



**MEETING MINUTES**  
**HOUSING ADVISORY COMMITTEE OF WASHINGTON COUNTY**  
**April 25, 2019, 9:00 a.m.**

Washington County Department of Housing Services – Juvenile Services Building  
111 NE Lincoln Street, Suite 200-L, Hillsboro, OR 97124  
**Juvenile Services Building Room 258**

<b><u>COMMITTEE MEMBERS PRESENT</u></b>	<b><u>STAFF PRESENT</u></b>
Ben Sturtz (Vice-Chair)	Shannon Wilson, Housing Development Coordinator
Sig Unander	Komi Kalevor, Executive Director
Gary Whiting	Melanie Fletcher, Rental Assistance Manager
Charri Schairer	Gary Calvert, Asset Manager
Vince Chiotti	Annette Evans, Homeless Program Manager
Katherine Galian	Yaling Huang-Dressel, Housing Controller
Teri Smith	Josh Crites, Assistant Director
Joshua Groesz	Melisa Dailey, Housing Program Coordinator
	Ruth Osuna, Assistant County Administrator
<b><u>ABSENT</u></b>	
Sheila Greenlaw-Fink	<b><u>OTHER ATTENDEES</u></b>
Melinda Bell	Val Valfre
Cindi Otis	James Begg
Jason Hitzert	Mandi Ludlam
Sid Scott (Chair)	

**I. ROLL CALL** – 9:01 a.m. A quorum was present.

**II. ACTION - APPROVAL OF MINUTES FROM March 28, 2019**

Motion: Gary Whiting  
Second: Joshua Groesz  
Vote: All approved

**III. DISCUSSION - ORAL COMMUNICATIONS & MEMBER UPDATES**

**MEMBER UPDATES**

Ben Sturtz noted that REACH is keeping busy with projects in Oregon City. They are also finishing work on phase 2 of their Vancouver project. He announced the grand opening of the SE 72<sup>nd</sup> and Foster property is taking place this Saturday, April 27<sup>th</sup> at 10:00 a.m.

Teri Smith with CASA of Oregon reported their new Housing Director, Garrick Harmel, has officially started. CASA has put in an offer on a 380-space park in Salem. If it goes

through it would be one of the largest manufactured home preservation projects in Oregon.

Katherine Galian reported their Kaleidoscope event went very well.

Gary Whiting distributed a summary from the Oregon Association of Realtors. He noted home prices have increased 4.1 percent in the metropolitan area and inventory has decreased. Pending sales are down between 10-15 percent in the metro area.

Charri Schairer stated THPRD held the first of two public hearings for their budget on April 16. The second public hearing will be on May 21. The budget includes SDC fee allocations for affordable housing.

## **ORAL COMMUNICATION**

### **IV. EXECUTIVE DIRECTOR'S REPORT**

Komi Kalevor reported Metro Bond related items are moving forward. The new Assistant Director Joshua Crites has been drafting a letter of interest for the Moving to Work program on behalf of the Housing Authority. Lastly, Mr. Kalevor was unable to attend the County's volunteer appreciation event but was told it went very well and was well attended.

### **V. STAFF REPORTS**

#### **A. Financial Statement:**

Yaling Dressel reported the inflation rate for Section 8 is 5.3 percent resulting in a \$1.3 million increase this next year. The challenge is the unit costs are continuously increasing. The Housing Authority is developing a plan to lower the unit cost to be able to serve more residents. Next year's budget is being finalized and will be presented to the Housing Advisory Committee (HAC) at next month's meeting.

#### **B. Section 8 and Low Rent Public Housing**

Melanie Fletcher reported the Section 8 housing waitlist is currently being screened and issuing about 30 vouchers a month. She is waiting to hear HUD's projections for the 2020 funding year and weigh it against the forecast spending for this year to see how it will impact next year. The new administrative plan is completed and will be presented to the Board on May 7<sup>th</sup>. Most of the adjustments have to do with aligning with changes and regulations. She did note there were some more significant changes and distributed a document outlining them. One was to make changes to align with HUD initiatives that have not yet been implemented such as requiring carbon monoxide detectors in all units. Another change is part of the Housing Opportunity through Modernization Act that has not yet been implemented. Right now public housing authorities (PHA) handle decreases in income between annual recertifications and HUD is talking about implementing a rule not requiring a change unless there is an increase of larger than 10 percent in adjusted income. It was decided to put this practice into place now moving the threshold from 5 to 10 percent. Another change is with the housing choice voucher

home ownership program. The minimum income has not been updated since 2000 and the change will set it at 95 percent of the very low-income limit for HUD programs. There has not been a defined way to determine home maintenance expenses which is a part of the calculation for affordability. It was decided that one half of one percent of the purchase price divided by 12 is how this will be defined going forward. Another big change is including those who were formerly homeless who do not have permanent housing be included on the waiting preference list. Another big change is with the criminal background screening. HUD has advised moving in the direction of low barrier screening to allow those with minor convictions to be approved for housing assistance. They will now be aligning with the proposed screening criteria in the Portland metro region. Lastly, the new administrative plan allows acceptance of applications for main stream voucher eligible families for homeless or at risk.

### C. Affordable Housing

Gary Calvert reported Public Housing will have a reduction in capital funds for next year. He stated next week there is a major tri-state exercise on the distribution of antibiotics in case of a chemical attack. He added the Board approved Section 18, authorizing the sale of 60 public housing single-family homes. They will be aligning the public housing program to the changes Ms. Fletcher mentioned above in Section 8. He announced the Pacific Northwest Regional NAHRO (National Association of Housing Redevelopment Officials) Conference will be taking place next week. Lastly, he noted affordable housing numbers have a negative cash flow due to repairs and maintenance coupled with increased utility costs of 15-18 % over the last couple of years.

### D. Special Projects

None.

### E. Report on Homelessness

Annette Evans reported on a program called "Here Together" which is a non-profit organization working in the tri-county area focusing on coordination with providers, local government, businesses and the non-profit community. Their goal is to reduce homelessness from a regional approach. She is looking forward to hearing from them and what their role might be in helping to implement the tri-county equitable housing strategy report.

### F. Housing Affordability/Development Initiatives

Melisa Dailey said she has been working with Shannon Wilson on the Metro Bond and attending meetings for the Analysis of Impediments and Consolidated Plan.

Katherine Galian noted Community Action provided a training to those distributing information on housing assistance and homeless resources. The training was focused on connecting the public with how to access homeless prevention or rapid rehousing

assistance. The class explained the systems and how they are separate including the prevention system and Community Connect.

Shannon Wilson reported Cornelius Place held a grand opening on March 30<sup>th</sup>. It provides 45 units of housing for seniors above the new Cornelius Library. The Red Rock Creek Commons, Cedar Grove, and Montebello will close this summer.

## **VI. OLD BUSINESS**

## **VII. NEW BUSINESS**

### **Metro Bond Update**

Shannon Wilson presented an update on the Metro Bond Local Implementation Strategy (LIS). Currently the LIS is in the public comment period. The following is an overview of the bond:

- \$652.8 million distributed for Metro's jurisdictional area (Multnomah, Clackamas, and Washington County)
- \$188 million for Washington County split between Beaverton, Hillsboro and Washington County that is within the Metro area.
- Overall county-wide goal of 1,316 units. Beaverton (218), Hillsboro (284), Washington County (814) units.

The LIS breaks out how the county will implement the bond but is guided by the framework Metro has established in the Metro bond workplan. The workplan includes leading with racial equity and community engagement. It also establishes key parameters around targeting (334 of the 814 units are to serve extremely low-income households – 30% MFI). Half of the units (407) are intended to be 2, 3, or 4 bedrooms or larger to serve families. There is a potential that up to 10 percent of the units (81) can serve households 61 to 80 percent of median family income (MFI). The following are key features of the LIS:

- Each implementing jurisdiction have their own strategy
- Outlines how jurisdictions envision achieving its production target
- Guiding principles: housing development plan, strategy for advancing racial equity, engagement report, and community engagement.

A key feature in Washington County is identifying key pieces of autonomy collaboration and coordination with the county. Washington County's guiding principles for the housing development portion will include:

- A targeted balance between Housing Authority owned, private developer owned, and non-profit owned housing.
- Geographic distribution of bond funded projects.

- Creating a balance between new construction, acquisition, and rehab of existing projects.
- Connection to supportive services through the permanent supportive housing plan with a goal of 226 units to be built over the next 10 years in Washington County.

Washington County's guiding principles for the strategy for advancing racial equity are:

- Targeting a percentage for minority in women and emerging small businesses contracting.
- Low barrier screening criteria.
- Consider how project-based vouchers are allocated.

Washington County's guiding principles for community engagement:

- Continuing to engage the community as well as the development community.
- Presentations to each city counsel in the county to solicit feedback and discussion on the LIS. Presenting to the Planning Commission and policy advisory board. Meeting with the committee for community involvement for the county.
- Contract for ongoing community engagement.

The implementation strategy identifies the resources that will be leveraged with the \$116 million made available from the Metro bond funds. They will maximize the use of non-competitive resources such as 4% low income housing tax credits, non-competitive maximized use of private resources, and maximize local resources. After meeting with the Board, the 30-day comment period has begun. There will be a public hearing on May 7 at the Board of Commissioners meeting. A second draft will be presented to the Board of Commissioners on May 21<sup>st</sup> with discussions at their May 28<sup>th</sup> work session. Pending any additional comments, a third draft will be presented to the Board in June with approval at the end of June. Once approved it will go to Metro's community oversight committee. Based on their review, they will make a recommendation to Metro counsel where the final approval will be made in August. An official website for the affordable housing bond in the county has been created but is not live as of yet.

The following comments were made on the Local Implementation Strategy:

- More specificity regarding emerging small business in relation to racial equity.
- Define low barrier screening in relation to permanent supportive housing versus workforce housing.
- The Board noted some of the language was too broad. They have asked for it to be more specific, more affirmative, and assertive.
- To be more succinct regarding the sites identified by Washington County section.
- Alignment with the statewide housing plan.

## Presentations

Joshua Crites reported on the Moving to Work (MTW) program. He pointed out the increase in the housing and rental cost for affordable housing in the tri-county area as well as limited funding for the programs within the Housing Authority isn't enough to offset the reductions and fluctuations in funding. He provided a graphic explaining where Washington County is in relation to the current market. HUD allocates a certain number of vouchers to the Housing Authority under the annual contributions contract. With the 2,858 vouchers (housing choice voucher and VASH – veterans), they are only able to lease up about 2,561 because the funds HUD issues is not enough to fund the full number of vouchers given.

Melanie explained the money received from HUD is based on numbers from a year ago and with the increased per unit costs every year, the funds distributed are less than the costs of leasing up with the number of vouchers given.

Mr. Crites said the allocation of funds from HUD are either prorated or not enough to keep up with inflation. The administrative fees are not based on how many vouchers are allocated, but on the month-to-month utilization minimizing the amount of money given each month for administrative costs. The challenges with public housing are the capital funds received for public housing are not enough to keep up with maintenance issues and the operating funds fall short of what is needed to keep up with tenant rents. He explained the Moving to Work (MTW) program allows public housing authorities to design and test innovative locally designed housing and self-sufficiency strategies. Of the 3,600 housing authorities nationally, there are only 32 designated MTW. Congress has instructed MTW to add new agencies to the program. The MTW also allows the following:

- Exemptions from most program rules for public housing and housing choice voucher programs.
- Allows public housing and housing choice voucher dollars into a single pool allowing increased flexibility.
- Allows the Housing Authority to negotiate with HUD around funding and budgetary sweeps.
- Increased housing choices for low income families and help reduce costs and achieve greater cost effectiveness within current programs.

The first step in applying to become part of the MTW program is to submit a letter of interest package to HUD by June 12. The Washington County Housing Authority meets the requirement of being a high performing agency and thus is allowed to submit the letter of interest. They also have to indicate a willingness to implement the rent reform and need a Board resolution authorizing the submittal of the letter of interest. The way the rent model is currently structured is a disincentive for work able households to increase their earned income. With the rent reform, HUD provides a menu of options and the best option for the high rents in the county would be the tier rent model. Instead of looking at a tenant's income once a year or more, it would be reviewed every three years allowing tenants to earn more and save more during that time without any penalty. When rents are reviewed it will be recalculated in the middle using the band width method. This program would encourage affordable housing development and

create programs to encourage work able residents to find and maintain employment. There is also less administrative burden looking at income and increased focus on assisting resident's success. They will go before the Board on May 7<sup>th</sup> asking for the authorization to submit the letter of intent.

### **Additional Discussion Items**

James Begg introduced himself as a real estate development student at Portland State University. He is taking an affordable housing finance class and thanked the HAC for allowing him to sit on today's meeting.

Val Valfre, member of the Washington County Housing Authority Board of Directors stated the State Housing Stability Council has two projects coming up for approval. One is a mobile home park trying to push home ownership programs and the other are individual development accounts. There will also be further discussion on the qualified allocation plan.

Mandi Ludlum with the Community Housing Fund stated she is sitting in for Sheila Greenlaw-Fink.

Komi Kalevor announced both Sid Scott and Gary Whiting's reappointments to the Housing Advisory Committee were approved by the Board of County Commissioners. They also approved Dave Backman, President of Cascade Property Management, as the newest member of the Housing Advisory Committee.

### **VIII. RESOLUTIONS/ACTION ITEMS**

N/A

### **IX. ADJOURNMENT**

Meeting adjourned at 10:58 a.m.

Komi Kalevor  
Secretary/Executive Director