



MEETING MINUTES

HOUSING ADVISORY COMMITTEE OF WASHINGTON COUNTY

April 25, 2024 - 9:04 a.m.

Hybrid Meeting In-Person & Via Zoom

<u>COMMITTEE MEMBERS PRESENT</u>	<u>STAFF PRESENT</u>
Bruce Dickinson	Bianetth Valdez
Dave Bachman	Fahad Kazi
Deena Feldes (Castrejon)	Jacob Boyett
Fernando Lira	Jes Larson
Hayley Purdy	Jill Chen
John Epstein	Kristina Follis
Melinda Bell	Leslie Johnstone
Narendar Sahgal	Liz Morris
Nathan Teske	Matthew Fullen
Nina Stafford	Melissa Sonsalla
	Michael Clark
<u>ABSENT</u>	Molly Rogers
Carine Arendes	Nadia Mohammad
Gena Briggs	Nikki Musser
Renee Brouse	Tatiana Gammett
Ryan Cain	<u>GUESTS</u>
	Jacquilyn Saito

I. **MEETING CALLED TO ORDER** – 9:04 a.m. A quorum was present.

II. **PUBLIC COMMENTS – ATTENDEES (INCLUDING ONLINE GUESTS)**

None.

III. **DISCUSSION – ORAL COMMUNICATIONS and MEMBER UPDATES**

None.

IV. **ACTION – APPROVAL OF MINUTES**

The committee voted to approve the February 22, 2024 and the March 28, 2024 meeting minutes.



Motion: Bruce Dickinson

Second: Melinda Bell

Vote: All in favor

Abstained: Nathan Teske

V. EXECUTIVE DIRECTOR'S REPORT

Introduction of New Staff Members

Molly Rogers welcomed Nathan Teske, our newest committee member and long-time advocate for affordable housing, particularly for the Latinx community. She also introduced other newer staff members Leslie Johnstone (Asset Manager) and Matthew Fullen (Portfolio Manager for Public Housing). Molly worked with Matthew previously at New Columbia, and Matthew also worked at Hope VI Community in Oregon and the Bud Clark Commons. Matthew has over a decade of experience in managing affordable housing at Home Forward, private sector property management with Guardian and CloudTen, and as an entrepreneur/owner. He said he is “really excited” to be here, and he’s looking forward to bringing his skillset to the table as well as learning from the team. Molly is very thrilled with the talent of our growing team!

Fair Housing Month

April is Fair Housing Month and it’s good to reflect on the Fair Housing Act that originated out of the Civil Rights Movement. 2024 commemorates 56 years since the passage of the Fair Housing Act. There are a lot of inequities still and we have a long way to go to achieve inclusive communities for all protected classes of people. Some residents in Washington County face barriers to housing because of characteristics such as race, ethnicity, gender, gender identity, sexual orientation, immigration status, national origin, disability, age, and other protected classes. Fair housing is one of the tools we use to eliminate these disparities that create inequities in housing opportunity while prioritizing services to populations disproportionately impacted by these disparities.

Opal Grand Opening

On April 11, 2024, local representatives and project partners celebrated the grand opening of The Opal Apartments, a new housing community that will provide 54 affordable homes to older adults in Cedar Mill. The project, developed by a unique partnership between Home First Development Partners and Christ United Methodist Church, was designed by Doug Circosta and constructed by Beaudin Construction. Built for individuals age 55 and older, The Opal will be providing LGBTQ+ residents social services through the non-profit Friendly House and its Elder Pride Services program. It dedicates half its units to serving extremely low-income residents, income at 30% or less of the Area Median Income (AMI), by utilizing 24 project-based vouchers for rental assistance. The remaining half will serve very low-income residents, earning less than 60% of AMI. This opportunity provides pathways for people who may be underserved. The Opal is an apartment community where older adults on fixed incomes will not just live, but truly have the opportunity to thrive and feel welcomed.

Molly Rogers concluded by giving an overview of the Housing Production Forum that she attended earlier this morning that was hosted by the Westside Economic Alliance where she participated on a panel with Representative Julie Fahey, Speaker of the House for the Oregon Legislature and Rachel



Duke, Executive Director of Community Partners for Affordable Housing. Molly said they discussed the last legislative package the Governor endorsed, and championed, around different ways of increasing our housing supply. There was a lot of discussion with developers in the room along with city representatives around Washington County regarding next steps. Speaker Fahey wanted to caution everyone that funding will not be the same as the last two years when Tina Kotek provided over \$2 Billion towards housing with some Executive Order resources. There is still more funding needed for infrastructure. We can't lose sight of where the biggest gaps are in the housing supply, which is for the extremely low-income populations.

It was noted that we're still digging out of the Great Recession and the resultant dive in housing production, and we're still not back to where we were in losing 1000's of units that were in the pipeline at the time. Our community needs to make sure to continue to focus on those who are in greatest need, especially our aging population.

Finally, what Molly and Rachel recommended to Speaker Fahey was that we need more preservation dollars. We have properties out there that have expiring affordability within the next 5 years, and there are close to 600 units in Washington County. We want to figure out ways to be more proactive and reactive and how to negotiate with private developers on affordability.

The floor was opened for questions or comments for Molly:

Nathan Teske asked if Molly foresees that the Housing Authority would play a role in housing projects.

Molly Rogers answered that we have in our statute that developers receive tax exemptions for up to 80% of the Area Median Income (AMI), and she doesn't think that will change. As part of the Governor's package, there were some bookends to some communities to expand beyond their Urban Growth Boundary in exchange for some affordability commitments. In Washington County there is no community that met the criteria for the middle-income opportunities. There are communities in other parts of Oregon that could be part of that solution if they wanted to be. Different jurisdictions can benefit from these criteria to meet affordability goals.

John Epstein asked if the Federal program restricts affordability to 15 years or is the Oregon rule 50 years now?

Molly Rogers stated that for Oregon it's 30 years for the extended-use period, and 60 years for new construction for affordability. Jill Chen added yes, 60 years of affordability is required. Oregon Housing and Community Service's (OHCS) Local Innovation and Fast Track (LIFT) program, has a 30-year requirement that can be renewed for another 30 years to get a total of 60 years.

VI. RESOLUTIONS / ACTION ITEMS

A. Approve 2024-25 Annual PHA Plan & MTW Supplement

Melissa Sonsalla shared an overview of the 2024-25 annual Public Housing Authority (PHA) Plan and Move to Work (MTW) supplement for approval to recommend bringing the item to the Housing Authority Board of Directors (HABOD) to recommend approval. We are required to submit an annual plan to the U.S. Department of Housing and Urban Development (HUD) every



year to report progress on the 5-year plan regarding the goals and objectives that were developed in 2020. There will be a Public Hearing at the May 7th HABOD meeting and board approval will be sought before final submission to HUD on May 15th.

Melissa presented a PowerPoint outlining the timeline for approval, details about the PHA Annual Plan, MTW statutory objectives and 2022-23 activities, as well as the Tiered Rent program and next steps. Regarding the Tiered Rent program, as a reminder, the goal was a simplified rent calculation to provide time for families to increase their income. This was required of us as part of our entry into the MTW program. We are close to the end of the year of our enrollment, which is just once a year. Around 700 households qualified for the study, and they were randomly assigned a 50/50 chance for assignment to either tiered rent or the control group. The study will last for 6 years.

It was noted that in 2024, staff are focusing on fully implementing approved waivers, analyzing activities to determine impact, and preparing for upcoming proposals. We are not requesting any additional MTW waivers in the submission.

The floor was opened for questions or comments for Melissa Sonsalla:

Bruce Dickinson: Regarding MTW, what is the why? Does it just allow regional flexibility to HUD's dollars that are given to a particular area?

Melissa affirmed that is part of the reason, that it allows flexibility with our funding. For example, if we have extra Housing Choice Vouchers (HCV) and we really needed to pour it into one of our public housing buildings, hypothetically speaking; we could flex funds between the two pots of money. The other reason it's beneficial is that we can have a lot of flexibility around the HUD statutes that are massive and updated very infrequently. We can suggest much more innovative things that better fit our community.

Nathan Teske: On the tiered rent table; is annual income on the left and then monthly rent on the right? Melissa said that is correct. Additionally, Nathan asked regarding the local ownership program if it is structured as a grant or a forgivable loan?

Melissa responded by saying the current way that HUD offers homeownership is basically through a voucher that participants can use to pay their mortgage. We did a lot of research into it and found that it's very expensive for us, as well as not helping people reach financial stability and independence. We see that people are typically on it for 10-15 years. There's a time limit, which some reach the end of, while we are still paying a significant portion of their mortgage. There are other aspects about it that are disadvantageous as well. We have suggested, therefore, that we move instead to a single down-payment assistance for participants who are qualified and ready to purchase their own home and maybe reach a lower interest payment through a one-time lump sum or avoid private mortgage insurance. It is structured as a grant.

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Housing Services Department

161 NW Adams Ave, Suite 2000, MS 63, Hillsboro, OR 97124-3398

phone: 503-846-3790 • fax: 503-846-4795 • TTY: 503-846-4898

website: www.washingtoncountyor.gov • email: HousingServices@washingtoncountyor.gov



Narendar Sahgal asked if some insight could be provided regarding what the operational costs are to the county between the two columns (rent assistance and public housing)?

Melissa answered that she didn't have that information to present at this meeting. She explained, however, that public housing, by definition, costs us more because we must maintain the units that we own, and HUD has historically not provided us (or any Housing Authority across the country) the actual costs of maintaining the units. Public housing costs us more to operate and maintain.

Melinda Bell asked what happens when someone in the current home ownership program makes it through the entire 15 years, and they still don't have enough income to sustain the house payments? Does the Housing Authority then take over the payments on that house?

Melissa explained if they were on the program for a full 15 years and then they came to the end of it, we are typically no longer involved in the transaction. We don't have any involvement in their actual mortgage or deed. Her assumption is that they would most likely sell their home, and for a significant profit since the Housing Authority has been basically paying equity on the property for 15 years.

Melissa Sonsalla approval of the FY 2024-25 Annual PHA Plan and MTW Supplement for recommendation to, and approval by, the Housing Authority Board of Directors.

Motion: Melinda Bell

Second: Bruce Dickinson

Vote: All in Favor

VII. STAFF LIAISON UPDATE

A. Welcome New HAC Member

Bianeth Valdez introduced our newly appointed Housing Advisory Committee member, Nathan Teske, who begins his term this month, filling a vacant Member-at-large position. Nathan Teske is currently the Executive Director of Bienestar, a community-based affordable housing developer headquartered in Washington County, predominantly serving the Latinx community. Nathan has worked in the nonprofit sector for almost two decades, and has extensive experience in community-based housing, affordable housing development, and affordable housing policy. Nathan is glad to be here and looks forward to serving on the committee.

B. Volunteer Appreciation Event

Bianeth gave a reminder about our annual Washington County Appreciation Dinner for the many volunteers who are part of the County's various boards, committees, and councils. The Volunteer dinner will be held tonight, April 25th, at the Wingspan Event Center. RSVP has closed. There is free parking in the South lot off NE Veterans Drive (lot accessed from NE 34th is not free).



C. Collaboration with Solutions Council

Bianetth Valdez, staff liaison for the Housing Advisory Committee, attended this month's meeting of the Homeless Solutions Advisory Council to begin creating opportunities for cross-connecting and collaboration between the Solutions Council and the Housing Advisory Committee. Nadia Mohammad is the staff liaison for the Homeless Solutions Council. We look forward to more collaboration with this group in the future, and Bianetth will continue to report any pertinent updates to the committee from the Solutions Council.

VIII. ONGOING BUSINESS

None.

IX. NEW BUSINESS

A. Housing Services and Housing Structure

As an update, this presentation is postponed to the **May 23rd** Housing Advisory Committee (HAC) meeting and Melissa Sonsalla, Policy and Planning Manager, will provide an overview of the structure and divisions of the Department of Housing Services and Housing Authority at that time.

X. DEPARTMENT UPDATES AND Q&A

A. Budget Orientation

Michael Clark, Assistant Director of Finance, and Fahad Kazi, Senior Financial Analyst, provided an orientation on the housing budget in anticipation of the May budget approval process. This orientation provided more information on funding structures and the budget approval process. Michael and Fahad shared a PowerPoint and discussed the budget agenda, budget process objectives, HAWC Mission, General Fund and Special Funds, DHS and HAWC Fund Structures, Housing Advisory Committee Role, areas of focus, duties and responsibilities, budget calendar, and next steps.

The finance department has a new process now and experienced a lot of change this year, by going from a very centralized to a de-centralized model for budget planning. This had the benefit of enabling all the staff to collaborate and participate in the decision-making opportunities. Next year they will be developing the Housing Services budget at the same time as the Housing Authority budget to better see the cost flow between the two entities and get a better overall picture.

They work on the budget year-round, staff reviews monthly budget progress reports, they will make quarterly reports for the HAC meetings, and in December and May they will do some analysis of current revenues and expenditures to see if they need to make any adjustments.

The Floor was opened for questions or comments for Michael and Fahad:

Bruce Dickinson asked if the County Administrative Office (CAO) flows up to Greg Munn, Chief Financial Officer? Michael Clark said the CAO reports up to the Board of County Commissioners, Tanya Ange. Greg Munn is on the team and reports to Tanya Ange.



John Epstein thanked Michael and Fahad for this presentation that clarified the role of the HAC members and that gives an overview of the budget ahead of time to orient them to understand it better.

Bruce Dickinson said the slides were very helpful and asked if he could have a copy of them, since they weren't in the HAC packet. Michael said he will share them. Bruce asked a question about the big picture regarding that fact that revenue is growing at 3%, but expenses grow at 6%. Is there a big challenge coming forward in this next year? What are the biggest challenges in the next 12 months?

Jill Chen, Assistant Director of Housing Services, responded by saying that the observation about revenue and expenses is true. Most of the rents, because they're all regulated, are not rising as quickly as we'd like, and the incomes of the residents can't allow for rapidly increased rental rates. Additionally, units that underwent rehabbing recently were units we could not collect rent on. This all contributes to the mismatch right now between revenue and expenses. We are working on strategies to address this.

B. Additional Updates (See Department Written Reports)

The following were not reviewed or discussed in the meeting but are referenced in the written HAC packet: Section 18 update (mentioned in the Executive Director report), the Rental Assistance chart, the New Admissions by Race and Ethnicity chart, the Family Self-Sufficiency chart, and the Development summary.

Additionally, the Homeless Services Division will be providing quarterly updates to the Housing Advisory Committee (HAC). Their last update was provided in February, and they will plan to provide an update in May that will likely encompass much of the content for their Metro Q3 report.

XI. MEMBER SUGGESTED FUTURE DISCUSSIONS

None.

XII. ADJOURNMENT

Motion: Melinda Bell
Second: Nathan Teske
Vote: All in favor

Meeting adjourned at 10:05 a.m.

Molly Rogers
Secretary / Executive Director