



Portland Housing Bureau

Portland Housing Advisory Commission
TIF Set-Aside Subcommittee
 Thursday, July 21, 2011
 3:30-5:00 p.m.

- ✓ = Subcommittee action item
- ▶ = PHB staff member action item

7-21-11 Meeting Minutes

Members Present: Traci Manning, Kimberly Branam, Daniel Ledezma, Guillermo Maciel, Kate Allen
 Arlene Kimura, Jesse Beason, Peter Parisot, John Miller, David Sheern

Members Excused: Joni Hartmann

Public in Attendance: Debbie Aiona - League of Women Voters, Bernie Bottomly - Portland Business Alliance, Brad Schmidt – Oregonian, Betty Dominguez – Home Forward

Agenda Item	Discussion Highlights	Outcomes / Next Steps
<p>Committee Comments/Questions/Concerns</p> <p>Review Committee Charge</p> <p>Share Public Feedback</p> <p>Meeting Minute Revisions</p>	<p>This is the final meeting of the TIF Set-Aside Subcommittee. The goal for this group is to come up with final recommendations to forward to PHB director Margaret Van Vliet. The policy and recommendations will go to City Council this Fall.</p> <p>Portland Housing Bureau executive team members and policy staff have been attending Urban Renewal Advisory Committee (URAC) meetings over the last month. Staff presented information on PHB, its strategic plan, as well as the draft recommendations for the TIF Set-Aside policy.</p> <p>Community feedback was balanced, with most URAC committee members familiar with the policy and the outcomes over the 1st 5 years. Committee members that have historically</p>	<p>▶ PHB Staff will write up meeting notes, send to the committee for review, and will be available online at www.portlandonline.com/phb/phac.</p>

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<p>Committee Comments/Questions/Concerns</p> <p>Review Committee Charge</p> <p>Share Public Feedback</p> <p>Meeting Minute Revisions</p> <p>(cont.)</p>	<p>challenged whether investing TIF to meet city wide affordable housing goals advances the particular agenda of specific districts continue to do so. Committees also generally acknowledge that the policy is consistent, with clear priorities. Community members discussed the notion of the 30% as a URA-by-URA policy, or city-wide for all URAs</p> <p>Some community members expressed specific concerns unique to certain Urban Renewal Areas (URAs).</p> <p>Emerging themes:</p> <ul style="list-style-type: none"> • When referring to “city wide,” many URAs want to encourage spending TIF dollars city-wide, outside of URAs. State law prohibits this, however. • Issue that emerges with URA spending is that affordable housing developments end up clustered in URA districts, rather than around the city. • Unlocking district-by-districts goals – if TIF 30% Set-Aside is in one pot for city-wide spending, there could be mismatched housing spending among URAs. For example, if a large non-housing project pushes the % of housing \$ spent in the River District, expenditures in neighborhood districts may not be able to make up the difference to achieve 30% city wide. • Some URAC members continue to want a more direct role in choosing housing projects for URAs. Staff reinforced that the Portland Housing Advisory Commission is the broadly 	

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	<p>representative advisory body that oversees all PHB expenditures, and is the forum to express concerns and share public comments.</p> <ul style="list-style-type: none"> • East Portland’s main concern is that in the URAs with a lot of money, it often feels like “more of the same” rather than real revitalization. • North Macadam has some confusion about whether they are held to the 30% policy currently. (policy is 39% for first 5 years and 30% thereafter) • Oregon Convention Center URAC attendees expressed support for maintaining the 30% set-aside, and members of that URAC plan to write a letter in support of that and policy renewal. • East Portland URAs expressed desire to have fewer family-sized units (to ease the burden on the school system), and more individual units. • Interstate URA has asked for better reporting and tracking – especially for the homeownership initiatives. • Downtown districts continue to ask about use of the SetAside for workforce and student housing. 	
<p>Review Recommendations</p>	<p>The sub-committee reviewed the draft recommendations (can be viewed online here).</p> <p>Feedback for Each Recommendation:</p> <p><u>Recommendation 2 – Income Guidelines</u></p> <ul style="list-style-type: none"> • Recommendation captures the 	

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<p>Review Recommendations (cont.)</p>	<p>discussion well.</p> <ul style="list-style-type: none"> • When the bureau adopts it's income specific strategic priorities for all resources, income spending targets will be vetted publicly through City Council. • Two questions came to mind about whether or not student housing will be considered in TIF districts, as well as workforce housing (about 80%MFI). There will be a future need for a broader policy discussion about questions like this. • Staff noted that student housing is not currently considered "affordable housing." Have not yet been able to analyze if there is a need for student housing for non-traditional students (such as those with families), but for now the focus continues to remain on the most vulnerable. • It was also noted that the income guidelines do not <i>just</i> name 30% MFI, there are goals for other incomes as well. 30% is seen as the most vulnerable, and therefore has the highest need. • Housing that the market cannot currently meet is the main priority. • Over the next couple of years, Portland expects to have better housing needs analysis and a strategy for broader Portland and its needs. This will provide a better opportunity for planning future housing. <p>➡ The Recommendation will state that the status quo will remain until such time as PHB</p>	

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<p>Review Recommendations (cont.)</p>	<p>develops other implementation recommendations. PHAC review and simplified language will be included.</p> <p><u>Recommendation 3</u></p> <p>➡ The subcommittee agrees with Recommendation 3.</p> <p><u>Recommendation 4</u></p> <p>➡ The subcommittee agrees with Recommendation 4.</p> <p><u>Recommendation 1</u></p> <p>To guide the discussion, PHB staff reviewed a spreadsheet of the TIF budget scenario. The scenario can be viewed online here.</p> <p>Subcommittee members agreed the spreadsheet was useful, and shows that even just a few percentage points can be a big difference in the actual amount spent on housing.</p> <p>At issue in Recommendation 1 is the underlined text in the Recommendations draft.</p> <p>Is 30% the target? Should it be the minimum? Subcommittee members discussed this point at length.</p> <p>Committee members agreed that the target should be 30% to spend on affordable housing; there was some disagreement to the</p>	

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	<p>wording of the Recommendation, and whether or not to use the wording “minimum.”</p> <p>Committee members suggested combining the language to state a “URA/City Wide minimum threshold of 30%.”</p> <p>Other suggested language included “the City will achieve 30%.”</p> <p>Members noted that it’s important to have flexibility to make exceptions if there are opportunities for great development that could skew the 30% set-aside numbers.</p> <p>Need language that asserts the priority of 30%:</p> <ul style="list-style-type: none"> • Want predictability • Helpful to know what the development pool is for staff and developers • Helps us be accountable for what we’re doing • Using “minimum” makes you accountable <p>Committee members also noted that there is an important layer in how many URAs feel about what the minimum percentage should be; some may feel it should be lower than 30%.</p> <p>➡ Subcommittee agrees that 30% should be the goal, and make sure it is not construed as a “ceiling.” In addition, 30% should go city-wide.</p>	<p>▶ PHB staff will develop updated language, and get it out to the group.</p>
<p>Next Steps</p>	<p>The Portland Housing Advisory Commission will hold a public hearing to gather public</p>	

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	<p>comment and testimony about the TIF Set-Aside policy:</p> <p>Tuesday, August 2, 5:00-6:30pm at PHB.</p> <p>Subcommittee members are encouraged to attend.</p> <p>Members may be asked to attend City Council when the Recommendations go forth for their review and approval. That time is to be determined.</p>	
<p>Public Comment</p>	<p>Debbie Aiona from the League of Women Voters:</p> <ul style="list-style-type: none"> • Do not see any language about future URAs – will this policy apply? (Staff reply: yes.) • When discussing student housing, staff should talk to the North Macadam URAC – they had a subcommittee that reviewed student housing needs. • PHB should inform participants in development of other pots of money that create restrictions. • In regards to the issue of the “minimum” issue – what exactly is the problem? Is it that URAs don’t always fit the 30% or is it that we don’t want to avoid the floor/ceiling debate? Ms. Aiona definitely favors the 30% minimum. • Regarding the URA spending plans – URAs are tied to their Plans; the goals are pretty clear and should continue to 	

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	be followed.	