

# Housing Affordability and Homelessness Task Force



## Meeting Summary Notes #10

July 25th, 2019 | 6:00 – 8:30 p.m. - Meeting refreshments from 5:30 p.m.  
Development Services Building, 115/150 meeting room  
150 Beaver Creek Road, Oregon City.

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### Attendees:

| Name            | Affiliation                                      |
|-----------------|--|
| Erin Maxey      | City of Milwaukie                                |
| Cole Merkel     | Street Roots                                     |
| Katrina Holland | Community Alliance of Tenants                    |
| Nancy Ide       | HSCCC  |
| Nate Ember      | Built Architecture, Community + Design           |
| Graham Phalen   | Clackamas County Sheriff's Office                |
| Jennifer Hughes | Transportation & Development                     |
| Ruth Adkins     | Kaiser Permanente                                |
| Wilda Parks     | Clackamas County Economic Development Commission |
| Jull Smith      | Health Housing & Human Services                  |

### County staff

Dan Chandler  
Abby Ahern  
Julie Larson

### Facilitators

Alice Sherring, EnviroIssues  
Laura Peña, EnviroIssues  
Sofia Alvarez-Castro, EnviroIssues

*Apologies – Anna Geller, Dave Carboneau, Ken Fisher, Nina Carlson, Roseanne Johnson, Yelena Voznyuk*

### Welcome and Housekeeping

Alice Sherring, facilitator, welcomed Task Force members to meeting #11. Sherring reviewed the meeting agenda and materials to be discussed including the Tenant Protection recommendations, Housing Services recommendations, and Dan Chandler's funding recommendation presentation. Sherring proceeded to invite Task Force members to participate in a round of introductions. Present Task Force members

### Opening remarks and task force updates

Sherring invited opening remarks from County Staff:

- Dan Chandler, Clackamas County, shared with the group that the approved Planning, Zoning, and Development Recommendations were presented and accepted by the Board County of

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Commissioners in May. Recommendations will now be incorporated into the Planning, Zoning and Development Work Plan and the board will get to them probably starting in January of 2020.

- Jill Smith, Clackamas County, shared that they are on the second year of the board setting aside 1.2 million dollars ongoing for affordable housing and services. This year an RFP process was put in place and several creative proposals were submitted of which almost all were funded; they successfully entered into eight or nine contracts. Smith continued to share that they will be working with some existing community organizations, as well as organizations they have never worked with in the past. One of this year's recipient was Providence who is working on identifying parking lots for conestoga huts for homeless people that are being treated in the emergency room. The conestoga huts would be a temporary place for individuals to go to and get wrap-around case management after they are discharged from the emergency room and until they can be housed. Providence has committed to case-management and data collection to show its success in the future. Smith continued and shared about a second recipient, the Clackamas Service Center, who received 95,000.00 dollars to help with an array of services from security deposits to homeless outreach. Smith continued to share that the funding for these contracts comes from the general fund and therefore are flexible and do not come attached with state and federal requirements. The county included strict outcome requirement as a part of the RFP. Smith concluded by sharing that they would be excited to share more of the outcomes and tracking in the future.
- Jill Smith, Clackamas County, Smith also shared that the County approved the local implementation strategy for a local bond dollar. After extensive community engagement, with the help of Unite Oregon, they were able to engage with different community groups including folks with high-needs, people of color, immigrants and non-English speakers. Smith shared that one key takeaway was they learned that number one priority for these community groups was to have housing near parks and development, places where they could walk to. Other on their priority list was having housing near transportation, school, work and housing units for large families. Smith shared the importance of going to and engaging with the community and not assuming their needs. Smith concluded by commenting that they have included everything they have learned into the plan and will be submitting it to METRO for their approval process with the hopes of distributing fund in September 2019.

Sherring invited opening remarks from Task Force Members:

- Ruth Adkins, Kaiser Permanente, shared about how efforts are continuing to organize the regional supportive housing impact fund (Hardship). Adkins commented that at the table there are a variety of different entities including Kaiser Permanente, all the different health systems, foundations, Portland Business Alliance and Blackbird. Adkins explained that they are looking for a flexible way for the health system and philanthropies to create a flexible fund in supportive of housing. Adkins continued saying that there is a lot of potential and

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momentum and hopefully with the help of county partners they can submit a proposal to Kaiser Permanente for additional investment in the fund.

- Nancy Ide, the Homeless Solution Coalition of Clackamas County, talked about two exciting things happening within the HSCCC workgroups. The first is around homeless youth, with the help of Second-Home to find host homes for homeless youth in three different school districts within Clackamas County. Ide shared they just launched and are looking for host homes and is asking to help spread the word. The second group is working to help provide judge-ordered services to individuals immediately after they leave the Clackamas County Community Court; services include things like getting an ID or a Mental Health evaluation.
- Katrina Holland, Community Alliance of Tenants, shared that CAT is working with Portland State University to take multiple years of hotline data and are cross-tabbing it to see what type of experiences different groups face and how that results in housing instability. Holland continued talking about how they have realized that one data point is missing, which is when people are at the threshold of becoming homeless but have not yet become homeless and what those factors are. They are going to publish that data quarterly and should help inform services questions.

## Housing Needs Assessment Presentation

Sherring moved the group on to talk about the Housing Needs Assessment. Sherring passed the discussion over to Dan Chandler to give an update on the Housing Needs Assessments key findings.

Dan Chandler reminded the group that when the Task Force started meeting the county-funded a county-wide Housing Needs Assessment which included all unincorporated cities within the County. The report is currently in draft form and will be available shortly. Chandler continued and gave some high overview points about the assessment, result, and impacts:

### Background Information:

Chandler started by explaining some background information. Chandler shared how the Clackamas County Coordinating Committee got together a few years ago to talk about what Cities and Counties have in common and what they need to work on together, as a result of those conversations, housing affordability was in the forefront which led to the Housing Needs Analysis. The DLCD provided some funding to pay for the analysis and the county paid the rest of the cost. Each city that participated got a full analysis of their need and Buildable Lands Inventory. There were 15 different analysis areas. The housing needs looked at the demographic and economic trends, what is happening in the world and the region, to see how that is going to affect our housing needs, projection of number and types of various housing needs. Chandler explained that once one determines what the housing needs are one can move to the second step, the Buildable Land Inventory. The Buildable Land Inventory looks at what land is available and vacant, which is verified by the planning staff from each city, which then is summarized in a variety of maps and tables.

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## Results:

Chandler explained the results found that throughout the County there were issues regarding housing affordability. Results showed that there is an increase in millennials which means an increase in demand single-family attached and detached homes, an increase in the population of folks 60 years old and over, and that the County has a lower share of multi-family units compared to the region. Chandler continued to share that for renters, the mean wage is 15.36 dollars an hour and that in the County a person would have to make 28 dollars an hour to rent an apartment or work the equivalent of 93 hours a week at the mean wage.

Chandler continued to discuss findings and shared a map of all the cities in Clackamas county and the shares of households that are rent-burdened. The map showed a high share of rent-burdened households throughout the County except for West Linn and Happy Valley. Chandler proceeded to talk about housing affordability when it comes to purchasing a home. Chandler explained that at 100 percent AMI in Clackamas County one could afford to purchase a home at 270,000 dollars. However, homes for sale in Clackamas County are going for sale between 300,000 to 500,000 dollars. Chandler continued to share that only 7 percent of the homes in Clackamas County are affordable at 100 percent AMI and emphasized that that is the homeownership and affordability gap. Chandler continued to talk about how the homeownership and affordability gap impacts rent and supply across the spectrum when people are forced to buy or rent up or down. 80 percent of the homes for sale in Clackamas County is over 300,000 dollars and 13 percent are over 500,000 dollars. Incomes in the county vary widely and this data is available for all the cities in the report. Chandler continued to talk about the findings. Chandler shared that in the City of Estacada, 28 percent of households, are in extremely low-income. The City of Canby is slightly more balanced, and Gladstone is even more balanced. However, this is a different story in Happy Valley, were only 6 percent or less are low-income and 55 percent are high-income. Chandler continued to share how interestingly Happy Valley opposed HB 2001.

- Wilda Parks, Clackamas County Economic Development Commission, responded that Happy Valley's low-income point is a lot different than other cities because their income is so much higher.

Chandler continues to explain an analysis of a graphic that compared the supply of housing that's available with what is affordable at different income ranges. The graph showed that throughout the spectrum there is a deficit of housing for high-income families and as a result, those households are forced to rent, or buy-down which worsens the availability of homes for households at lower-incomes. Lower-income households are then forced to be rent-burdened and to rent or buy up- the lack of high-end housing has a trickle-down effect.

- Ruth Adkins, Kaiser Permanente, asked Dan if the Housing Needs Analysis analyzed land post HB2001?

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Chandler shared that the reason the report has not been finalized yet was because of HB 2001. The County was not sure how that was going to impact the report. Dan continued to share that cities have no requirement with DLCD to do anything, the County does but the deal with the cities was that they would participate in the Housing Needs Analysis and provide information but would not be required to do anything. Chandler continues to say that there is more to come in the report next month with regards to displacement, gentrification, and mobile parks which tend to be our naturally occurring affordable housing in Clackamas County.

- Cole Merkel, Streets Roots, asked Chandler a clarifying question about what happened with the unincorporated areas of the county within the report? Especially as how within the incorporated area there is a lot of potentials to move there.

Chandler commented on how they have a significant need for multi-family housing in the unincorporated area of Clackamas County and they need to figure out what to do. Chandler explained the issues is what the land is zoned for and why it has not developed for what it is zoned for. Chandler continued to explain that a lot of the legacy land is zoned for multi-family and it has been developed into legacy single-family. Chandler concluded by sharing that there is not a lot of vacant land in the incorporated area of the county and that development there would look like infill development.

- Nancy Ide, HSCCC, asked Chandler if the assessment investigated transitional housing and the need for land for RV parking.

Chandler responded that the assessment did not, but the mobile park home displacement part of the report might look into that.

Sherring wrapped up the housing needs assessment discussion and directed the group to move into the action planning part of the meeting.

## **Action Planning: Tenant Protection recommendations & Housing Services recommendations**

Sherring then directed the group to break into two different breakout groups.

The first breakout group was tasked with wrapping up the tenant protection recommendations. Chandler gave insights into the counties efforts and finding between meetings, the County's role, and legal authority, and their relationship to the state legislation. At the end of the breakout session, the group identified nine potential tenant protection recommendations to move forward.

The second breakout group was tasked with finalizing housing service recommendation by sorting them for cost to implement and effectiveness of implementation. The breakout group engaged in a cross-benefit analysis activity that considered the cost and effectiveness of each recommendation



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for housing services on a matrix. At the end of the breakout session, the group had reorganized and prioritized the recommendations for Housing Services.

After the groups were done in the breakout groups, Sherring directed the Task Force to come back together for final Action Planning; Funding Recommendation for the final discussion in August.

## **Action Planning: Funding recommendations for final discussion at August meeting**

Sherring handed the discussion over to Dan Chandler to lead the discussion on funding recommendations.

Chandler started talking waivers and explained that a lot of these types of funding mechanism ends up coming from tax-payers pocket or at the expense of something else. Chandlers commented on how SDC waivers tend to be popular because it feels like its free money, but they are not. Waivers can be done right but they must be coupled with a further funding conversation. Chandler then moved to talk about tax-exemptions and bonds, and how similar they can be to SDC waivers but explained that they are difficult to pass in Clackamas County.

Chandler moved to talk about the general fund sources and talked about full-faith credit borrowing as an option. Chandler explained that with this funding mechanism the county borrows money from the general fund and must repay it within 15-years. Chandler shared that the county used this funding mechanism to fund the light-rail in Clackamas County.

Chandler then continued to talk about Tax Increment Funding. Chandler shared how seven years ago there was a problem with urban renewal in Clackamas County which has now made it so that there needs to be a county-wide vote to approve urban renewal. Chandler explained that this was a political move to try to stop the light-rail project a few years ago. Chandler then continued to share the success that urban renewal had in Clackamas town-center development. Dan clarified that legally the Board of Commission does not have to follow the voting law and that is something they could change if they wanted to and that urban renewal can generate great amount of money.

- Merkel asked Chandler if this could be a recommendation that the Task Force could move along?
- Parks commented on how the Clackamas County Economic Development Commission was talking about this voting requirement and that they should work on getting it changed. Parks also commented that with good management urban renewal can be one of the best tools for development.
  - Holland responded stating that urban renewal must be followed with good practices and management to mitigate displacement for folks.
  - Chandler concurred how it has been misused in the past in several ways and as a tool for gentrification and displacement or sticking along for too long.

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Chandler moved the discussion along and talked about partnerships. Chandler commented that a lot of these funding mechanisms need partnership to make these options viable. Chandler went into detail and explained a North Carolina study that looked at the cost of homeless and that tracked homeless individuals through the different systems. The study found that they were spending a quarter of a million dollars per year per person on services, money that they would have not had to spend if they had housing with wrap-around services.

- Adkins asked about the Fuse study with Portland State University that the County was supposed to work with.
- Smith responded to Adkins that they were supposed to have the study this summer and that they would check-in and let the Task Force know.
- Ide asked for information on the Construction Excise Tax (CET) as a potential funding mechanism.

Chandler moves along the conversation to talk about the final funding mechanism a CET that is allowed by SB 1533. Cities and counties may impose a CET of 1 percent of the value of residential construction or commercial industrial with no cap on the rate. CET is fairly prescribed for residential development. Chandler explained that the County did a calculation of how much money they would have gotten if they had a CET 20-years ago. The calculations showed that with a CET between 1996 and 2016 they would have had an excess of 40-million which could have been available for affordable housing and services.

Sherring stepped in to wrap up the funding mechanism discussion and asked the group to go around and share one initial thought about the funding mechanism that Chandler talked about.

- Graham Phalen, Clackamas County Sheriff's Office, commented that they do not know a lot about this- but asked about debt refinance, and if there is any room for the county to build some room for it.
- Ruth Adkins, Kaiser Permanente, commented on how there is a lot of work to do with regards to partners and following up with the fuse piece. Adkins finished mentioning their interest in urban renewal and CET.
- Nancy Ide, HSCCC, shared how the group needs to start eliminating the use of the word "waiver" because it confuses a lot of people. A "waiver" does not mean anything because it is not a waiver, someone has to pay for it. Ide asked who is going to pay for the reduction of fees? Ide finished with the thought that a potential funding source for that could be the CET.
- Cole Merkel, Street Roots, commented that knowing that the housing bond passed in Clackamas County by fewer than a thousand votes, they understand why the County would not want to pursue another bond; however, Merkel would be curious to see what polling would say now.

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- Wilda Parks, Clackamas County Economic Development Commission, shared how they are a fan of urban renewal and thinks it is a good tool to have, as well at CET. Parks concluded by sharing that it has built a nice fund in the City of Milwaukie and how it could be a big plus for the County.
- Nate Ember, Built Architects Community + Design, shared how the group talked a lot about direct funding mechanism and the incentives side, they hope that in the future the group can talk more about how development gets done and how things like inclusionary zoning, that try to take a piece at developer profit, have counter forces that do not make it work too well and disrupt development. Ember concluded about how they would be interested in talking about how METRO's talking about having a Housing Authority to develop public housing in the metro region, and what the impact of that might be with regards to funding mechanisms.
- Erin Maxey, City of Milwaukie, shared they have nothing to add and that they were happy to meet everyone today.
- Katrina Holland, Community Alliance of Tenants, commented that they did not have the answer to this question, as funding mechanisms are not their expertise, but they are wondering if other funding mechanisms were not discussed today.
- Jill Smith, Health Housing & Human Services, commented that they had nothing to add. Smith continued to comment that they have taken notes and will get back to the group with regards to the Fuse study and that they are a fan of all the tools they can get.

## Next steps and closing remarks

Sherring started wrapping up the meeting by asking Chandler if they were at a place where they could come up with a more concise list of the funding mechanisms for the task force to respond to. Chandler agreed and shared how they were encouraged by the Task Force response to the different funding mechanism and committed to providing the list of recommended funding for the task force to respond to.

Sherring continued the conversation by reviewing meeting outcomes and action items.

- Work will be done between sessions to repackage the housing services recommendations (cost effectiveness) and services, tenants protection, polished draft, a draft set of the concept of draft funding mechanisms
- Repackage housing services recommendations based on prioritization (cost vs effectiveness)
- Finalize tenant protection document draft for final review for BCC
- A draft set of recommendations to consider for funding strategies.

Ms. Sherring and Mr. Chandler thanked the group for their time, mentioned that an August meeting would be scheduled, and adjourned the meeting.