



MEETING MINUTES

HOUSING ADVISORY COMMITTEE OF WASHINGTON COUNTY

May 23, 2024 – 9:02 a.m.

Hybrid Meeting In-Person & Via Zoom

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

I. **MEETING CALLED TO ORDER** – 9:02 a.m. A quorum was present.

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

None.

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

Bianetth Valdez announced that a new sign-in sheet will be passed around for tracking attendance at HAC meetings. Committee members can also indicate on this sheet if they would like to be informed of housing-related events, such as groundbreaking and grand openings to attend. Additionally, there are new name plates provided for committee members and staff.

IV. **ACTION – APPROVAL OF MINUTES**

The committee voted to approve the April 25, 2024 meeting minutes.

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Housing Services Department

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Motion: Bruce Dickinson

Second: Hayley Purdy

Vote: All in favor

V. EXECUTIVE DIRECTOR'S REPORT

Washington County Funds Access Centers

Molly Rogers shared an update that on May 7th, the Washington County Board of County Commissioners approved \$10 million in Supportive Housing Services resources for two new Access Centers, one in Hillsboro and one in Tigard, with an ultimate goal of having four across the county. People who are experiencing homelessness can visit these centers and have access to showers, hot meals, storage, and connection to case managers and services. These centers will also be available during times of inclement weather.

Hillsboro location – Project Homeless Connect

Molly also presented information regarding Project Homeless Connect that has been operating a day center in the Hillsboro area at the “yellow house” since 2021. Project Homeless Connect will fully demolish and rebuild an adjacent home on the property to serve as a hub for wraparound services addressing a wide spectrum of needs for unsheltered community members. It’s an incredible site that will provide easy access to public transportation, OHSU Health Hillsboro Medical Center, and many other public amenities. Molly gave a big thanks to our city partners who help us locate sites and bring projects forward.

Tigard location – Just Compassion Tigard Resource Center

Along the same lines as Project Homeless Connect, Molly discussed the work of Just Compassion who broke ground in December on a purpose-built shelter that will provide 24-hour shelter with 60 beds in 2025. They had been running a volunteer shelter out of a house in Tigard since 2015. Through federal relief funds and supportive housing services funds, they are now able to build an access center to include two buildings with storage available for guest belongings, laundry, showers, a commercial kitchen, and a welcoming community space for individual and group activities.

Metro’s Potential Reform of the Supportive Housing Services for Housing Development

Molly explained how it was discussed at the April 2nd Board of Commissioners meeting that they are trying to find more resources for affordable housing funding. Three avenues were being explored: 1) Pass another bond (property tax measure) that would be an accumulative tax to add to the previous tax, 2) Divert a portion of Supportive Housing Services measure funds towards the construction and creation of affordable housing, 3) Do nothing.

Molly wanted to bring to light the critical environment that we’re in right now and potential for a reform package that could get referred to the voters. Metro has created a stakeholder group (Regional Housing Stakeholder Advisory Table) and they’re collating a series of recommendations. We are hearing the “do nothing” option is not on the table. Molly will share more later regarding insights to potential impacts.



Permanent Supportive Housing Institute

On a brighter note, Molly Rogers announced our housing department got accepted into the Oregon Housing and Community Services (OHCS) Permanent Supportive Housing (PSH) Institute. It is a 6-to-9 month curriculum the team will go through and work with community partners to help put together partnerships for financing and schematics to build out permanent supportive housing at the Elm Street site in Forest Grove.

Metro Regional Supportive Housing Services Report

Lastly, Molly Rogers shared some highlights from FY 2023 Annual Metro Regional Supportive Housing Services (SHS) report. Almost 3,000 of 5,000 (PSH) Permanent Supportive Housing goals have been met. Additionally, of the Black, Indigenous and people of color served in SHS programs, 48% were placed in supportive housing, 61% received rapid rehousing, and 68% were served in homeless prevention. Molly concluded by sharing that the county invested \$114 million in contracts with 77 providers, which included 14 culturally specific providers.

The floor was opened for questions or comments for Molly:

Ryan Cain asked if the Access Center buildings will be ready soon. He clarified that he asked because there is a current decrease of about 3% in construction costs at this time that are projected to increase later. He also asked if Housing Services will staff the Access Centers. Jes Larson stated that the opening date is about 12-18 months out. Jes further explained that we will not own the shelters; the operators own and staff them. We will fund the contracts.

John Epstein asked if the Permanent Supportive Housing (PSH) Institute is a training program or are they helping to develop the site? Molly Rogers explained that it is a training institute that helps people move toward partnerships to aid in developing housing with supportive services. Once you go through the curriculum (financing, programming, partnership agreements, etc.), you're eligible to apply for specific funding at OHCS (Oregon Housing and Community Services) for PSH. Jill Chen added that PSH allows you to apply for capital, rental support, and service funding (the complete package).

Haley Purdy asked are you operating the PSH housing, or will it be operated by someone else in Forest Grove? Molly explained that part of the Institute's training will be in creating the proper ownership structure and partnership agreements. At this point, we haven't figured out the operating details yet.

Bruce Dickinson asked regarding the bond Molly Rogers discussed earlier: If the bond isn't issued, will the momentum just stop for Washington County? Molly explained that a reform of the Supportive Housing Services (SHS) measure would not involve issuing a new bond, but rather it is an income tax levy that would pay for all our services. We are proceeding with our plan of building out a homeless system of care. We don't know all the implications yet if it passes or not but will make some adjustments later if reductions are needed. We have commitments from Metro that their intention is for us not to pull back on our current commitments.



Nathan Teske asked if development momentum will be slowed or stopped. Molly Rogers stated that with the Metro housing bonds we have two projects outstanding, and there won't be any stop in momentum.

Nina Stafford asked about the Walker Road project in Hillsboro (The Dolores) and what the status was on it. Molly answered that project is moving forward, and Jill Chen added that it is funded by the Hillsboro Metro bond project.

Melinda Bell asked if the Access Centers will have drug and alcohol counselors on site and if there will be treatment and detox services available. Jes Larson responded by saying the Access Centers will be full service and will help people where they're at with what they need; however, there may not be licensed drug and alcohol providers on site. The staff members will be trained in how to connect people with those services.

John Epstein asked if we are raising more supportive housing money than estimated, will we take the excess over to development? Molly Rogers explained that is part of the rationale that Metro is using, and we will dive into that conversation later in the meeting.

VI. RESOLUTIONS / ACTION ITEMS

A. Approval of the Housing Authority FY 2024/25 Budget

Department of Housing Services' Strategic Priorities

Molly Rogers, Jill Chen, and Michael Clark gave a half-hour PowerPoint presentation detailing the Fiscal Year 2024-25 Operating Budget. Molly started with an overview of the Department of Housing Services' strategic priorities, including the goals to expand housing opportunities, prevent and end homelessness, promote systems of change, support housing stability, preserve affordability, and advance equity. She then discussed the goals of the four business lines of rental assistance, properties, development, and policy and planning divisions, as well as the leadership and sub-divisions under the Assistant Director, Jill Chen.

Jill Chen continued by explaining the Rental Assistance work we do using 3,331 total vouchers under the categories of 2,732 Housing Choice Vouchers (Section 8), 272 Veterans Affairs Supportive Housing Vouchers, 208 Mainstream Vouchers, 89 Emergency Housing Vouchers, and 30 Foster Youth to Independence (FYI) vouchers. The FYI vouchers are for youth ages 18-24 who left foster care and within 90 days were at risk for homelessness. Additionally, there are 77 Family Self-Sufficiency Households, which is an employment and savings incentive program to help low-income families who have Housing Choice Vouchers and/or live in public housing. This represents the rental support from HUD (Housing and Urban Development) and does not include the assistance from the Metro SHS measure.

Next Jill described the work being done in Public Housing starting with HUD properties. We currently have 244 units of mostly single-family homes. We have HUD approval to sell 60 homes



via Section 18 disposition, and we are currently working with HUD to move that process forward.

Regarding the 29 Affordable Housing properties totaling 902 units, Jill Chen first discussed HAWC 1 (AHP 4 Limited Partnership) and HAWC 2 (AHP Phase 2 Limited Partnership), and then Valfre at Avenida 26 Limited Partnership, and the 18 HAWC Owned properties. HAWC 1 and HAWC 2 are third-party managed and had a re-syndication of 10 of those sites, which put them on a stronger footing. The Valfre is new and funded by a Metro bonds, and the 18 HAWC Owned properties will undergo right-sizing (redeveloping and deciding what to do with the portfolio).

In terms of the Development Pipeline, Jill highlighted events from Fall 2024 to Fall 2025 regarding PSH Institute at Elm Street in Forest Grove, Aloha 209 financial closing, Portfolio Rehab Phase 2 construction completion, Section 18 Disposition, and NW Brugger funding applications.

Jill also reviewed the Regional Affordable Housing Bond status of properties listed on a chart (as either completed, under construction, or in planning), and she noted that The Opal and Plaza Los Amigos have both opened and should move up to the “Completed” list. She stated out of almost \$115 million in Metro bonds, we had a target goal for 814 total units, and we are currently at 876 units. We had a targeted goal of 334 for 30% AMI (Average Median Income) units and are currently at 339 units.

FY 24/25 Proposed Budget

Michael Clark shared information about the Housing Authority Operating Budget through a series of presentation slides. Molly commented that the Operating Net compared to the Net Position shows a deficit due primarily to depreciation, and that was addressed by using a one-time transfer of unrestricted funds to make sure we had a balanced budget.

Michael discussed both the operating revenue sources and the expenditures for FY 2023-24 and FY 2024-25 for HAWC (Housing Authority of Washington County), comparing the budget versus the proposed amounts. He then discussed the Full-Time Equivalent (FTE) for Housing Choice Vouchers, Public Housing, Affordable Housing, Housing Development, and Admin and showed it was trending upward from FY 22-23 to FY 24-25 by 8% which is less than overall revenue increase from the previous year.

Michael Clark concluded by reviewing the Program Budgets for Housing Choice Voucher, VASH, Foster Youth (FYI), Mainstream and Emergency Housing, including HAP (Housing Authority of Portland) funding, Public Housing, Affordable Housing Properties, and Development (including the Quatama Crossing Apartments) comparing year-to-year trends. He mentioned 71% of this affordable housing portfolio has moved into re-syndication and partnerships, which is a big

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change and will be reflected in the financial records.

Future Considerations

Molly Rogers spoke about potential challenges going forward, including impacts of a Supportive Housing reform package. She also wanted to highlight the preservation challenges that continue to grow over the next 5 years. Additionally, it was noted that Washington County is the most expensive county in Oregon for renters. Molly concluded by highlighting the potential opportunities as well as increased awareness of issues, including potential partnerships such as Medicaid to help fund housing.

The floor was opened for questions or comments for Michael Clark, Molly Rogers, and Jill Chen:

John Epstein asked what are the unrestricted funds and what is your source for those funds? Jill Chin answered by saying the unrestricted funds are previously generated developer fees, income from properties, and fees that the Housing Authority receives.

Narendar Sahgal asked a question regarding the mix of directly managed properties 5 years out from now {inaudible}. Jill Chen answered, in her personal opinion, that we will be more towards off balance sheets special purpose vehicles, potentially in a partnership.

Ryan Cain asked will there be a decrease in the tenant revenues in the future? Michael Clark answered there's an overall decrease in tenant revenue due to re-syndication.

Nina Stafford asked regarding energy efficiency for buildings that are being rehabilitated, what is the projected savings? Jill Chen responded that she would check on that, but we have applied for a tri-county (Clackamas, Vancouver, and Washington) EPA Grant.

Haley Purdy further asked if that energy savings device would be for the tenant or the Housing Authority? Jill Chen answered it would probably provide savings to both. Andrew Crampton further expanded that we are adding energy efficiency measures with the rehab, including increased window insulation and roofing insulation, which will help the buildings to thermally perform much better.

Melinda Bell requested a motion to recommend approval of the Housing Authority FY 2024-2025 Budget for submission to, and approval by, the Housing Authority Board of Directors.

Motion: Narendar Sahgal

Second: Ryan Cain

Vote: All in favor



VII. STAFF LIAISON UPDATE

A. Introduction of Housing Forum

Bianetth Valdez, Program Coordinator, provided information regarding our annual Housing Forum. She asked committee members to begin reflecting on possible presenters, themes, and topics of interest for the 2024 Housing Forum to be held at the Wingspan on Friday, November 22, 2024. This could be a speaker panel format where we invite local and state representatives, as well as invite people who are active in our community regarding housing. This year we really want to broaden the forum to include community members more. At the June HAC (Housing Advisory Committee) meeting, Bianetth would like to hear ideas from the Committee regarding what they would like to see at this year's forum and what kind of speakers we should invite.

B. Fair Housing Council of Oregon Bus Tour

Bianetth thanked Kat Watkins who helped run the Fair Housing Bus Tour on May 9th. In addition, Melinda Bell was able to attend the tour to represent HAC, along with other committee members and Housing Services staff. This was a 4-hour bus tour that explained our history around fair housing challenges around Portland, including the personal stories and guest presenters who have been impacted by fair housing. Hopefully, we can do another tour next year to give others an opportunity to attend.

VIII. ONGOING BUSINESS

None.

IX. NEW BUSINESS

A. Housing Services and Housing Authority Structure

Melissa Sonsalla gave a PowerPoint presentation with information about the Department of Housing with a high-level, broad overview to give a foundational understanding of how the department is organized and structured. She explained that the three main divisions are Homeless Services (headed by Assistant Director Jes Larson), Housing Services (headed by Assistant Director Jill Chen), and Finance (headed by Assistant Director Michael Clark). Additionally, each division has three teams and Melissa gave a summary of the functions that each team performs and who leads each team. After that, Melissa presented the most recent organizational chart from March 2024 showing the divisions and various program managers under each division. She explained that the organizational chart gets updated quarterly, and in June a new chart will be issued and will be available on the Housing Services website.

Melissa also presented and discussed the overlap between Homeless Services and the Housing Services/Housing Authority in a Venn diagram. She explained that in addition to the Housing Advisory Committee, there is a Homeless Solutions Council and those two also have a lot of overlap, which she presented in a second Venn diagram. In conclusion, Melissa offered to present this information again in the future if anyone wants to request that.



X. DEPARTMENT UPDATES AND Q&A

A. Potential Metro Reform of Supportive Housing Services

Jes Larson presented information from a PowerPoint presentation about a potential re-referral of the SHS (Supportive Housing Services) Measure. She presented an update for how our supportive services dollars are being implemented now in the community and what it will take to sustain those services with additional revenue. To present some history as a foundation, Jes explained when the SHS Measure was passed in 2018, there were two goals with two priority populations (A & B). Population A are people who have been homeless (outside) for a long time and need additional services along with permanent housing support, and the Measure prescribes 75% of resources be spent on Population A. People in Population B are those who are at risk of homelessness or are experiencing short-term homelessness. Jes explained that the goal set forth in 2020 was that anyone experiencing chronic homelessness will have an immediate pathway out of homelessness, termed “functional zero.” This is still the goal, but we have some work to do to reach that goal.

Jes further stated that to achieve these goals for Washington County we utilize Access Programs, Housing Placement and Stabilization, and Supportive Housing Programs, and she explained how each of these are implemented to meet people where they are at and get them into stable housing. Currently, we are in Year 3 of a 10-year program of SHS implementation, and it is a giant system of care that is being built and refined. This program might be brought back to voters for renewal in Year 9.

Jes then discussed overall issues involving the rising costs of supportive housing, the projected expenditures to sustain housing programs for Washington County, carryover commitments to create infrastructure, stakeholder table conversations for Measure change, and potential tradeoffs of reducing SHS funding. Overall, Jes stated, we value the development of affordable housing and the provision of homeless services and support services. We need both, and we’re looking into ways that we can do both strategically.

The Floor was opened for questions or comments for Jes Larson:

Ryan Cain commented that the system is working, and with a 960% retention rate, it is light years ahead of any other program. He asked regarding restricted revenue versus unrestricted revenue, did you get to keep all that? Jes Larson responded by saying the carryover funds that weren’t spent are very flexible and we are holding onto them, and they are currently unrestricted and can be taken back and used. Molly Rogers added that because they are one-time only, they are a great source for capital NOFA (Notice of Funds Availability) for transitional recovery housing.

Nathan Teske asked how reliable are projections of funding from income taxes, especially if there is a Recession in 2025? Jes Larson responded by saying the nature of a tax funding source is volatile, so we are setting aside reserves. The reserves will help us in a short-term dip, but if there is a long-term dip, we will need to face these funding shortage questions going forward.

Nathan also asked what is the status of the extension or removal of the sunset of the tax Measure? Molly Rogers answered that it is one of the considerations being explored, and they are looking at



the many components of this Measure. As we ran out of time for this meeting, Molly suggested to the Committee that we continue this discussion at the next HAC meeting.

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: Homeless Services update, Public Housing update, Rental Assistance update, and Development update.

XI. MEMBER SUGGESTED FUTURE DISCUSSIONS

None.

XII. ADJOURNMENT

Motion: Nathan Teske

Second: Narendar Sahgal

Vote: All in favor

Meeting adjourned at 11:02 a.m.

Molly Rogers
Secretary / Executive Director