

IN CONSIDERATION OF RESOLUTION NO. 19-4956, FOR THE PURPOSE OF  
APPROVING THE METRO AFFORDABLE HOUSING BOND MEASURE PROGRAM  
WORK PLAN

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Date: Jan. 17, 2019  
Department: Planning, GAPD  
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### **ISSUE STATEMENT**

On Nov. 6, 2018, Metro-area voters approved a \$652.8 million regional general obligation bond to create affordable homes for thousands of people in our communities (the “Housing Bond Measure”). On June 7, 2018, following its referral of the bond measure to voters, the Metro Council adopted the Metro Chief Operating Officer’s recommended program framework, as set forth in Regional Investment Strategy: Affordable Homes for Greater Portland (“Initial Housing Bond Framework”). This framework includes policy guidance related to unit production targets, commitments to advancing racial equity, and implementation guidelines developed in collaboration with stakeholders, jurisdictions, housing providers and other partners.

To create these homes and deliver the results promised to voters, staff seeks Metro Council adoption of the Housing Bond Measure Program Work Plan attached as Exhibit A to the Resolution (the “Work Plan”). The Work Plan will be the governing document for how bond funding will be administered to ensure delivery of the outcomes described in the Housing Bond Measure and Initial Housing Bond Framework. The Work Plan sets forth expectations for implementing jurisdictions to develop local implementation strategies, which will further define local approaches to achieving the outcomes in the Framework. Implementing jurisdictions may bring forward “phase 1” projects for funding in FY2019, prior to the completion of local implementation strategies, so approval of those “phase 1” projects would be outside the parameters of the Work Plan and would come before the Metro Council for specific funding approval.

### **ACTION REQUESTED**

Adopt resolution approving Housing Bond Measure Work Plan (attached as Exhibit A to the Resolution).

### **IDENTIFIED POLICY OUTCOMES**

As described in the Initial Housing Bond Framework adopted by Metro Council on June 7, 2018 (Resolution No. 18-4895), the primary goal of the Housing Bond Measure program is to **create at least 3,900 new affordable homes**, of which:

- At least 1,600 homes will be affordable to households making 30% of area median income (AMI) or below;
- At least 1,950 homes will be sized for families, with two or more bedrooms;
- No more than ten percent of homes will be provided for households making 61-80% of area median income.

For acquired rental properties, the above targets and cap on homes for households making 61-80% of area median income will be applied upon turnover of the unit.

In its efforts to achieve the housing production outcomes described above, Metro is guided by the following four principles, which were derived from (a) existing Metro policies, including the agency's Strategy to Advance Racial Equity, Diversity, and Inclusion and (b) conversations with key stakeholders who participated in a six-month public process convened prior to the referral of the Bond Measure:

- 1) **Lead with racial equity.** Ensure that racial equity considerations guide and are integrated throughout all aspects of program implementation, including community engagement, project location prioritization, tenant screening and marketing, resident and/or supportive services, and inclusive workforce strategies.
- 2) **Create opportunity for those in need.** Ensure that program investments serve people currently left behind in the region's housing market, especially: communities of color, families with children and multiple generations, people living with disabilities, seniors, veterans, households experiencing or at risk of homelessness, and households at risk of displacement. Incorporate commitments for tracking and reporting on program outcomes for people of color and other historically marginalized groups.
- 3) **Create opportunity throughout the region.** Ensure that program investments are distributed across the region to (a) expand affordable housing options in neighborhoods that have not historically included sufficient supply of affordable homes, (b) increase access to transportation, employment, education, nutrition, parks and natural areas, and (c) help prevent displacement in changing neighborhoods where communities of color live today.
- 4) **Ensure long-term benefits and good use of public dollars.** Provide for community oversight to ensure transparency and accountability in program activities and outcomes. Ensure financially sound investments in affordable, high quality homes. Allow flexibility and efficiency to respond to local needs and opportunities, and to create immediate affordable housing opportunities for those in need.

## POLICY QUESTION(S)

Does the proposed work plan provide the structure necessary to deliver on commitments made to voters in Measure 26-199 and the desired outcomes identified in the Initial Housing Bond Framework adopted by the Metro Council in June 2018?

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

- Approve the work plan by adopting Resolution No. 19-4956: This will begin the next phase of the Housing Bond Measure program implementation, during which Metro and implementation partners will develop implementation strategies in accordance with the requirements set forth in the Work Plan.
- Propose revisions to the Work Plan to meet desired Council objectives and outcomes. Depending on the extent of revisions, this could delay of program implementation as Metro staff will need to recirculate and obtain feedback from local implementation partners.

### **STAFF RECOMMENDATIONS**

Staff recommends adoption of Resolution No. 19-4956.

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

The proposed Work Plan provides an operational framework for how Metro and the local implementation jurisdictions will work together to implement the Housing Bond Measure program to achieve the desired outcomes.

The proposed Work Plan is based on numerous policies previously adopted by the Metro Council, including but not limited to:

- Resolution No. 18-4895, adopting the Initial Housing Bond Framework for implementation of the regional affordable housing bond
- Resolution No. 18-4898, referring the affordable housing bond measure to Metro District voters
- Ordinance No. 18-1423, For the Purpose of Determining that Affordable Housing is a Matter of Metropolitan Concern and Undertaking an Affordable Housing Function

Following voter approval of the Housing Bond Measure, Metro staff began a focused period of engagement with jurisdictional partners and stakeholders to inform the completion of the proposed Work Plan. Engagement has included a reconvening of the stakeholder and technical advisory table members that informed the framework; community roundtables to discuss specific elements of the work plan, such as requirements and best practices for community engagement and advancing racial equity, as well as the program's approach to community oversight; a discussion with MPAC on Nov. 28, 2018; regular updates with key stakeholder groups; and frequent, ongoing meetings and workshops with key staff from jurisdictions that would implement the bond to discuss the work plan's contents.

Organizations and individuals engaged during this phase included the following.

Organizations:

- IRCO
- Urban League
- APANO
- JOIN
- Oregon Food Bank
- Coalition of Communities of Color
- Latino Network
- The Rosewood Initiative
- Central City Concern
- Opal Environmental Justice Oregon
- Momentum Alliance
- Central City Concern
- Portland Business Alliance
- BBPDX
- Fair Housing Council of Oregon
- West Side Economic Alliance
- Washington County Thrives

Builders, funders, and housing developers:

- Bridge Housing
- Walsh Construction
- Community Partners for Affordable Housing
- Community Housing Fund
- Proud Ground
- Housing Oregon

Individuals:

- Mesha Jones, Landlord, Gresham
- Arlene Kimura, East Portland Action Plan

Partner jurisdictions and other government:

- Washington County
- Housing Authority of Clackamas County
- Home Forward
- City of Beaverton
- City of Hillsboro
- City of Gresham
- Portland Housing Bureau
- City of Milwaukie
- State of Oregon Housing and Community Services
- Clackamas County Housing Affordability and Homelessness Task Force

As the Metro Council considers this Resolution, it is also considering adoption of Ordinance 19-1430 that amends the Metro Code to establish a Housing Bond Measure Community Oversight Committee, and Resolution No. 19-4957 that appoints Community Oversight Committee members.

If the Metro Council adopts the proposed Work Plan, Metro and local implementation partners would proceed with development of Implementation Strategies. Development of the Implementation Strategies will include considerable engagement with community members, particularly communities of color and other marginalized groups.

The Implementation Strategies will then be reviewed by the Community Oversight Committee for consistency with the requirements set forth in the Work Plan and will be presented to the Metro Council and local governing bodies in summer 2019. If approved, the Implementation Strategies would then be incorporated into intergovernmental agreements between Metro and the local implementation partners.

Although the Housing Bond Measure had some opposition, staff is not aware of formal opposition to the Housing Bond Measure Work Plan submitted for Metro Council consideration.

### **BACKGROUND**

The Work Plan that the Metro Council would adopt through the approval of this Resolution includes sections devoted to governance, the Community Oversight Committee, distribution of funds and requirements for local implementation partners, the Metro regional site acquisition program, capital investment activities, long-term monitoring of outcomes, and program operations.

Staff provided an update on Work Plan development and received Metro Council guidance at a work session on Dec. 11, 2018. An earlier update on staff efforts to scope the work plan was presented to Metro Council on Sept. 18, 2018.

### **ATTACHMENTS**

None