

Metro

*600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov*



Metro

Minutes

Thursday, September 7, 2017

2:00 PM

Metro Regional Center, Council Chamber

Council work session

2:00 Call to Order and Roll Call

Councilors Present: Council President Tom Hughes and Councilors Craig Dirksen, Bob Stacey, Shirley Craddick, Sam Chase, Carlotta Collette, and Kathryn Harrington

Councilors Excused: None

Council President Hughes called the Metro Council work session to order at 2:07 p.m.

2:05 Chief Operating Officer Communication

Mr. Scott Robinson, Pro tem Chief Operating Officer, recalled an email sent by the Director of Property and Environmental Services, Mr. Paul Slyman, that solid waste operations had been updated to reflect the closure of I-84, due to the Columbia Gorge fire. Mr. Robinson, announced that Oxbow Regional Park and Blue Lake Regional Park had been closed due to a fire threat from the gorge fire. Mr. Robinson noted that the comment period for the Draft Access Master plan for the Chehalem Ridge Natural Park had opened, and would close on September 12, 2017. Final revisions regarding the master plan would take into account comments from the public, and a final decision would be made October 19, 2017. Mr. Robinson wanted to thank Councilors Dirksen and Collette for their support of the Expo Center and the Cirque du Soleil show; he noted that the show had been performing at 90% capacity and would run until October 9, 2017.

Work Session Topics:

2:10 Regional Funding and Investment Opportunities for Equitable Housing

Ms. Elissa Gertler, Director of Planning and Development, communicated the importance of effective investment for

equitable housing in the metropolitan region. In regard to the agency response towards regional growth and change, Ms. Gertler noted that the 2040 Growth concept plan was supported by a portfolio of projects and initiatives in the agency's equitable development framework. According to Ms. Gertler, Metro was in the process of expanding its scope in order to provide a regional strategy to combat housing issues. Ms. Gertler mentioned that because the Transit Oriented Development (TOD) program had expanded to include affordable housing, there was a plan to develop 800 affordable housing units in the region. Also, another element related to equitable housing included a federal fund to develop an equitable development strategy for the Southwest Corridor. Overall, the various projects in the housing portfolio would provide Metro an opportunity to expand its racial equity strategy order to create better living conditions for marginalized and underserved communities. Ms. Gertler then provided a brief highlight of the framework that the equitable housing staff at Metro had been using over the last several years:

- Mitigate displacement and stabilize communities
- Maximize and optimize resources for affordable housing
- Leverage growth for affordability
- Increase and diversify housing supply

Ms. Emily Lieb, Senior Development Project Manager, noted that since the last update to Council on investment strategies, Metro had completed an economic feasibility analysis for equitable housing. Also, work on inventory of existing housing resources, affordable housing needs analysis, and engagement with local staff had been performed to construct a regional response to housing challenges. Afterwards, Ms. Lieb shared a work plan schedule for activities and milestones related to Metro's equitable housing projects. In regard to Metro's affordable housing needs analysis, Ms. Lieb shared information related to the number of households paying more than 30% of the

income on rent (or paying more than what's considered affordable housing in that area), along with the deficit in units for affordable housing for two income brackets: those who earn a salary of a full-time minimum wage worker and those who earn a salary of a pre-school teacher. When referring to the average annual local funding capacity for affordable housing creation, Ms. Lieb shared that Portland received around 94% of the resources for affordable housing. When discussing racial equity and displacement risk, Ms. Lieb shared information from an unpublished PSU study that indicated 60% of multifamily units were sold in racially diverse tracts. Also, of the multi-family units sold, nearly 27% of those units were rated as below average (in terms of unit condition and location) whereas 43% were considered average. In terms of a regional approach towards addressing affordable housing, Ms. Lieb spoke to the importance of flexible housing options and policy that can be tailored for local needs. Also, she communicated that incorporating geographically targeted investment to balance cost efficiency and outcomes would prevent displacement in vulnerable communities. Moreover, Ms. Lieb indicated that coordination between transportation, parks, and economic development would address the various complexities of housing in the region. So, in order to implement initiatives that would address housing at the regional level, Ms. Lieb shared three strategies:

- Anti-displacement and community stabilization from two components: land acquisition and grants for acquisition and rehab of existing housing.
- Flexible gap financing for affordable and deeply affordable housing
- Introduction of financial incentives for mixed income housing

In respect to policy considerations for the proposed strategies, Ms. Lieb highlighted several components that were instrumental to the success of the strategic framework:

- Target income levels for affordable housing
- Whether housing units would be built in high, medium, low cost areas
- Whether new construction of affordable units would occur vs the preservation of older units
- Analysis of revenue tools that are compatible for diverse regional needs

According to Ms. Lieb, all three strategies would require new funding resources. She mentioned two options: a construction excise tax and a general obligation bond. In terms of feedback from local staff, Ms. Lieb emphasized the importance of regional coordination to develop resources on scale. Local staff shared concerns regarding fair allocation of resources which would require local participation in program development. Local staff also provided feedback on additional areas to explore. Housing themes such as stabilization of mobile home park residents, increasing access to homeownership, and localized solutions for homeless were specific examples of areas requiring more exploration. Overall, Ms. Lieb noted that further guidance from Council was required to further program development. Additionally, an analysis of political feasibility, along with a racial equity analysis would play important roles in the future of Metro's housing policy. She also mentioned the crucial step of engaging with the Metro Policy Advisory Committee (MPAC), local planning and development staff, and housing authorities so that a strong housing framework would be established.

Council Discussion:

Councilor Dirksen emphasized the importance of having local partners and stakeholders provide guidance to Metro in terms of regional policy development for housing.

Councilor Stacey reiterated the importance of engagement with MPAC and other advisory bodies. He was supportive of

the first strategy that involved anti-displacement measures, and in particular, noted that preserving units for affordable housing could be involved with buying land for future development of units in the future. Councilor Harrington shared her support for engagement with MPAC, however, she highlighted that MPAC did not have a large number of elected officials, so it was important to expand on outreach. Councilor Craddick inquired staff about how many housing authorities had been contacted prior to the development of the three housing strategies presented by staff during the work session. Council President Hughes suggested that the best funding resource for funding housing investment would be a general obligation fund, though he wanted further project development before providing specific guidance.

3:00 Councilor Liaison Updates and Council Communication

Councilor Dirksen shared that, during the Council recess, he had been invited by the Hawaiian Clean Energy Forum to speak at their Clean Energy Day event. Land use, transportation, and housing were a few topics he spoke to during the event. Councilor Craddick had attended a board of directors meeting for The Intertwine Alliance. She indicated that the organization was working on mobilizing the public on creating interconnected parks, trails, and other natural areas. Councilor Harrington shared that she had accepted an invite to work a food and beverage shift at the Oregon Zoo. Councilor Stacey had represented the Metro Council at the Portland City Council meeting where they had formally accepted a Nature in Neighborhoods grant from Metro. Councilor Craddick would be attending the Voyage of the Visionaries event, an annual bike ride where policy developers participate.

3:10 Adjourn

Seeing no further business, Council President Hughes adjourned the Metro Council work session at 3:52 p.m.

Respectfully submitted,

Amaanjit Singh