

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Sitting/Acting as (if applicable) Policy Session Worksheet

Presentation Date: October 2, 2018 **Approx Start Time:** 10:30 am **Approx Length:** 30 minutes

Presentation Title: Regional Affordable Housing Bond (General Update)

Department: Health Housing and Human Services

Presenters: Richard Swift, H3S Deputy Director Jill Smith H3S Deputy Director
Chuck Robbins, Executive Director, HACC

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD? No action is being requested of the Board. This report is to provide a general update on the affordable housing bond work plan to be implemented in the event the measure passes.

EXECUTIVE SUMMARY:

On June 7th The Metro Council referred a \$652.8 million general obligation bond to the Portland Region area voters for consideration on the November 2018 ballot. The proposed bond measure could fund the construction, acquisition and renovation of affordable housing for approximately 7,500 to 12,000 people in the greater Portland region. The measure defines affordable housing as land and improvements for residential units occupied by low-income households making 80 percent or less of area median income, which in 2018 for a family of four was \$65,120. If approved, the bond is expected to cost the region's homeowners an average of \$5 a month.

In January 2018 Metro convened two advisory tables to advance these efforts, including a stakeholder advisory table composed of more than 30 people representing a variety of perspectives on housing need and opportunity, the communities most impacted by the housing crisis, and a technical advisory table composed of more than 20 people with extensive experience in housing creation, financing and operations. Clackamas County staff have consistently attended and engaged in this work. The result of this ongoing community engagement was the development of a framework that identified overarching goals, outcomes, and expectations for how the bond will be implemented in the event it passes.

Recognizing the spread of need and opportunity throughout the region, the Metro Council adopted the recommendation of the committees that affordable homes created by the bond be distributed region-wide based on assessed value of each of greater Portland's three counties within the Metro district. This means that approximately 45 percent of homes created through the bond would be in Multnomah County, 34 percent in Washington County and 21 percent in Clackamas County. For greater detail on the process and the overarching framework please reference: <https://www.oregonmetro.gov/public-projects/affordable-housing-bond-information>.

Metro staff and the implementing jurisdictional partners, Clackamas County, Multnomah County, Washington County, Portland, Gresham, Hillsboro and Beaverton continue to meet and discuss DRAFT components of a work plan. The good news is most bond implementation will happen at the local level. Local jurisdictions have been charged with developing an implementation strategy that aligns with our local needs and priorities agreed upon within the framework. I have attached the Affordable Housing Bond – Work Plan Update for your review.

Next Steps

- Between now and November, local jurisdictions will work to prepare local implementation strategies and identify phase 1 projects to ensure local readiness in the event the measure passes.
- Metro staff will continue developing the regional program work plan and the site acquisition implementation strategy.
- Staff will continue to have ongoing dialogue with Metro staff and are working to ensure that our local implementation strategy and the final work plan aligns with the requirements of the bond, the agreed upon framework, and the needs and desires of our community.
- Following the election if the measure passes a final work plan will be presented to and adopted by the Metro Council in December 2018.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO

What is the cost? What is the funding source?
Affordable Housing Bond funding will be determined by the outcome of the election this fall.

STRATEGIC PLAN ALIGNMENT:

How does this item align with your Department’s Strategic Business Plan goals?

- H3S established specific Strategic Results through the Performance Clackamas process, the first of which is regarding Housing and states: Clackamas County residents will experience opportunities for safe, stable, and affordable housing as evidenced
 - By 2022, two thousand housing units affordable to lower and moderate income households will be built and occupied within Clackamas County.
 - By 2022, 50% of low income housing unit residents will have access to supportive services.

How does this item align with the County’s Performance Clackamas goals? This initiative and work directly aligns with the following: Ensure Safe, Healthy and Secure Communities

- A focus on the well-being of all our families and communities reflects the best of our character and values. Investments in providing services to those needing care, addressing hunger and homelessness, and lowering the crime rate are key to making our community safe. These efforts combined with success in creating jobs will give definition to the county’s efforts to alleviate poverty and will help ensure the safety, health, and security of our residents.
- LEGAL/POLICY REQUIREMENTS: Staff is not speaking for or against this measure but is providing an update related to our work with Metro and our jurisdictional partners as we engage in the development of a work plan to ensure a state of readiness in the event the measure does pass.

PUBLIC/GOVERNMENTAL PARTICIPATION

OPTIONS:

RECOMMENDATION: This is an update, no action is requested

ATTACHMENTS: Metro memo from Elissa Gertler, Planning and Development Director,
Affordable Housing Bond – Work Plan Update
Draft Implementation Planning and Launch Timeline

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Jill Smith at 503-742-5336 or
Chuck Robbins at 503-650-5666.

Memo



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Date: Tuesday, Sept. 11, 2018
To: Metro Council
From: Elissa Gertler, Planning and Development Director
Subject: Affordable Housing Bond – Regional Site Acquisition Program Update

On June 7, 2018, the Metro Council referred a regional affordable housing bond measure to Portland-area voters. The \$652.8 million bond, if approved, will create affordable housing for approximately 7,000 people, under the current Oregon Constitution, to 12,000 people in the region if a constitutional amendment is also approved in November. The bond is estimated to have an average annual cost of \$60 for area homeowners.

Also on June 7, the Metro Council adopted a framework recommended by the Metro COO to guide bond implementation. The framework directs Metro to dedicate up to 10 percent of bond funding to a strategic regional program to acquire properties where affordable housing can be created. The program will advance the overall bond goals, values and outcomes adopted by the Metro Council with the Chief Operating Officer's recommended affordable housing bond framework on June 7, 2018.

This memo provides an update on how staff are following Council's direction and preparing a regional site acquisition program for implementation if the bond measure is successful.

The regional site acquisition program will acquire properties with regionally significant value for affordable housing due to existing/planned transit service, neighborhood amenities, fair housing opportunities and/or displacement risk. Metro staff will work closely with local jurisdiction and bond implementation partner staff to identify and evaluate regionally significant site acquisition opportunities that align with local bond implementation strategies and regional targets. The program will also support Metro's overall growth management and regional investment goals.

Potential prioritization criteria

Potential prioritization criteria for the regional site acquisition program include:

- Location in 2040 Center or Corridor
- Minimum capacity for 50 units
- Equitable geographic distribution and/or contribution toward regional goals and targets
- Current/planned access to frequent service transit, natural areas, education/employment opportunities, or cultural amenities
- Potential to create affordability in areas with high displacement vulnerability, including areas with planned infrastructure investments
- Potential to leverage other funding commitments or complementary investments
- Difficult to develop sites, including brownfields and sites requiring assembly or other complicating factors
- Willing seller

Next steps

Beginning in November, Metro staff will conduct community and local jurisdiction engagement to further refine this program concept. These efforts will include roundtables and conversations with local jurisdiction staff, developers, and racial equity advocates to get feedback on site prioritization criteria and process. Staff will also explore opportunities to leverage complementary funding tools, such as EPA brownfields funding, to support site readiness.

In spring 2019, the program strategy will be reviewed by the Community Oversight Committee and presented to the Metro Council for adoption.

Regional Affordable Housing Bond: Implementation Planning and Launch Timeline

Draft 9/18/2018

- ★ Metro Council action
- Engagement

