solve the problem. So I just think it is worth mentioning both of those points.

**Speaker:** Councilor morillo.

**Speaker:** Thank you, councilor dunphy. I really appreciate those points as well. And thank you for being here to present today. I have a more specific question about how your office will be engaging with us as councilors regarding some of the village contracts that are coming up. I am particularly concerned about sunstone way, which was previously called all good northwest, and that there are going to be replaced by ergon urban alchemy. Obviously, council has the directive, you know, we can choose to fund or not fund that. But I'm just curious why that change was made, especially considering that they were a shelter that was being run by afscme workers. And I have some concerns about urban alchemy and how they do their business. So I'm just curious what type of consultation you do with council for the changing contracts and shelter models that we're pushing forward right now?

**Speaker:** You bet. Okay.

**Speaker:** Thanks, councilor. I can take that one. So as I previously kind of told you in an email, happy to meet and kind of go over that process, i'll just say and not to get in the weeds because I know we're already over. But we went through a request for proposal process through procurement. That's an objective and fair process. Jeff blade is the point of contact for that. If you all are interested in talking to him, he will lay out the process that they went through and then the scoring matrix that they went through and how people were scored differently based on some of those scores, as well as some past performance pieces, are shelter services team that's run by brandi westerman under Portland solutions, is sent out letters of intent to negotiate, which is the standard process, and sent a letter to urban alchemy and not to sunstone way for that specific site. That's based on a lot of those pieces that I can outline for you if you want. One was occupancy of some of the units, some of the lack of flow through to housing, just some other difficulties with that provider at

that site. We're really excited about partnering with that provider at two other locations. We have additional shelters we're trying to open, and sunstone way was part of that request for proposal and was did receive a passing score and can provide overnight shelter. So we're really excited about that possibility as well. I've spoken with afscme and a representative from afscme about that, and the fact that we really want to encourage even more employees. We always need employees in this space. Staffing is always a huge issue. So we're really excited about different potential opportunities. But I'm happy to sit down and kind of walk through some of those pieces and those steps. But I would also encourage, if you want to talk procurement, jeff blade is the right person because that was separate from the mayor, and I were not involved in that process.

**Speaker:** Is it common to change a contract in this way? I mean, I read in a newspaper that it said that this is very uncommon unless the provider has done something seriously wrong.

**Speaker:** I think we're in a unique situation as we are transitioning from Multnomah County, holding the contract to the city of Portland, holding the contract. So a request for proposal when you're going to be holding the contract for a site, this is almost like brand new to us in a lot of ways, because we have not held this contract previously. So this is I would say it's a little different than a typical process. And in that way we're doing a whole new I mean, we made everyone apply. We were doing we did a whole new rfp for all of our alternative shelters, for day centers and for overnight shelters. So this is a brand new slate. We start July 1st, and we just went through that fair and objective process, through that rfp process that I mentioned, to ensure that we were just starting from scratch, basically on July 1st. So I know it's a little strange, but we're you can think of it basically as we're starting new July 1st because we haven't held a lot of those

contracts. It's kind of been patchwork. Councilor Ryan knows better than I do, but they like we got some of those contracts at different times. The city holds some contracts, the county holds some contracts, and it's a little confusing. So now we'll just start kind of from scratch on July 1st.

**Speaker:** That makes sense.

**Speaker:** I have one quick follow up. So on July 1st when we transition, are those acme workers going to already have jobs at these other shelters that you're proposing, or are they going to be waiting to figure out where they land?

**Speaker:** We are still an active contract negotiations. My hope would be that there would be plenty of opportunities, and we would finish those negotiations before that time, but we will try to be as fast as we possibly can with those negotiations. Thank you. Yeah.

**Speaker:** Councilor Ryan.

**Speaker:** Yeah. Thank you. Chair, I just have to get to another appointment and wanted to say thank you for this presentation. It's good to have.

**Speaker:** You here.

**Speaker:** Thank you. Mayor. That is all the questions we have for now. But we really appreciate you coming, giving giving us an update. Let's plan for the next time you come in. And I look to my fellow councilors as well of what might we ask in the next one, maybe to help the mayor prepare with other information we feel we might need at the next check in so we can talk offline. But thank you for coming and sharing.

**Speaker:** Thank you. Councilors.

**Speaker:** Okay. And now let's move into our last item. Diego, please read it.

**Speaker:** Item four affordable housing production and preservation.

**Speaker:** All right. So at our last committee meeting, we heard a presentation on the city's housing production strategy for building needed housing across income levels. And so I've asked the Portland housing bureau to come back today with a deeper dive on affordable housing, what it takes to build and preserve affordable housing, what work the city is doing to keep tenants stably housed, etc. So with that, I see all of our testifiers are at the table. Please introduce yourselves and go ahead and get going. Thank you.

**Speaker:** Okay.

**Speaker:** Good afternoon, chairperson avalos and co-chairperson dunphy, commissioners of the homelessness and housing committee. For the record, my name is helmi hissrich. I'm the director of the Portland housing bureau. And the presentation today is going to cover three distinct topics. First, I will review the Portland housing bureau's status of the housing production strategy. This is a continuation of the presentation from that you received at the last committee meeting from the community and economic development service area. And then secondly, danielle norby, who is with me here today, who manages our finance and development team, will provide a deep dive into the preservation of affordable housing. This is a part of the housing production strategy that we want to shed some light on, and we think it's important for city leaders to be aware of the status. And then finally, brian decker, who manages our rental services office, will provide an overview of landlord tenant policies and programs. In the interest of time, we're going to do all three of these presentations, rapid fire and hold the questions till the end, if that's okay. Next slide. Next slide. Oh one more. Okay. In August of 2024, the city of Portland adopted the housing production strategy, a strategy that contains 35 actions to be implemented by the bureaus of the community and economic development services area during the next five years. The plan emphasizes

equitable outcomes for communities facing bigger challenges to meeting their housing needs, especially low income households, families, communities of color, older adults, people with disabilities, and people experiencing homelessness. Portland housing bureau is the lead agency for nine of the action items, and we partner with our other bureaus on several others. Today's presentation, we will provide you with an update on the current status of the Portland housing bureau. Actions. Next slide. First, I would like to highlight a few of the achievements that we accomplished during 2024. In 2024, in partnership with prosper Portland, Portland housing bureau supported the establishment of six new tif districts, or tax increment financing districts, three in east Portland and three in central city. This is a very important achievement because it ensures there will be affordable housing funds into the future. Under the current affordable housing set aside policy, Portland housing bureau will direct the expenditure of 45% of tif district funds toward affordable housing. This equates to a 30 year investment of \$1.1 billion in affordable housing generated by the tif district proceeds and used within the tif districts, although it will take at least five years for the tif districts to ramp up, these funds equate to about 80% of the bond fund proceeds that we've had through the metro and Portland housing bond. Another thing we completed in 2024 was a review of the inclusionary housing policy. This work expanded the tax exemption for inclusionary housing units, creating greater tax benefits to housing providers, increasing the area where these tax offsets are offered, and providing incentives for inclusionary housing to deliver deeper affordability. Where housing is in short supply. Finally, one of the housing production strategy goals we worked on in 2024 was the leveraging of other state, federal and state, federal and other resources. In 2024, the Portland housing bureau wrote numerous grants to federal and local governments, raising \$20 million for the implementation of programs, including \$7

million in federal funds specifically for the implementation of the housing production strategy. We have also leveraged substantial federal, state, and private funds through the affordable housing bond program. During the past eight years, investment of \$450 million in Portland and metro bond proceeds has leveraged \$1.5 billion in outside investment into affordable housing in Portland. Next slide. In the coming year, fx has been working to implement several short term actions that are in the housing production strategy. It should be noted that many of these actions are funded by federal funds raised through our grant writing efforts. Specifically, we are currently working to implement an online affordable housing listing service that will make it easier for qualified renters to identify available units, and for housing providers to make it easier to lease their units. This work is funded by a \$300,000 grant from the federal government through the pro housing grant, in partnership with the bureau of planning and sustainability, fx is tasked with expanding equitable access to housing. The first step in this action is for Portland housing bureau to update the analysis of impediments to fair housing. This last fair housing, the last fair housing plan in the city of Portland was completed in 2013, so there was an urgent need to bring the data and action up to date. To kick off this work, we raised \$300,000 to the federal pro housing grant to implement a fair housing strategy in fair housing analysis in 2025 and 2026. As you know, the Portland and housing metro bonds have been highly successful investment in affordable housing during the past decade. These funds are fully committed and will be fully expended by 2027. In order to continue developing new affordable housing, we are working to find new housing funding sources in addition to the tif funds. To begin this work, we received federal funding to implement a communication strategy aimed at telling the story of how the affordable housing has transformed people's lives. And finally, our near-term strategy includes

developing an effort to preserve affordable housing in Portland. Danielle norby will be taking a deeper dive on this topic in the next section of the presentation, so i'll just state that we raised funds to support the development of a preservation strategy, which is intended to aid us in assessing the problem and prioritizing our responses to the urgent issue of preservation. Next slide. We have been tasked with developing a citywide land banking strategy, an inventory of publicly owned land that could be used for housing was completed in 2024, and fb is planning to release two publicly owned sites or city owned sites for development this calendar year. To support the development of a land banking strategy, we raised \$300,000 in federal funds to enable us to conduct a study of best practices in municipal land banking and to do stakeholder convenings as part of this strategy development. Finally, fb is working with the bureau of planning and sustainability to identify and rezone sites for affordable housing. We anticipate bringing land use legislation to City Council in 2026. Next slide. A few of our medium term actions include initiating another review of inclusionary housing calibration in 2027, expanding homeownership programs and advancing a mass timber and modular housing innovation strategy. We raised \$300,000 from federal funds to pursue some innovative ideas in homeownership, such as implementing a homeownership program in partnership with home forward, focused on housing choice voucher holders and expanding opportunities for the community land trust in Portland. We anticipate affordable homeownership to be an important goal in the east Portland tif district because we've heard about this during the formation of those districts, we also raised federal funding for the implementation of a mass timber accelerator, and that would enable us to fund the pre-development, excuse me, pre-development feasibility studies for mass timber residential development. We have been in discussion with pcef and with our bureau of community and economic

development bureau partners about a partnership on mass timber accelerator.

Next slide. Our next steps on these action items will result in us returning to council for action on key initiatives. The housing production strategy in 2025, we will bring the appointment of housing members of the community leadership committees and the east Portland tif districts to City Council, so we get the opportunity to recommend the housing folks, about half the leadership committee, and we'll be bringing that to the City Council, to this City Council. Following that, we will work with the community leadership committee on housing action plans, which will then come to council in 2026. In partnership with the grants office, the federal grants, including the pro housing grant, will come to the City Council for appropriation to the city budget in 2026. We will bring zone changes for affordable housing in coordination with the bureau of planning and sustainability, and in 2027, we will bring recommendations from the updated inclusionary housing policy review.

Next slide. So I'm going to just take a minute to talk about the potential challenges and risks that we're facing to the housing project, to advancing the housing production strategy actions. During the last homelessness and housing committee meeting, the community and economic development service area bureaus indicated the importance of city leaders continuing to support the housing production strategy. I want to underscore that point now. It is with your continued support for these initiatives that Portland housing bureau and our partners in the service area can be most effective at carrying out the goals. But there are a few other risks we want to highlight. First is federal funding. As you know, there are many federal policy changes taking place right now. We are working with our federally funded housing partners or affordable housing partners, specifically home forward, the homeless services department of Multnomah County, Oregon, housing and community services at the state, as well as with federally funded nonprofits

such as Oregon fair housing council, who you heard from today to track changes and understand the impacts to the housing system. We don't know the full extent of the impacts of federal policy funding and staffing changes, but we do think that the affordable housing system will be facing decreased resources that will put pressure on local and state jurisdictions to preserve the social safety net for highly vulnerable Portlanders. We also think the economic uncertainty of the current time may impact voter support for new housing bonds, and that limit our ability to target deep affordability citywide. As you can see, we did a lot of grant writing in 2024 to raise the funds needed to launch the housing production strategy actions. Although we have a signed contract with hud, we do not yet have an approved work plan. We are at present uncertain whether the federal funds we've identified for our programs will be available. This is an evolving issue. We are watching closely with the office of governmental relations and with the grants office. Finally, I would like to note that Portland housing bureau is working to achieve outcomes called for by various different housing and homelessness plans. We've listed a few of them here. Some of these plans have been adopted by the city, and some of them are in the process of being developed. And we want we want to express our appreciation for this. Committee and chair avalos proposed one housing plan to bring some alignment to the housing work, and we stand ready to partner with the City Council, with mayor wilson, and with our partners at the community and economic development service area to advance a cohesive housing strategy for the city of Portland. So i'll now turn over the presentation to danielle norby to discuss the affordable housing preservation.

**Speaker:** Thanks, helmi. Good afternoon. Committee, I'm danielle norby. I'm the housing investment manager at the Portland housing bureau. And I'm here today to talk to you about preservation of existing affordable multifamily housing. Next slide

please. While the city has put significant resources into new affordable housing production, we also need to pay attention to and to support the health of existing affordable rental projects and their nonprofit owners. If not, we risk undoing the affordability gains from our production strategy, and we also risk losing the public benefit of affordable rents at properties that were built with taxpayer resources. We thought it was a good time to come in front of the committee with preservation, because we at the housing bureau are hearing an increasingly, increasingly dire message from lenders and owners that hundreds of units in Portland are at risk of being lost from the regulated affordable housing stock within the next 6 to 18 months. And the main reason for this is operating challenges that threaten the financial viability of projects and of the sponsor organizations that own and operate them. So first, a bit of context. Portland has approximately 24,000 regulated affordable rental units representing 7% of the city's housing stock, and within that, more than 400 buildings with 17,900 units have city affordability restrictions. In addition to the operating challenges that have reached a crisis level, other risks to these projects include major capital needs and expiring regulatory agreements. And i'll talk a little bit more about these in a minute. There are many benefits to a preservation strategy. Foremost is that addressing these risks prevents the displacement of vulnerable tenants, often in high opportunity neighborhoods. Preservation also costs less per unit, and it has lower carbon emissions than new construction. And lastly, I would argue that preservation supports new production, albeit indirectly. It stabilizes owners and lenders, and it increases their capacity to develop, operate and finance new affordable projects in the future. And i'll share more details now about each of these three risks to existing properties. Next slide. So the first risk category is operating challenges. And this is where we see really an urgent need to stabilize projects and nonprofit owners. The main issue here is that

projects were underwritten based on pre-covid industry standards that really do not reflect the current reality anymore. Recent high inflation means that expenses have grown twice as fast as restricted rents, and this has resulted in properties that are not breaking even and cannot cover their debt payments. Projects that continue to underperform are at risk of foreclosure, at which point they would be sold to any interested party and lost from the city's affordable housing stock. Exacerbating this issue, many, many tenants are struggling to pay rent even at these restricted rent levels, resulting in a loss of income to the projects. Units at 60% ami are close to market rate and many areas of the city, so some existing tenants are cost burdened even in those rent restricted units. And some newer buildings with 60% ami units are leasing up much slower than expected. Sponsors have used their own organizational resources to keep properties afloat, but we know that they can't do so forever. And we're hearing about a housing system that's under stress, with more resources needed for both asset management and property management, which are two very vital components of the system, but underappreciated. And we're also hearing that permanent supportive housing projects have their own unique additional challenges, such as greater property management needs, higher insurance claims, and higher maintenance costs. And finally, extremely concerning for the housing bureau and for our development partners, lenders are reporting that the share of underperforming projects in Portland means that our city is falling out of favor when it comes to lending on new, affordable projects. Next slide. This chart just demonstrates the change in average per unit operating expenses from 2019 to 2023. For projects in fb's portfolio, the 2024 data is still being collected. Pre-covid, the general expectation was that expenses would average 3% increase per year. Instead, during this period, expenses grew by an average of 7.1% year over year, with much of the growth attributed to increases in insurance, security, staffing

and utility costs. Next slide. The second risk to existing properties is capital needs. Just like any real estate, aging, affordable, aging, affordable projects will need repairs and improvements over time. But due to slim operating margins, it is common for affordable properties to have deferred maintenance and to lack sufficient reserves to meet the capital needs. Limited public funds are available for rehab projects, with \$30 million allocated statewide in the current biennium. And for hb resources, we expect to make 56 million available over the next five years, which is estimated to support the rehab of 500 to 700 units. With these resources, work has already begun on a few projects, including the mcdonald residence shown here, which is an assisted living facility that will have a new elevator and more efficient heating and cooling. Thanks to hb and pcef funds. Next slide. The third and final preservation risk category is expiring regulatory agreements. So many projects, existing projects have 30 year regulatory agreements that will reach expiration in the next few years. And those that are owned by for profit entities may be at higher risk of being sold or converted to market rate. We are currently aware of more than 1100 units with for profit ownership that have restrictions expiring from 2024 to 2034. So if you compare that with the 1800 units developed over a ten year period with the Portland Portland bond program, you can see that it's like putting water into a leaky bucket, potentially just losing units as we build new ones. Shown here is one success story, which is the belmont dairy apartments, which was placed on the market last year, and fb stepped in with acquisition financing for the new buyer in exchange for another 99 years of affordability. Next slide. The housing bureau has been engaged in several actions to support preservation and stabilization. For example, to assist with operating challenges, we awarded one time funds for improvements like gates, security cameras, and key fobs to help mitigate rising security costs. We also waived loan payments that were

due to fb, in order to allow sponsors to direct cash to their portfolio. We're working to bring additional subsidy to projects in our pipeline that are having difficulty leasing up so that we can bring the rent levels more in line with the tenant income. And we have contracted with the housing development center to evaluate projects in our portfolio, identify operating risks and make recommendations. And as helmi mentioned, we've secured funding from the hud pro housing grant, which will increase our capacity to coordinate with the state hud sponsors and with private lenders on workouts for individual projects and sponsors in the capital needs category. Our focus has been on supporting a pipeline of rehab projects, and we'll also be selecting more projects through our recently released preservation rfp. And we've also been focusing on securing additional resources for this work. I do want to highlight that hb is very appreciative of our partnership with pcef, through which we've been allocated 40 million dedicated to retrofitting existing buildings for the expiring agreements category. We recently preserved affordability at belmont dairy. We've created a watch list of at risk projects, and we will extend affordability requirements for any projects awarded through our current rfp. Next slide. This work will require many more resources, particularly to address the urgent current challenge of operating issues. The affordable housing, trade and advocacy organizations, housing organ and housing alliance are advancing several bills through the state legislature that would help to stabilize projects, and they've advocated for more preservation dollars in the state budget as well. Fb is very supportive of these efforts, and will continue looking for more tools and strategies to keep projects in operation. In closing, I would just say that this work is not very flashy or exciting. It's not. There's no ribbon cutting or new building photos that you get to look at, but it's really deserving of our time and of our attention in service to the current residents, to the future residents of these buildings, to our nonprofit

partners who work day in and day out in order to meet Portland's affordable housing needs, and also in service to the taxpayers whose resources made these buildings possible. And I will turn it over to my colleague, brian. Hi.

**Speaker:** Good afternoon. My name is brian decker, and I'm the manager of the rental services office. The cso was established in fiscal year 2018 and is responsible for research, policy recommendations, program development and regulation related to local landlord tenant codes. So staff provides information and technical assistance to the public on Portland landlord tenant codes, state law, and fair housing through the cso help desk. We also fund programs to protect renters rights, protect rental households vulnerable to displacement or eviction, and provide education and technical assistance to landlords. Next slide please. I want to start by grounding the committee with some income and demographic data about Portland's renter communities. First, there is a large income disparity between homeowners and renters in Portland. The current median income for renters is less than half that of homeowners in Portland, at roughly 58,000 per year, compared to 160 126,000 per year for homeowners. Housing cost burden, which is defined as spending more than 30% of your income on rent and utilities, has increased amongst renters since pre-pandemic times, with 53% of renters in Portland experiencing housing cost burden. As helmi mentioned, we have concerns that these economic trends will worsen due to the weakening in the social safety net at the federal level and concerns around inflation and increasing cost of living in the city. Lastly, while 47% of all Portlanders are renters, only 44% of white households and 39% of asian households are renters. Renters, compared to 68% of black households. 65% of hispanic latino households, 62% of both hawaiian pacific islander and native American households. We also know that there are persistent income disparities across different racial and ethnic groups. For example, the

average black Portland household earns 52% of what the average white household earns, and homeownership rates are 24 percentage points higher for white households. Next slide please. This persistent lack of affordable housing and escalating housing cost burdens are feeding into housing precarity and instability for many renter households. One of the ways this is manifesting most clearly is through eviction filings in Multnomah County. In 2019, Multnomah County saw an average of 500 evictions filings in a month. In 2024, that had nearly doubled to 970. The chart on the right shows the yearly number of filings at court, the comparatively low number of filings in 2022 through 2022 are due to the state's pandemic response of eviction moratoriums, stronger renter protections and then increased spending at the state and local level on rent assistance as the protections were lifted and federal dollars for rental assistance were exhausted. Eviction filings began to rise, with nearly 12,000 filings occurring in 2024, compared to the close to 6000 filings in 2019. This data has been collected and compiled by our partner, doctor lisa bates at Portland state university, with financial support from the housing bureau, and it informs our eviction legal defense program. Next slide please. The cso works to address some of the challenges facing landlords and tenants through our programing and our help desk, we fund various community based partners across three main categories of work landlord, tenant, education and referral services, which includes a rental rights hotline run by the community alliance of tenants. Fair housing education provided by the fair housing council of Oregon. Free classes for landlords on Portland city codes provided by a local property management firm and our own so help desk legal services for housing access and stabilization includes our eviction legal defense program, which provides legal assistance and financial assistance for low income tenants facing eviction and fair housing legal services through various community partnerships.

Lastly, our in-depth housing stabilization services include a relocation services for tenants facing uninhabitable housing conditions such as severe mold or fire damage, and a landlord tenant mediation program, which aims to resolve conflicts between landlords and tenants before an eviction filing is actually filed with the court. The chart on the right is data from our eviction legal defense program, which shows that between program launch in September of 2021 and December 31st of 2024, we served nearly 3000 households, the majority of which were extremely low income. Next slide please. As I briefly mentioned in the last slide, the so does staff a help desk that provides technical assistance to members of the public via phone, email and walk in appointments. Since launching in fiscal year 2018, the help desk has responded to over 15,000 calls on topics ranging from Portland city codes to state landlord tenant laws, including how those different regulatory frameworks interact. The chart on the left shows the most common call topics for the last fiscal year, with relocation relocation assistance being the most common call topic, followed by calls about state legislation, notice requirements, housing, habitability and repairs, and questions regarding Portland's application, screening and deposit laws. On the right is a chart that tracks call volume each year as well as caller type. As you can see, the help desk was heavily used during the pandemic due to the pandemic's impacts on housing security and stability, and we'll see. Fiscal year 2025 continue to increase as we close out this fiscal year. This only goes through the first two quarters of this year. Next slide. Part of the rso's role is working to ensure Portlanders are well informed of local laws and rules that impact landlords and tenants, and how they interact with federal and state housing laws and rules. We do that by funding landlord and tenant education, programing provided by community partners and via our help desk. This chart is a very high level overview of some of the key legal and regulatory frameworks that we work with. At the

federal level, the primary tenant protections are found within the fair housing act, which seeks to prevent housing discrimination for protected classes. There are additional tenant protections that apply in certain federally funded housing programs, in particular for tenants who exist, who live in traditional public housing units, and tenants with section eight vouchers at the state level, or s 90, is the section of state law that applies to residential landlord and tenant property rights transactions and tenancies. Sb 608, passed in 2019, amended ors 90 and enacted statewide rent stabilization and changed notice requirements for terminations. The state of Oregon has also passed additional fair housing protections to include source of income, marital status, sexual orientation, and domestic violence. Survivorship as protected classes at the city level. Relocation assistance, which mandates that landlords pay relocation assistance to tenants who are served a no cause, eviction, or experience other triggering events, was enacted in 2019. Additional renter protections involving tenant screening and applications and security deposits were passed in 2019, but did not fully come into effect until 2020. Those two sections of code, which is pcc 087 and 088, are colloquially known as the fair ordinances. Those ordinances were enacted to reduce barriers to housing for people with disabilities, people impacted by the criminal justice system, and people with low incomes. It is worth noting that the cso is responsible for implementation of relocation assistance, primarily through the processing of exemption applications for landlords, but we do not have a role in enforcing any of the Portland city codes that you find listed on here. Other than that. Next slide. Beyond our core services, the cso has the following goals for fiscal year 2526. First, we will be assessing the effectiveness and impacts of local landlord tenant policy on both landlords and tenants and its implementation in alignment with the city's goals of preventing homelessness, protecting vulnerable tenants from displacement, and

enhancing housing access and stability. We are currently developing an rfp scope for this work, with the goal of selecting an external evaluator by fall of 2025. We expect the analysis and recommendations to be finished in 2026. Next, considering the volume of calls we receive regarding rental housing quality, we are exploring financing options for and community interest in rental housing repair programs. We will be working to assess, refine and strengthen our programing and partnerships to ensure critical services can be maintained in light of the challenging federal context, and will be working with several partners to launch a rental education week to provide online trainings on rental issues. Lastly, we will be supporting social housing study with a particular focus on opportunities that social housing can offer tenants. Thank you. We look forward to your questions.

**Speaker:** Thank you very much. All right. We've got about 15 ish more minutes. We're going to kick it off with councilor zimmerman.

**Speaker:** Thanks. For the director I guess I want to make sure that I'm. I'm fully aware. This is this presentation was affordable and was about rental. How how does your bureau affect or influence with either other bureaus or the market in terms of the development of market rate? And I say that from a perspective of, I'm also looking at how do we just saturate our market more in terms of the development of more units. And that's not in this at all. And so is it better to call the bureau the Portland affordable housing bureau, or is it all housing? And I say that with the dca sitting behind you, I've had some other permitting kind of conversations about, and I just want to kind of pose that up for kind of theoretical, like how do you approach it?

**Speaker:** I think that's a good question and an evolving question in some respects. So our focus and our mission is primarily on affordable housing, serving households at or below 80% of the median income. And so the majority of our work

focuses on expanding the supply of affordable housing. We partner with the other bureaus on the housing production strategy in dialog, and discussion on how to advance housing overall, and understand the importance of unrestricted market rate housing development in the housing supply. Although that is not our focus. We interact with the market rate housing providers primarily through the inclusionary housing program and in the in, our goal there is to maximize affordability in market rate housing and the for example, the calibration study is to try to offset the cost of that requirement with tax tax benefits to the providers. So really trying to make sure that the work we're doing to deliver affordability isn't slowing down affordable. I mean, isn't slowing down housing production overall. Okay. And then lastly, i'll just say through the social housing work, I think there's an opportunity for us to expand mixed income housing also in the tif districts. And so in those cases we would be looking at both market rate and affordable housing, financing those at the same time, which isn't done a lot right now.

**Speaker:** Thanks, I appreciate it. You know what made me think of that question was in the list of short and medium term actions and others, you know, in a lot of other rooms with other audiences. We talk about the impact of fees and permits and sdc's, etc. And yet that is also, I think, relevant even to the projects that we are putting public funding at, is that we are also paying sdc's. But I think it it must relate somewhere in here and i, I didn't see anything about that side of this equation, but I think your bonafides in the affordable market are well known. And yet those issues are affecting how we develop, how we deliver affordable projects. So I wonder in the future if we can incorporate some of those types of, of initiatives if they're helpful or not. And I think it's a reasonable conversation to have. And I'm sorry I didn't quite get your name when you presented.

**Speaker:** Danielle norby.

**Speaker:** Danielle. Thank you. I had a couple of questions regarding the term underperform, and you talked about that. Can you help me understand? Because the share of underperforming buildings cause problems for lenders who are, you know, leaving the Portland market. So does underperform mean they're not able to rent at rates high enough to make the building pencil out, which is something I hear on the non-subsidized side of things, and I want to understand it here.

**Speaker:** It's a little bit different in this context. What we're really talking about is that the properties are not getting taking in enough income to be able to service their debt payments. So they're below a specific debt coverage ratio. Some of them are just not breaking even at all. And having to have the sponsor infuse the properties with cash. Others are maybe above break even, but really aren't having enough cash flow to support their debt payments.

**Speaker:** Okay.

**Speaker:** For me, I hear that. I mean, the big difference there is, I think a lot of people understand the biggest thing when you either buy a home or you build a building, is you want to be able to service the loan that that allowed you to create that space. And for our affordable groups, this is generally a nonprofit type of provider. And in the market rate, that is not only that note, but then the profits that are expected from the outside investors, they have an even higher that they've got to clear. Thanks for kind of helping to explain it a little bit. I am a little bit concerned. I recently talked to the director of one of our cdcs who had, quote, hundreds of vacant units, and that is very concerning for me. It was concerning for this person as well. In terms of the requirements for the units versus the people who are eligible to get into the units seem to be out of whack, so to speak. From your bureau's perspective, what are the things that are keeping units from being fully rented, particularly those that we have put government money behind? Where

I think there's a moral choice that the private market will make or not make about how they rent. But I I'm lost on some of the reasons why in our more in our government focused market. Can you help me out with this?

**Speaker:** Yes. Thank you for bringing this up. We've been hearing the same thing, and we agree that it's very concerning to have vacant units in an affordable housing crisis. The main reason that we see is what we're calling kind of a structural mismatch between rents and income. So most of these properties have units at 60% of median, which is the kind of typical for projects funded with federal tax credits and typical of projects that have been funded by the city through our bond programs. Most of our units are either at 30% ami or 60% of median incomes in Portland are are high. And if when you look at the hud median income, that and that is used to determine income levels and restricted rents, and it's updated year over year. And what we're seeing is that the high incomes in those charts really doesn't match with the tenant incomes for folks who would be living in those properties. So in many cases, people are, sorry, low income renters in a 60% ami unit might, might not actually have enough income to really afford the 60% rent limit. So those in units we're hearing are rent burdened, and those who are seeking to get into a unit are are seeing that the rents that those properties are not that far off of market in many parts of Portland. So that's an issue. We're hearing that in many cases, the so the application process to get into an affordable unit is fairly lengthy. It's much there's much more process to it than just applying to a market rate property. So if you if the rents are not that far off, many people will just choose to go to a similar market rate building nearby. So that's something that we're looking at. We are, you know, seeing that with properties that are that have completed construction, that are slow to lease up. And we've got some strategies to try to kind of better align the rents with incomes. But yes.

**Speaker:** Okay. So I think this is very helpful. I'm trying to I think what I'm hearing you describe is that the gap because Portland has higher, higher wages. And we're kind of we're an expensive community. HUD is setting that 60% at a number that is fairly high. But given this greater gap in what we used to call the middle class is instead of a standard bell curve, we now have like a camel's back of a gap there in that, in that AMI portion that you're talking about, where those who need deeply affordable units are way below 60. And then we've got this gap up to where even a person making 120, frankly, right now is a challenge in Portland to cover rent or certainly to buy a home, particularly on what you provided. 126 is the median home owner income. But when you say bring tenant, bring rent and in line with tenant incomes, you're talking about rent down.

**Speaker:** Deepening affordability.

**Speaker:** Because because of the overarching the macro side of Portland has brought those AMIs higher.

**Speaker:** That's correct.

**Speaker:** I think doing. Math in public. So just thank you for being kind. If I missed.

**Speaker:** That, Brian provided some data in her presentation. That's very useful here. She showed that the housing, the average homeowner has a double the income of the average renter. And those two incomes are both included in the HUD definition of median income. So essentially, the median income is higher than what most renters can afford and.

**Speaker:** Which is 116,000.

**Speaker:** Right now. Yeah.

**Speaker:** Which if the average renter is 58 is a median. But Portland is 116. We see a significant gap there if that's where the AMIs are being rated.

**Speaker:** Yeah.

**Speaker:** And the majority of renters fall below, right.

**Speaker:** Significantly below like significantly below.

**Speaker:** And we've found and it's very, very typical to finance projects with a portion of the units being for 30% of the median. So deeply affordable and probably about 70% of the units at 60% of the median. What we have found in this recent bond is that the 60% of median is so close to market, particularly for the small single units, that they're harder to lease. So we've been actively looking for ways to actually decrease the rents in those. We would if we had known this. You know, hindsight is 2020. If we had known this going into the bond program, we might have done fewer units at deeper affordability levels than we did. So it's a trade off between how much subsidy you're putting in and what the rents are.

**Speaker:** That's great. I don't have any more questions, just a quick statement. So I certainly look forward to hearing other strategies that you think can complement the delivery of these projects at the most deeply affordable path. I remain very committed to mixed income communities wherever possible, and I mean that at the building level, even. And then in district four, in some of my most high built areas, which are wonderful neighborhoods, but they are very challenging neighborhoods to bring families to once they start having kids. And so I look forward to more strategies for the two, and particularly the three bedroom model and what it takes to deliver that for an affordable. Because right now, in some of my most sought after neighborhoods, if you have enough kids, you live in that neighborhood only because you can afford quite a luxurious living situation. And so we're not delivering three bedrooms for our most affordable, which is the opposite of a mixed income neighborhood. So that's where I'll be looking. And if, however, that plugs into the strategies of this committee, I will be an open ear to that. So thank you.

**Speaker:** Thank you councilor. And I just want to note, because you are mentioning around wanting more discussion on market production, that's what we spent the last meeting doing. So we broke up this discussion into two because it was so dense and they had required an hour each. So last meeting we spent all just on market housing production strategies. This one was focused specifically on affordable housing. So just to note, that's why she's focusing on it, not because that's not part of the portfolio.

**Speaker:** But I think I mean, if we're going to if we're going to say that at the same time to talk about the delivery of affordable units and not talk about the cost of our own, our own decided fees, structures, sdcs, that's that's the point I was trying to make in terms of if we are costing developer a, b, and c on the market a lot to develop to deliver units in this community. We're also costing our own government subsidized groups who are paying sdcs and paying fees, as I understand it. And unless we're not, maybe I'm completely wrong here, but I thought they paid sdcs and permits as well. But I think I think it goes together. And the reason I bring it up is I think that the housing bureau has a or should have a very credible point in this, and that it's not always just developers who are talking about the need for a different approach. And so I don't mean it as one or the other, but I'll stop there because I know we've got other questions.

**Speaker:** Councilor dunphy.

**Speaker:** Thank you. I have a couple specific and a couple general questions. First, I heard brought up a couple of times, specifically, danielle, you mentioned specifically some challenges with property management in the affordable housing stock. I have spent a lot of years looking into this specifically and see the that the market is failing in this specific way to provide quality property management. And I suspect I've heard explicitly that that is leading to some of the increased vacancy

rates that some of the property management for some of the smaller cdcs, I won't name specific companies, but that the high level of turnover in property management is leading to higher levels of vacancy and higher deterioration of the properties, not things not you know, I heard about a laundry room that got caught on fire and wasn't fixed for over a year because the property manager was only there for three months and then left, and then three months and then left. Is there more that the city needs to be doing, or that the region needs to be doing in terms of intentionally developing that property management pipeline and the skills?

**Speaker:** Yeah.

**Speaker:** Great question. I think so. First of all, what I'll say is that the housing bureau is getting ready to convene property managers to hear directly from them. We haven't done that yet, so we want to hear from them really what the challenges are in their view. And so that's coming. And second, I would say that yes, we are kind of hearing from all partners that there is a need for increased capacity within the property management industry. So resources for additional training that's specific to affordable housing there as part of the package of state bills that's going through right now, there is one that includes resources for asset and property management, training and capacity building. And so that would be a we understand that would be a great resource for the community. I believe that metro has started looking into property management as well. I think it's more focused on the property management side. I will admit, I don't know the full scope of their research, but it's something that is being talked about in a lot of spaces. So hopefully more to come as we hear more from property managers themselves about what some solutions may be. But I do think you're right that high turnover is definitely an issue.

**Speaker:** You know, this seems like also an opportunity for folks coming out of homelessness to have both job training, have an opportunity for stable housing

and some some peer support. You know, folks who are on the verge of homelessness are living in some of these deeply affordable housing. Sometimes they're also challenging populations to work with. And folks who are themselves of this community can sometimes be the better option. And so I think we should really, you know, my office will want to be wanting to look at how we can help boost that and create better outcomes. I also do worry that is there. I have appreciated historically the way that we have done affordable housing through community development corporations, you know, through a lot of these culturally specific, geographically specific organizations. But I worry that we may be now spreading those organizations too thin. Is there an economy of scale with regard to management and building of these that we need to start considering? Or, I mean, I don't want to be I mean, okay, i'll be rude about it. Do we have too many cdcs?

**Speaker:** That would be a difficult question to respond to without further analysis. Really we are looking at whether there are better approaches to strengthening the affordable housing provider network here, and specifically as part of the preservation work, we're taking a look at our portfolio to see the stronger and weaker providers. And we'll probably see as a result of the financial pressures, some consolidations and some, you know, hopefully some improvements in those organizations. But there's also I just want to say there's an extraordinarily talented group of nonprofits and for profits, but primarily nonprofits and culturally specific providers who do an excellent job and who have really proven to be a benefit to the city of Portland. And we're really, really proud of the work of our of the members that we work with.

**Speaker:** Yeah, there's some incredible work going on, incredibly dedicated people who are not making a lot of money and have dedicated their whole careers to this. But I do worry about I mean, you know, candidly, I worry about having too many

executive directors and having too many the need for the administrative side creeping up the cost of, of housing broadly. I want to be responsive, but the world has absolutely, you know, has changed since a lot of these programs, since a lot of these apartments got built. I just want to make sure we're thinking about that from a values standpoint, mr. Decker, I'm looking at your slide about all the number of calls for technical assistance and things like that. My experience, you know, every, every bit of the tenant protections that we had put in place were hard fought and well thought of and exhaustively involved in order to get on the line. You know, I have some scars still from those days, but I think that they're all phenomenal programs individually. But I do know do recognize that there is some confusion about the rights of tenants, about the rights of landlords. Is there more work needed to be done to support your program, to explicitly call out the rights of tenants? And what what a tenant in an eviction situation, for example, is has the right to do or resources? Is there more work that this body should be thinking about?

**Speaker:** Well, you know, we have the so help desk. So anytime that you are receiving calls from the community please do direct them our way. We're happy to take those calls. And I can share that information with you. A lot of our other education programs are done through community service providers, and we are actively looking at increasing the amount of funds that we are putting towards education in the coming years. So we are thinking about that because we do agree that both landlords and tenants always need to be as informed as possible when engaging, you know, in in this space.

**Speaker:** You know, i'll just go even a step further and just say that. I think that if tenants have rights in this situation, we need to write them down. And if it's not written down explicitly in a very clear and approachable way, then those rights

don't really matter, because a tenant is ultimately responsible for fighting for their own rights if they don't know they have them. So I'm interested in seeing about how we can be a little more explicit in that.

**Speaker:** I will say that we do have educational brochures of all of the local pcc codes, that we have boxes of them at our office, and I'd be happy to bring some of them down to city hall to share with all of you so you can bring out into the community. We also have a rental during the summer months. In particular, we do a lot of outreach and go to community events. We have an so traveling help desk that pre-pandemic used to set up at the public libraries. And we're thinking again, now that we're in a more district, we're in a new district system. We want to work with you all to ensure that there's programing across all four districts. So we'd be happy to talk with you about that in the future.

**Speaker:** And my last question for director heizer, the inclusionary housing fee in lieu program has had a couple of notable. Challenging developments, specifically the ritz carlton. They were for years unwilling to build the apartments and had not have not, to my understanding, paid into the fee in lieu that they were expected to. And now the building is in foreclosure. Is the city placing a lien for that inclusionary housing fee in lieu on that property?

**Speaker:** Not yet. They were given a waiver. Their fee is not yet due to the city. When the city. We have spoken with the city attorney about ensuring that we're enforcing the city's rights under that agreement. And so when it comes due, we'll take a look at what the status is then.

**Speaker:** Perfect. Thank you.

**Speaker:** We are unfortunately out of time. So thank you for your presentation to wrap up at our next meeting on may 13 we'll be spending time in permitting and development topics and we'll consider the mayor's proposed budget related to pp

and d as well as appointments to the development review advisory committee or the drac. So with that, I will adjourn the meeting of homelessness and housing committee at two o five.