



Portland Housing Bureau

Portland Housing Advisory Commission
Tuesday, September 6, 2011
 3:00 p.m. – 5:00 p.m.
 Steel Bridge Conference Room
 421 SW 6th Ave
 Portland, OR 97204

- ✓ = PHAC public member action item
- ▶ = PHB staff member action item

DRAFT 9-6-11 Meeting Minutes

Members Present: Jesse Beason, Andrew Colas, Deborah Imse, Brian Wilson, Rey Espana, Marc Jolin, Toby Washington

Members Excused: Carter MacNichol, Mark White, Carmen Rubio, Traci Manning, Christine Lau,

Agenda Item	Discussion Highlights	Outcomes / Next Steps
Welcome & Review Meeting Purpose	Rey España chaired this PHAC meeting.	✓ PHAC members reviewed and approved the meeting minutes from July 19, 2011.
Leadership Transitions	<p>PHB Director Margaret Van Vliet announced her departure from the bureau to take the position as the head of Oregon Housing & Community Services. She acknowledged the difficult decision, but knew this was the right choice to make the greatest impact statewide.</p> <p>Commissioner Nick Fish expressed his regrets about Margaret's departure, but agreed it is an important step for statewide housing. Margaret has made great strides for housing in the City, and the bureau will continue her legacy. Commissioner Fish will be in touch with PHAC members to gather input for a new housing director.</p> <p>PHAC members also expressed thanks to</p>	

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	Margaret for her leadership, including taking those important steps for equity in housing.	
Public Comment	<p>Imelda Ortiz, Portland Housing Center:</p> <p>Ms. Ortiz discussed the importance of tools like the Mortgage Credit Certificate. She gave an example of a client, who is a minority, working with PHC for two years to purchase a home. The client used the MCC as well as a limited tax exemption to buy a home. Without those tools, we wouldn't have been able to help him.</p> <p>Julie Felsman</p> <p>Ms. Felsman is a residential loan officer, been in mortgage banking for 17 years. Ms. Felsman stressed that the MCC is the most powerful tool when working with moderate-income homebuyers, young working professionals. To succeed as homeowners, the MCC gives them an amazing leg up. The difference it can make is huge. Ms. Felsman has helped 12 people access program since November - 8 of 12 are single women. Her typical client has a \$150k-\$250K purchase price. Almost all clients serving others, working in nonprofits. Program really reaching out to an important audience. It's a fantastic program and she encourages PHB to continue to make it available.</p>	
TIF Set-Aside Process	<p>PHB staff member David Sheern has been overseeing the process of the TIF Affordable Housing 30% Set-Aside policy renewal.</p> <p>Over the last five months or so, there has been</p>	

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	<p>a public process to review and discuss recommendations for the policy going forward. A PHAC sub-committee was formed to provide recommendations for the policy.</p> <p>There were a number of opportunities for public comment, including meeting with URACs, holding a public hearing, and personal and electronically-submitted comments.</p> <p>Draft recommendations outline ways to improve, discusses revenues vs. expenditures. The process going forward will be working with PDC to deliver a final policy. We are anticipating taking the policy to City Council on Sept. 21. PHB staff have revised ordinance, the policy, and the implementation plan.</p> <p>Jesse Beason recommends that we retain word “minimum.” Draft policy substantively matches what committee came up with. Heard a lot requests to make it a minimum; the committee left minimum out.</p> <p>Some testimony was received discussing the need for student housing, and whether or not TIF can be used for student housing.</p> <p>Margaret acknowledged that PHB is working with PDC overhead and admin, for a 70/30 split.</p> <p>PHB seeks endorsement of policy by Commission, and to seek advice.</p> <p>A lot of conversations have been about mechanics – enhancements to the technical policy should be continued.</p>	<p>► The TIF Set-Aside policy City Council review will be moved to a later date.</p>

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	<p>Commissioner Fish expressed his appreciation at the PHAC's thoughtful recommendations. This 5-year review will hopefully settle important issues for how we calculate dollars, whether or not this is a floor vs. ceiling. Oregon Convention Center URA will observe as much as \$10 million in TIF affordable housing.</p>	
<p>Update on Sustainable Communities Initiative</p>	<p>PHB Staff Kate Allen has been taking the lead on the Sustainable Communities Initiative (SCI).</p> <p>SCI is a program developed at HUD through the Obama administration, and collaborated on developing livable communities. Livability means access to housing, jobs, and opportunity. This is a way we can work better for the historically underserved.</p> <p>Last year, a Consortium led by Metro was planning for regional planning dollars. There was a lot of dialogue about fair housing and transportation planning. Working on health, jobs, employment, education, social justice. Unfortunately, Portland was not awarded funds in the first round.</p> <p>Round 2 is up, and we are submitting an application again.</p> <p>One goal is to work toward a Housing Needs Strategy, and how to implement changes for housing needs. Some emphasis will be in East Portland. Some possible projects include:</p>	

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& Equity Planning (cont.)	<p>They are now at the point where they can start writing the business equity plan.</p> <p>A next step will be to start talking to other organizations like PHB.</p> <p>“Guiding principles” will help outline expectations.</p> <p>Developers will get the message so they know the way the bureau operates. PHB will need methodologies for doing business.</p> <p>When evaluating success, it will be important to have good measures. These will be developed as the business plan unfolds.</p> <p>The new role for Daniel Ledezma at the bureau will be asking the tough questions of equity, policy and communications.</p> <p>Commissioner Fish shared an update on equity at the city level: the council will vote on the Office of Equity. Before we spend the money, we want to see the plan. Can’t create new bureaucracy without roadmap.</p>	
Focus on Home-Ownership	<p>The Neighborhood Housing team at the bureau works to get help people become first-time homebuyers; foreclosure prevention activities; home repairs; safety hazard reduction.</p> <p>Much of the work is implemented through community partners.</p> <ul style="list-style-type: none"> - Developers get SDCs – exemption of fees 	

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	<ul style="list-style-type: none"> - Single family tax exemption program. - Services intended to provide subsidy for households – where they are, what they need. - Home repair: small grants people with disabilities, seniors. - Critical need home repair grant: forgivable after 15 years - Foreclosure prevention: refer them to community resources. - Homebuyer partners : PCRI, NAYA, AAAH - Healthy Homes - implemented with county • The data presented does not include development activity. <p>NH shared the latest demographic data for the programs.</p> <p>PHAC members asked how PHB could make the programs more robust? There is a big need for foreclosure prevention.</p> <p>There are limited funds available. To address foreclosure, we pay for homebuyer and homeowner counseling, which is very successful. The question is often, what should be the government’s role? It’s a hard choice to determine how we can make the best impact.</p> <p>With the foreclosure crisis, PHB is thinking</p>	

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<p data-bbox="130 224 310 363">Focus on Home-Ownership (cont.)</p> <p data-bbox="130 867 315 964">Mortgage Credit Certificate</p>	<p data-bbox="401 154 1031 181">about the best way to make an impact.</p> <p data-bbox="401 224 1094 321">NH has been serving more communities of color, but there are still many barriers to homeownership, including down payments.</p> <p data-bbox="401 362 1148 531">Staff from Hacienda CDC acknowledged that it takes a long time for people to be foreclosed. Capacity is also an issue, often there is a lot of concentration on foreclosure, which overshadows work on homebuyers.</p> <p data-bbox="401 571 1127 669">Foreclosure rates in Multnomah County are currently 1 out of 1184 homes going through foreclosure.</p> <p data-bbox="401 709 1134 774">PHB’s goal is to work on a sustainable source of funding for these programs.</p> <p data-bbox="401 880 1165 945">The MCC program is up for a renewal of a bond cap allocation.</p> <p data-bbox="401 985 1148 1050">The current allocation leaves about 18-25 left to serve.</p> <p data-bbox="401 1091 1155 1221">For minority homebuyers, this program can be crucial. If we don’t have this, homeownership is often out of reach. Won’t have this in community.</p> <p data-bbox="401 1261 1148 1391">Up to 20% of mortgage interest transaction forgiven for the homebuyer. PHB can recover cost of administration through the fees of the program.</p> <p data-bbox="401 1432 1144 1497">Need to request additional bond allocation to keep doing it in a continuous way.</p>	

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	<p>While currently underutilized, but the program is helping get people into homes.</p> <p>PHAC agreed this is a useful tool for homeownership, and more can be done to increase outreach to homebuyers of color.</p> <p>PHAC members voted to take the bond allocation request to the Private Activity Bond council.</p>	
PHAC Retreat September 23	<p>A planning retreat was scheduled for Friday, September 23.</p> <p>Due to the announcement of a new bureau director, the retreat was postponed to a later date to be more thoughtful about how to use the time.</p>	▶ PHB staff will work to reschedule.
Meeting Wrap-Up	The next regularly scheduled PHAC meeting is Tuesday, October 4, from 3:00-5:00pm at PHB.	