

IN CONSIDERATION OF RESOLUTION NO. 26-5573, FOR THE PURPOSE OF AMENDING THE METRO AFFORDABLE HOUSING BOND WORK PLAN TO DELEGATE AUTHORITY TO NEGOTIATE AND APPROVE REVISIONS TO LOCAL IMPLEMENTATION STRATEGIES TO THE CHIEF OPERATING OFFICER

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**Date:** March 4, 2026  
**Department:** Affordable Housing Bond Program  
**Meeting Date:** March 12, 2026

**Presenters:** Kristin Dennis (she/her),  
*Chief of Staff*  
**Length:** 20 minutes

**Prepared by:** Office of the Metro Attorney

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## ISSUE STATEMENT

The 2018 Affordable Housing Bond Work Plan provides for the distribution of Affordable Housing Bond funds to certain cities, counties and housing authorities, known as Local Implementation Partners (“LIPs”), to fund the production of affordable housing.

The 2018 Affordable Housing Bond (“Bond”) is a voter-approved regional investment that has demonstrated measurable success in expanding affordable housing production across the region. Since adoption of the 2018 Affordable Housing Bond Work Plan (“Work Plan”), Metro and its seven LIPs have collectively advanced a robust pipeline of projects that are delivering thousands of affordable homes, including a significant proportion of family-sized units and deeply affordable units serving households at or below 30% of Area Median Income. The Bond’s implementation model balances regional oversight with local administration. Metro establishes production targets, affordability requirements, and guiding principles — including racial equity — while LIPs develop Local Implementation Strategies tailored to local housing markets, policies and development conditions. To be eligible to receive Bond funds, the Local Implementation Strategy for each LIP must include strategies for achieving, among other things, its allocated share of Unit Production and Affordability Targets. Each LIP’s Local Implementation Strategy was submitted for Metro Council review and approval. Approved Local Implementation Strategies were then incorporated into Local Implementation Partner’s Intergovernmental Agreements (“IGAs”) with Metro, which commit the LIP to follow the Work Plan, carry out its approved Local Implementation Strategy, meet its Unit Production and Affordability Targets, comply with the Bond and obey all applicable federal, state and local laws.

This partnership model has allowed the program to respond to evolving construction costs, financing environments, and development timelines while maintaining accountability for voter-approved outcomes. To date, program performance demonstrates that the Bond is meeting or exceeding its regional production and affordability commitments. When evaluated across the lifecycle of the Bond, outcomes reflect substantial progress toward advancing racial equity in housing access and addressing historic disparities in housing opportunity, as well as expanding equitable economic opportunities through the development and construction of new homes. These outcomes are reflected in aggregate production data and program reporting.

The Work Plan further provides that LIP's Local Implementation Strategy may only be revised upon approval by the LIP and the Metro Council. This means that the Metro Council must review and approve, among other things, proposed administrative modifications and other changes to the Local Implementation Strategy that have no impact on the promised aggregate number of units, number of family size units (2 or more bedrooms), number of deeply affordable units for households making 30% of Area Median Income, or the LIP's share of Unit Production Targets.

Since approval of the Work Plan, and through 2025, revisions to Local Implementation Strategies have not been necessary and the approval process functioned as intended. However, the broader intergovernmental and regulatory environment has become increasingly dynamic, with evolving policy guidance and varying responses across jurisdictions. As a result, a more efficient administrative approach is warranted to minimize risk to affordable housing projects. Construction timelines for affordable housing are inherently inflexible due to complex financing structures and layered funding requirements. Delegating authority to the Metro Chief Operating Officer ("Metro COO") will position the organization to respond nimbly to changing conditions and help ensure that affordable housing production and community access remain the central priority.

## **ACTION REQUESTED**

Adopt Resolution No. 26.5573 amending the Affordable Housing Bond Work Plan to delegate authority to the Metro COO Officer to negotiate and approve revisions to the LIP Local Implementation Strategies and execute amendments to the Implementation IGAs incorporating said revisions, so long as the revisions do not decrease the total number of units, number of family size units (two or more bedrooms), and number of deeply affordable units for households making 30% of Area Median Income to be provided by LIP, or the LIP's share of Unit Production Targets.

The primary objective of this resolution is to safeguard the uninterrupted production and delivery of affordable housing.

Affordable housing projects are highly time-sensitive and financially complex. Development timelines depend on coordinated funding sources, tax credit allocations, construction pricing, and interest rate assumptions. Even modest administrative delays can jeopardize financing packages, increase costs, or stall projects in predevelopment.

Delegating limited authority to the Metro COO to approve Local Implementation Strategy revisions — under clearly defined guardrails — enables Metro to:

- Respond quickly to changing legal and regulatory conditions
- Reduce administrative bottlenecks
- Mitigate risk to project timelines
- Preserve housing production momentum

Importantly, this delegation does not authorize reductions in voter-approved commitments. The proposed guardrails ensure that any approved revisions must not decrease:

- Total unit production commitments
- Family-sized unit commitments
- Deep affordability commitments (30% AMI)
- A LIP's share of regional production targets

This approach preserves the fundamental outcomes approved by voters while allowing administrative flexibility in how those outcomes are implemented.

### **IDENTIFIED POLICY OUTCOMES**

This action delegates authority to the Metro COO to negotiate and approve revisions to LIP Local Implementation Strategies, with due consideration for the overall guiding principles of the Bond Program, and so long as the revisions do not decrease the LIP's promised aggregate number of units, number of family size units (two or more bedrooms), and number of deeply affordable units for households making 30% of Area Median Income to be provided by LIP, or the LIP's share of Unit Production Targets.

This proposed delegation reflects the Metro Council's established policy direction that the most critical priority of the Bond program is delivering affordable housing at scale.

The Metro COO's authority would operate strictly within the framework adopted by Council through prior Work Plan resolutions. Revisions that materially alter production targets, affordability levels, or core program outcomes would continue to require approval from the Metro Council.

Metro will continue to provide transparent reporting on program performance, including regular production updates and outcomes reporting, ensuring continued public accountability and the Metro Council's oversight.

### **POLICY OPTIONS FOR COUNCIL TO CONSIDER**

- A. Adopt Resolution No. 26-5573 amending the Work Plan to delegate authority to the Metro COO to negotiate and approve revisions to LIP Local Implementation Strategies under the conditions set forth in the resolution.
- B. Council could elect not to adopt the resolution and require Council approval of each Local Implementation Strategy revision in a separate Council resolution through the regular legislative process as new issues emerge with each jurisdictional partner.

### **STAFF RECOMMENDATIONS**

Staff recommend adoption of Resolution No. 26-5573.

### **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

The proposed Resolution amends the Work Plan previously approved and amended by the Metro Council through the following actions:

- Resolution 19-4956 approving the Metro Affordable Housing Bond Measure Program Work Plan
- Resolution 19-5015 amending the Metro Affordable Housing Bond Measure Program Work Plan

- Resolution 23-5314 amending the Metro Affordable Housing Bond Measure Program Work Plan

## **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

The Bond is implemented by Metro in partnership with seven Local Implementation Partner jurisdictions. Metro provides oversight and accountability, including staffing the oversight committee, providing quarterly and annual program reports, reviewing each project funding request, evaluating project outcomes, and convening partners and stakeholders to ensure consistency in funding evaluation and outcomes reporting and regional coordination to respond to emerging challenges and opportunities. Metro also administers the Site Acquisition Program, which acquires and supports the development of regionally significant sites, to contribute toward local program goals.

Local Implementation Partner jurisdictions are responsible for directly administering funding. Specifically, their administration responsibilities include developing and administering competitive funding solicitations to select projects that are aligned and contribute toward program production goals, conducting due diligence and underwriting to determine appropriate funding amounts and support Metro funding approval review, monitoring construction collecting data from projects following completion, and providing annual progress reports.