

# Metro Housing Bond Oversight Committee Packet

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Presentation Materials: Evaluation of Affordable Housing Investment Opportunities

Housing Communications | September-October 2024 Report

Zoom Chat Record

Meeting: Housing Bond Oversight Committee Meeting  
Date: Monday, October 14, 2024  
Time: 3:00 p.m. to 5:30 p.m.  
Place: Virtual meeting ([Zoom link](#))  
Purpose: Provide committee with updates on Affordable Housing Bond program progress, communications, and policy.

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3:00 p.m. Welcome and Introductions

3:15 p.m. Conflict of Interest Declarations

3:20 p.m. Public comment

3:25 p.m. Staff presentation: Quarterly report

3:35 p.m. Staff update on Committee recruitment and cochairs

3:45 p.m. Presentation on Analysis of Affordable Housing Investment Opportunities

4:30 p.m. Break

4:40 p.m. Policy Updates:

- Asset Management and Monitoring Assessment
- Regional Housing Coordination Strategy
- State funding alignment and QAP and PAB
- PSH Overview

5:05 p.m. Program Updates:

- PSH Pilot (Interest Earnings)
- Post Occupancy Evaluation Framework

5:20 p.m. Next Steps

5:30 p.m. Adjourn

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានកម្មប័ណ្ណរើសអើងសម្រាប់ទស្សនាគេហទំព័រ [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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Meeting: Housing Bond Oversight Committee Meeting  
Date: Monday, June 10, 2024  
Time: 3:00 p.m. to 5:30 p.m.  
Place: Virtual meeting (Zoom)  
Purpose: Committee discussion and finalization of their findings and recommendations for the Affordable Housing Bond

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### **Attendees**

Jeffery Petrillo (he/him), Karen Shawcross (she/her), Jesse Neilson (he/him), Katherine Rozsa (she/her), Andrea Sanchez (she/her), Mara Romero (she/her), Co-chair Steve Rudman (he/him), Scott Greenfield (he/him), Ann Leenstra (she/her)

### **Absent members**

Co-chair Jenny Lee (she/her), Ex-officio Councilor Mary Nolan (they/them)

### **Metro staff**

Patricia Rojas (she/her), Emily Lieb (she/her), Melissa Arnold (she/her), Alison Wicks (she/her), Sandi Saunders (she/her), Mercedes Evangelista (she/her), Israel Bayer (he/him)

### **Facilitator**

Ben Duncan, Kearns & West (he/him)

*Note: The meeting was recorded via Zoom; therefore, this meeting summary will remain at a high-level overview. Please review the recording and archived meeting packet for details and presentation slides.*

### **Welcome and Introductions**

Co-chair Steve Rudman provided opening remarks.

Ben Duncan, Kearns & West, facilitated introductions between the Committee members and reviewed the meeting agenda and objectives.

The Committee approved the May 13<sup>th</sup> Meeting Summary.

### **Conflict of Interest Declaration**

Andrea Sanchez declared a conflict of interest as a developer for some Metro Bond-funded projects.

### **Public Comment**

No public comment was received.

### **Staff Presentation: Quarterly Report**

Mercedes Evangelista, Metro, provided an overview of the Quarterly Report, highlighting that the Bond has reached 120% of its goals. She detailed the unit amounts of complete, under construction, and pre-construction units.

Karen Shawcross stated that this is good news.

### **Committee Discussion: Committee Findings and Recommendations to Metro Council**

Alison Wicks, Metro, shared that the Recommendation Memo will be the cover page of the 2023 Annual Report and serves as an Executive Summary document. She reviewed the three recommendation categories: funding coordination and alignment, affordable housing operations, and continue to plan for the future.

Ben Duncan, Kearns & West, asked for clarifying questions or if anything needed to be changed.

Jeff Petrillo asked if the report was finalized since there are missing sections.

*Alison Wicks, Metro, replied that the memo will be finalized once the lessons learned and looking forward sections are complete. She noted that those sections are almost ready to be shared.*

*Jeff Petrillo asked if the Committee would see a copy of it when it is finalized.*

*Alison Wicks, Metro, confirmed it would.*

Mara Romero shared that she loved the map and other graphics and noted that the projects were well dispersed. She reflected that the recommendations are almost saying the same thing from three different angles, and appreciated how the Committee's thoughts were captured into large buckets.

Karen Shawcross shared that the report is well-written and has a hopeful tone. She noted she would like to see the lessons learned pages of the report and asked when the Committee could expect a draft.

*Alison Wicks, Metro, replied that she can't commit to a specific deadline, but that Metro can share soon.*

Jeff Petrillo asked when the presentation date is and to have at least one to two days to review.

*Alison Wicks, Metro, replied the presentation is on June 27 and that Metro can communicate the deadline it would want feedback by, and noted that there wouldn't be a meeting before then.*

Mara Romero reflected that the missing sections would be informed by the notes the Committee has provided and should be similar to previous years. She asked Metro to share how they got the recommendations in the memo, as those would have come from the lessons learned.

*Alison Wicks, Metro, replied that the recommendations came from the Committee's conversations. She noted that the lessons learned also fold in feedback from the jurisdictions. She shared that the looking ahead section is a staff response to the recommendations, so the recommendations need to be finalized before staff can draft.*

Andrea Sanchez stated that she needs more time to review than one day.

Co-chair Steve Rudman reflected that the lessons learned and looking ahead are important sections and to allow for a couple of days for the Committee to review. He shared he does not foresee any issues and shared that during the presentations to jurisdictions, the co-chairs will carry the message of the Committee. He asked the group to prioritize and respond to the sections as quickly as possible.

Jeff Petrillo agreed that he does not anticipate anything unexpected, but just wants to review before his signature is on it.

Ben Duncan, Kearns & West, shared that Metro will give the Committee as much time as they can for members to review and respond and for Metro staff to incorporate feedback. He asked the Committee to recenter the conversation on the recommendations.

Jeff Petrillo shared that the tone is good and reflects the positive track record. He noted there is no mention of industry challenges, rising costs, and high insurance.

Andrea Sanchez agreed with Jeff Petrillo and noted that it is a risk if projects have Bond fund allocations but are not under construction yet. She asked if there is a recommendation to look at the cash developer fee cap policy again.

Mara Romero stated that the audience is other committees and political folks and noted that people will still need housing regardless of cost. She shared that the report should be positive but realistic.

Co-chair Steve Rudman reflected that affordable housing are community assets and the Committee does not know much about the long-term operations of the buildings. He noted that the Bond was very successful in meeting its initial goals, but development challenges and operations are ongoing considerations. He wished jurisdictions were also an audience in addition to Metro Council, and noted he would orally state the constraint of governments' ability to react quickly to market conditions.

Karen Shawcross reflected that she would like for the Committee to move into lower-level recommendations, including looking at property managers. She stated that the Committee needs to analyze budgets for resident services and contractors annually and potentially receive Oregon Housing and Community Services (OHCS) annual inspection data. She added that the Committee has talked about convening property managers, but Metro hasn't embraced it.

*Ben Duncan, Kearns & West, reflected that could be captured in looking forward, and looked to Metro to confirm the convening role.*

Scott Greenfield thought the recommendations could be more specific, including how Metro would coordinate with funding partners. He shared that the affordable housing operations could consider the autonomy that Metro has in decision-making. He shared that for conducting analysis and

convening stakeholders, Metro could think about ways to share property management conversations. He encouraged Metro to think about the recommendations and what plans specifically look like for the future.

Karen Shawcross clarified that it is okay to keep high-level recommendations for the report, but that the Committee should receive outlined lower-level recommendations, including revisiting the developer fee policy.

Ben Duncan, Kearns & West, asked if any of the topics mentioned in the discussion, such as the developer fee, need to be added to the memo, or if they show up in another part of the process.

Emily Lieb, Metro, stated that the Committee's discussion is affirming and the next level detail the Committee is looking for will be in the work plan for next year, which will be shared with the Committee in the fall. She stated that the staff updates agenda item will share the beginning areas of work on operating costs.

Ben Duncan, Kearns & West, asked if anything substantive was missing from the memo.

Mara Romero reflected on the internal struggle of the Committee as its role is to look back on what has happened but push the conversation to look at what to do in the future. She stated she feels comfortable with the memo.

Karen Shawcross stated that she is happy to hear about the work plan and is comfortable with the report and letter but would like several days to review the missing sections.

Andrea Sanchez recommended amending the funding and alignment section to note that the 1,500 units in predevelopment are at risk due to market conditions which connects to the recommendation of flexibility and looking at the developer fee.

*Alison Wicks, Metro, stated she could restructure the sentence to narrow in on barriers.*

The Committee approved Andrea Sanchez's edits.

Ann Leenstra stated she supports the report and recommendations.

Kathrine Rozsa stated she supports the report and noted that in the future she would like to see how housing is bringing communities of color and displaced communities back in the addressing disparities and racial equity section.

Jesse Neilson shared that he is content with the report and supports Scott's suggestion to bring the recommendations down a level.

Scott Greenfield suggested amending the "*continue to plan for the future*" section so it hits harder, as it currently seems more of a recommendation for more planning and continued funding. He recommended changing the language to say, "plan for the future" and list specifics.

Emily Lieb, Metro, replied that all funding is on track to be committed. She noted that Metro has a state mandate to create a regional housing production strategy by the end of 2025, and that could be more explicit.

The Committee approved Scott Greenfield's edits.

Co-chair Steve Rudman reflected that the letter is good, the regional housing production strategy should be included, and that he looks forward to reading the missing sections.

Jeff Petrillo reflected that the Committee's comments are helpful and that perfect should not be the enemy of good. He supported Kathrine Rozsa and Andrea Sanchez's comments and supported the letter overall. He noted that mentioning Goal 10 could be helpful.

Mara Romero asked for clarification on if the graph showing the units is misrepresented as some units are asked risk.

*Andrea Sanchez replied that in her professional opinion, 10-20% or one to two projects could move off the pipeline, but not that the money would go away.*

*Jeff Petrillo added that this is about due diligence.*

*Emily Lieb, Metro, reassured the Committee that the 120% exceeding of goals is still a conservative estimate.*

The Committee approved the letter.

### **Staff Updates**

Israel Bayer, Metro, presented overview of the communications work underway, including monthly updates to Committees and the public. He highlighted that they are fully staffed and working on their earned media strategy, social media campaigns, and public education campaigns.

Melissa Arnold, Metro, noted that she did not have time to do her presentation as originally planned. She spoke about the technical analysis underway in support of Metro's Chief Operating Officer's (COO) funding recommendation process. She shared that Metro analyzed the portfolio and found that operating costs are escalating and engaged partners and subject matter experts in the discussion. She noted that the COO will provide more information during her presentation.

Andrea Sanchez asked if she is seeing alignment between the issues raised today and what the operators shared with them.

*Melissa Arnold, Metro, replied that they are seeing alignment and all the discussions have been affirming.*

Mara Romero asked if what she is speaking about would be in next year's report.

*Melissa Arnold, Metro, replied that is a great way to put it and that she will be on the next agenda to discuss more.*



### **COO Update: Regional Housing Funding Process Update**

Marissa Madrigal (she/her) introduced herself as the COO of Metro and reviewed the purpose of a regional housing recommendation. She detailed the values guiding the process and reviewed the channels funneling into her review. She shared that the greatest areas of alignment between the channels are centering deepest housing needs and impacts, flexibility to create affordable housing along with services, and addressing funding sunset and long-term certainty. She asked the Committee what important considerations are to inform a recommendation and if the Committee has any questions.

Karen Shawcross asked if she could clarify the statement with or without a referral to a ballot.

*Marrisa Madrigal, Metro, replied, that is referring to governance and accountability concerning the SHS tax and audit.*

Jeff Petrillo asked what the nature of the conversations was with public partners.

*Marrisa Madrigal, Metro, replied, that they started the conversation in December due to large amounts of unspent funds on the county side. She reflected that the counties were ramping up and had plans to spend funds down, but since the public would not have an appetite for new taxes, they started talking about using the funds for affordable housing and SHS services. She noted there was tension in the conversations and they discussed flexibility in the program and have work sessions planned. She shared that if they were to put it on the ballot, they would need to put it together before the first week of August.*

Co-chair Steve Rudman shared that one big difference is that the Bond had clear roles and noted that accountability is important along with the government's ability to respond quickly. He emphasized to consider a way to streamline processes.

Andrea Sanchez reflected that affordable housing was a major investment of taxpayer dollars and are increasingly hard to operate. She asked if there has been a discussion on linking dollars to support operation expenses.

*Marrisa Madrigal, Metro, replied, that she has heard about the challenges of operating costs and one area of exploration is to create flexibility to respond to needs.*

Jeff Petrillo reflected that a critique of centering housing at the greatest need level is that the number of units built is less than mixed-income units, which is a policy consideration.

*Marrisa Madrigal, Metro, replied, that while mixed-income housing is best practice, this particular source of funding should stay true to the intent of the measure which is predominantly 75% on Population A.*

### **Closing and Next Steps**

Co-chair Steve Rudman provided closing remarks.

Alison Wicks, Metro, thanked the Committee for its feedback.

Ben Duncan, Kearns & West, shared that next steps include:

- Metro to share lessons learned and looking ahead sections of the report as soon as possible and to allow the Committee to have a couple of days to review and provide feedback for Metro to incorporate into a final version.
- Metro to share the work plan with the Committee in the fall.
- Metro to update the letter to reflect the Committee's edits.
  - Amend the funding and alignment section to note that the 1,500 units in predevelopment are at risk due to market conditions.
  - Change the continue planning for the future to “plan for the future” and list specifics, including the regional housing production strategy.
- Co-chairs to present to Metro Council on June 27.
- Melissa Arnold, Metro, to present at a future meeting.

### **Adjourn**

The meeting adjourned at 5:30 p.m.

Date: Monday, October 7, 2024  
To: Affordable Housing Bond Oversight Committee  
From: Craig Beebe, Policy and Communications Advisor,  
Government Affairs & Policy Development  
[craig.beebe@oregonmetro.gov](mailto:craig.beebe@oregonmetro.gov)  
Subject: Update on Future Regional Housing and Supportive Services Funding

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The purpose of this memo is to update Metro's Affordable Housing Bond Oversight Committee on the status and potential next steps for the Metro Council's consideration of options for future regional affordable housing and supportive housing services (SHS) funding and investment.

### **Chief Operating Officer Recommendation**

On July 9, 2024, Metro Chief Operating Officer Marissa Madrigal released recommendations ("COO Recommendation") regarding the future of regional funding for affordable housing and supportive services (available at <http://oregonmetro.gov/housingfunding>).

The COO Recommendation followed six months of engagement with a stakeholder advisory table, jurisdictional partners, housing and service providers, and community members, as well as engagements with the Affordable Housing Bond and Supportive Housing Services Oversight Committees, the SHS Tri-County Planning Body, Metro's Committee on Racial Equity and the Metro Policy Advisory Committee.

The COO Recommendation includes several proposals to continue sustainable regional funding for affordable housing and supportive housing services over the long term, as the 2018 Metro Housing Bond spending winds down and the expiration of SHS taxes approaches in 2030. By learning from successes and challenges in bond and SHS implementation to date, the COO Recommendation also includes proposals to improve regional accountability and impact of these investments over time.

### **Metro Council discussions**

Since the COO Recommendation's release, the Metro Council has held discussions on the topic at work sessions on July 25, August 1, September 24 and October 3. Additionally, councilors have engaged in focused conversations with county and city partners, as well as key housing and community stakeholders, to explore areas of potential common ground and prioritization as Council considers its next steps.

Through these discussions, the Metro Council has articulated several priorities it would like to advance and/or for which it would like further exploration. These include:

- Continuing regional funding for affordable housing through an expansion of allowable uses of Supportive Housing Services tax dollars, while continuing commitments to supportive housing services investments, and maintaining a focus on populations with the deepest need.

*(Continued next page).*

- Extending the SHS taxes beyond their current 2030 expiration, to continue long-term stability for providers and community members, and to potentially create greater leverage for financing housing creation.
- Advancing these changes through the development of a truly regional affordable housing and supportive services program structure, including but not limited to improved regional oversight, regional performance metrics, clarified roles between Metro and implementation partners, and accountability mechanisms.
- Ensuring that revisions to affordable housing and SHS programs/governance build on what has worked well in the implementation of current funding, while addressing challenges, advancing predictability for partners, and considering the full regional context of causes and impacts of housing instability and homelessness.
- Listening to partners, providers and people with lived experience in developing potential changes, and in the future of oversight/governance of regional investments in affordable housing and supportive services.
- Building on the unique ability of city governments to serve local needs, and considering their concerns as part of any expansion of uses or other reforms.

### **Next steps**

At its Oct. 3 work session, the Metro Council discussed potential elements of a formal resolution to establish principles and intentions a revised regional affordable housing and supportive housing services investment program structure. The Metro Council is expected to consider such a resolution on Thursday, Oct. 17. Specific language is in development to incorporate Metro Councilors' input and direction. When complete resolution language and a staff report will be posted prior to Oct. 17 at [www.oregonmetro.gov/council](http://www.oregonmetro.gov/council).

Further topical discussions are expected at Metro Council work sessions in the coming months, as well as with partners and stakeholders around the region. The Metro Council could consider formal adoption of its desired actions, including a potential referral of a ballot measure to the region's voters, this winter. We would be pleased to share a more complete timeline with the Affordable Housing Bond Oversight Committee when it is complete

# METRO HOUSING BOND QUARTERLY REPORT | APRIL – JUNE 2024

August 1, 2024

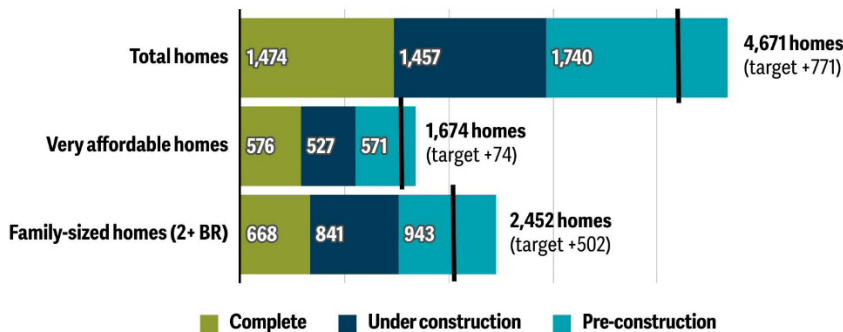
*This is the second quarterly progress report for the Metro Affordable Housing Bond of 2024. Similar reports are produced quarterly with the goal of keeping the Housing Bond Community Oversight Committee, Metro Council, and other stakeholders and partners informed about ongoing implementation progress. A more detailed report will be provided annually for each calendar year, following submission of local progress reports by each participating implementation jurisdiction.*

## REGIONAL PRODUCTION PROGRESS

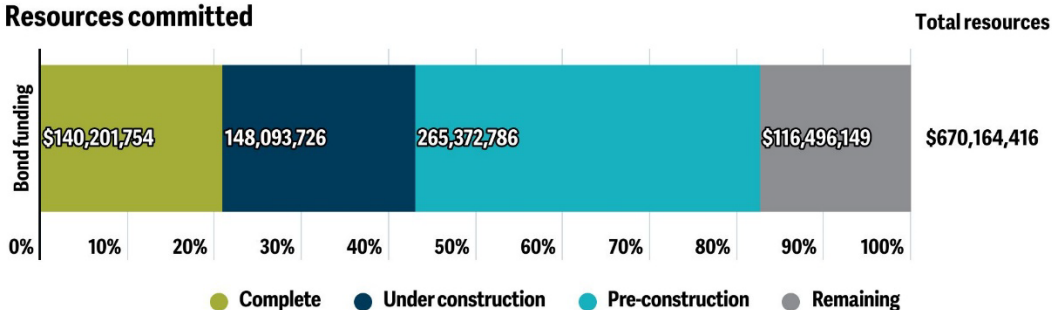
As of the end of March 2024, the Affordable Housing Bond program has 57 projects representing 4,671 new affordable homes in the pipeline, including 24 projects (1,740 units) that are in pre-construction. Thirty-nine projects have received final approval, of which sixteen (1,457 units) are under construction, and seventeen projects (1,474 units) have completed construction and are accepting residents. Of these homes, 2,452 will have two or more bedrooms, representing 126% of the program’s production goal of 1,950 family-sized homes; and 1,674 will be affordable to households with incomes at or below 30% of area median income (AMI), representing 105% of the program’s production goal of 1,600 deeply affordable homes. Collectively, the 57 projects in the pipeline represent 4,671 new affordable homes, or 120% of the total production target for the Housing Bond, while utilizing approximately 83% of allocated project funding.

### Production and funding dashboard

#### Affordable housing production: progress underway



#### Resources committed



## REGIONAL PRODUCTION PROGRESS

	Eligible units	30% AMI units	2+ BR units	PSH units
<b>Total units in pipeline</b>	<b>4,671</b>	<b>1,674</b>	<b>2,452</b>	<b>777</b>
<b>Total unit production targets</b>	<b>3,900</b>	<b>1,600</b>	<b>1,950</b>	<b>N/A</b>
<b>% of unit progress underway</b>	<b>120%</b>	<b>105%</b>	<b>126%</b>	<b>N/A</b>
<b>Total funding committed or underway</b>	<b>\$553,668,266</b>			
<b>% of funding committed</b>	<b>83%</b>			
<b>Total funding remaining</b>	<b>\$116,496,149</b>			

## LOCAL PRODUCTION PROGRESS

### Portland

Name	Metro Bond Funds	Status	Eligible units	30% AMI units	2+ BR units	PSH units	Construction Start	Anticipated Completion
73rd and Foster	\$3,032,340	Pre-construction	64	22	29	22	Jul-24	Feb-25
Abbey Townhomes	\$1,200,000	Pre-construction	8	0	8	0	Jul-24	Feb-25
Albina One	\$14,424,597	In Construction	94	32	55	0	Jun-23	Jun-25
Aldea at Glisan Landing	\$3,685,679	In Construction	96	15	63	0	Mar-23	Jan-25
Barbur Apartments	\$22,519,248	Pre-construction	149	32	102	0	Dec-24	Jun-26
Beacon at Glisan Landing	\$5,822,000	In Construction	41	41	0	41	Jul-22	Feb-24
Carey Blvd. (Homeownership)	\$6,087,267	Pre-construction	53	0	53	0	Jul-25	Feb-29
Dekum Court*	see Home Forward	In Construction	147	61	78	0	Mar-22	Jan-25
Dr. Darrell Milner Building	\$9,216,838	In Construction	63	17	48	0	Jul-22	Feb-24
Findley Commons	\$1,945,175	Complete	35	0	0	35	Oct-20	Dec-21
Garden Park Estates	\$2,239,308	In Construction	54	25	40	25	Jun-23	Apr-25
Gooseberry Trails (Homeownership)	\$5,451,773	Pre-construction	52	0	52	0	Aug-24	May-26
Hattie Redmond	\$4,411,737	Complete	60	60	0	60	Oct-21	Feb-23
Hollywood Hub	\$29,084,328	Pre-construction	73	39	24	0	Sep-24	Mar-26
Jamii Court	\$6,155,974	Pre-construction	98	39	58	15	Apr-25	Aug-26
M Carter Commons	\$5,800,000	Pre-construction	62	21	0	0	Jul-24	Aug-25
Meridian Gardens	\$13,365,160	In Construction	85	70	0	65	Jul-23	Sep-24
PCC Killingsworth	\$2,538,237	Pre-construction	84	28	60	0	Aug-24	Jun-25
PCC Southeast	\$2,649,254	Pre-construction	124	20	63	0	Jul-24	Jan-26
Powellhurst Place	\$4,091,048	Complete	64	12	45	12	Aug-22	Mar-24
Strong Site	\$11,250,000	Pre-construction	75	11	54	0	Aug-24	Aug-25
Tistilal Village	\$4,632,538	In Construction	24	24	22	16	Mar-23	Aug-24
Waterleaf	\$1,929,219	Complete	176	17	48	20	Dec-20	Dec-22
<b>Total units in pipeline</b>			<b>1,781</b>	<b>586</b>	<b>902</b>	<b>311</b>		
<b>Total unit production targets</b>			<b>1,475</b>	<b>605</b>	<b>737</b>	<b>300</b>		
<b>% of commitment complete</b>			<b>121%</b>	<b>97%</b>	<b>122%</b>	<b>104%</b>		
<b>Total committed or underway</b>				<b>\$161,331,720</b>				
<b>Total LIS funding</b>				<b>\$208,740,992</b>				
<b>% of funding committed</b>				<b>77%</b>				

<b>Remaining LIS funding</b>	<b>\$47,409,272</b>
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\*Home Forward is the developer of Dekum Court, but the units will count toward Portland's production goals. Dekum Court's funding was allocated directly to Home Forward, based on an agreement between Portland, Home Forward, and Metro prior to the execution of IGAs allocating funds, and as part of Metro's early commitment of funding to four "Phase I projects" (also including Viewfinder, Mary Ann, and Tukwila Springs).

### Washington County

Name	Metro Bond Funds	Status	Eligible Units	30% AMI units	2+ BR units	PSH units	Construction Start	Anticipated Completion	
Alongside Senior Housing	\$6,270,000	Complete	57	23	0	24	Jul-22	Sep-23	
Cedar Rising	\$10,230,000	Complete	81	33	50	0	Apr-22	Dec-23	
Goldcrest	\$12,000,000	In Construction	74	14	45	0	Sep-22	Jun-24	
Heartwood Commons	\$9,283,000	Complete	54	54	0	54	Dec-21	Mar-23	
Opal Apartments	\$6,149,000	In Construction	54	28	9	0	Jun-22	Mar-24	
Plambeck Gardens	\$14,700,000	In Construction	116	47	62	8	Apr-23	Oct-24	
Plaza Los Amigos	\$13,670,523	In Construction	112	26	72	16	Jul-22	Apr-24	
Terrace Glen	\$17,484,000	Complete	144	51	74	3	Jan-21	May-23	
The Valfre at Avenida 26	\$3,792,088	Complete	36	8	30	8	Sep-21	Oct-22	
Viewfinder	\$11,583,000	Complete	81	34	56	30	Jul-20	Dec-21	
Woodland Hearth	\$9,450,000	Pre-construction	63	24	40	22	Oct-24	Apr-26	
<b>Total units in pipeline</b>			<b>872</b>	<b>342</b>	<b>438</b>	<b>165</b>			
<b>Total unit production targets</b>			<b>814</b>	<b>334</b>	<b>407</b>	<b>100</b>			
<b>% of commitment complete</b>			<b>107%</b>	<b>102%</b>	<b>108%</b>	<b>N/A</b>			
<b>Total committed or underway</b>				<b>\$114,611,611</b>					
<b>Total LIS funding</b>				<b>\$118,135,532</b>					
<b>% of funding committed</b>				<b>97%</b>					
<b>Remaining LIS funding</b>				<b>\$3,523,921</b>					

### Clackamas County

Name	Metro Bond Funds	Status	Eligible units	30% AMI units	2+ BR units	PSH units	Construction Start	Anticipated Completion
Fuller Road Station	\$8,570,000	Complete	99	30	82	25	Apr-21	Sep-22
Good Shepherd Village	\$18,330,000	Complete	142	58	79	58	Mar-22	Sep-23
Hillside Park – A & B	\$25,454,545	Pre-construction	143	40	14	13	Sep-24	Apr-26
Hillside Park – C	\$18,190,693	Pre-construction	78	68	53	8	Jul-24	Sep-26
Lake Grove	\$-	Pre-construction	54	20	28	10	May-25	Oct-25
Las Flores (Maple Apts.)	\$15,903,000	In Construction	171	70	129	9	Mar-22	May-24
Marylhurst Commons	\$3,000,000	In Construction	100	40	83	40	Sep-22	Apr-24
Shortstack Milwaukie	\$700,000	Pre-construction	15	0	15	0	Jul-24	Jun-25

Tukwila Springs	\$5,548,542	Complete	48	48	0	48	Jun-21	Jun-22
Wilsonville TOD	\$8,000,000	Pre-construction	120	40	79	20	Jul-24	Nov-25
<b>Total units in pipeline</b>			<b>970</b>	<b>414</b>	<b>562</b>	<b>231</b>		
<b>Total unit production targets</b>			<b>812</b>	<b>333</b>	<b>406</b>	<b>0</b>		
<b>% of commitment complete</b>			<b>119%</b>	<b>124%</b>	<b>138%</b>	<b>N/A</b>		
<b>Total committed or underway</b>			<b>\$103,696,780</b>					
<b>Total LIS funding</b>			<b>\$122,018,094</b>					
<b>% of funding committed</b>			<b>85%</b>					
<b>Remaining LIS funding</b>			<b>\$18,321,314</b>					

### Hillsboro

Name	Metro Bond Funds	Status	Eligible units	30% AMI units	2+ BR units	PSH units	Construction Start	Anticipated Completion
Nueva Esperanza	\$16,940,731	In Construction	149	60	105	0	Mar-22	Oct-23
The Dolores	\$10,500,000	Pre-construction	66	30	46	10	Sep-24	Dec-25
<b>Total units in pipeline</b>			<b>215</b>	<b>90</b>	<b>151</b>	<b>10</b>		
<b>Total unit production targets</b>			<b>284</b>	<b>117</b>	<b>142</b>	<b>0</b>		
<b>% of commitment complete</b>			<b>76%</b>	<b>77%</b>	<b>106%</b>	<b>N/A</b>		
<b>Total committed or underway</b>			<b>\$27,440,731</b>					
<b>Total LIS funding</b>			<b>\$41,240,081</b>					
<b>% of funding committed</b>			<b>67%</b>					
<b>Remaining LIS funding</b>			<b>\$13,799,350</b>					

### Gresham

Name	Metro Bond Funds	Status	Eligible units	30% AMI units	2+ BR units	PSH units	Construction Start	Anticipated Completion
Civic Drive	\$2,100,000	Pre-construction	59	0	59	0	Feb-25	May-26
Myrtlewood Way	\$3,800,000	Pre-construction	20	0	20	0	Nov-24	Aug-26
Oak Row at Rockwood	\$2,200,000	Pre-construction	11	0	11	0	Sep-24	Dec-24
Rockwood Village	\$5,237,814	Complete	47	47	39	0	Jan-20	Apr-22
Terracina Vista	\$2,500,000	Pre-construction	91	0	56	0	Dec-23	Mar-25
Wynne Watts Commons	\$11,292,447	Complete	147	30	31	30	Jan-21	Jun-22
<b>Total units in pipeline</b>			<b>375</b>	<b>77</b>	<b>216</b>	<b>30</b>		
<b>Total unit production targets</b>			<b>187</b>	<b>77</b>	<b>93</b>	<b>0</b>		
<b>% of commitment complete</b>			<b>201%</b>	<b>100%</b>	<b>232%</b>	<b>N/A</b>		
<b>Total committed or underway</b>			<b>\$27,130,261</b>					
<b>Total LIS funding</b>			<b>\$27,140,995</b>					
<b>% of funding committed</b>			<b>100%</b>					
<b>Remaining LIS funding</b>			<b>\$10,734</b>					



**Beaverton**

Name	Metro Bond Funds	Status	Eligible units	30% AMI units	2+ BR units	PSH units	Construction Start	Anticipated Completion
Amity Orchards	\$9,000,000	In Construction	135	17	79	0	Jul-22	Jan-24
Elmonica	\$8,439,934	Pre-construction	80	33	32	0	Sep-24	Apr-26
Mary Ann	\$3,000,000	Complete	54	11	29	0	Jun-20	Sep-21
Senior Housing on 5th	\$10,500,000	Pre-construction	104	68	0	30	Jan-25	Jun-26
<b>Total units in pipeline</b>			<b>373</b>	<b>129</b>	<b>140</b>	<b>30</b>		
<b>Total unit production targets</b>			<b>218</b>	<b>89</b>	<b>109</b>	<b>N/A</b>		
<b>% of commitment complete</b>			<b>171%</b>	<b>145%</b>	<b>128%</b>	<b>N/A</b>		
<b>Total committed or underway</b>			<b>\$30,939,934</b>					
<b>Total LIS funding</b>			<b>\$31,587,595</b>					
<b>% of funding committed</b>			<b>98%</b>					
<b>Remaining LIS funding</b>			<b>\$647,661</b>					

**Home Forward (East Multnomah County)**

Name	Metro Bond Funds	Status	Eligible units	30% AMI units	2+ BR units	PSH units	Construction Start	Anticipated Completion	
Troutdale Apartments	\$13,449,238	Pre-construction	94	39	47	0	Jul-24	Dec-25	
Dekum Court (PHB)*	\$21,034,083	In Construction	<i>Counts toward PHB's unit production goals</i>					Apr-22	Jan-25
<b>Total units in pipeline</b>			<b>94</b>	<b>39</b>	<b>47</b>	<b>0</b>			
<b>Total unit production targets</b>			<b>111</b>	<b>46</b>	<b>55</b>	<b>0</b>			
<b>% of commitment complete</b>			<b>85%</b>	<b>85%</b>	<b>85%</b>	<b>N/A</b>			
<b>Total committed or underway</b>			<b>\$37,004,406</b>						
<b>Total LIS funding</b>			<b>\$37,141,206</b>						
<b>% of funding committed</b>			<b>100%</b>						
<b>Remaining LIS funding</b>			<b>\$136,800</b>						

\*Home Forward is the developer of Dekum Court, but the units will count toward Portland's production goals. Dekum Court's funding was allocated directly to Home Forward, based on an agreement between Portland, Home Forward, and Metro prior to the execution of IGAs allocating funds, and as part of Metro's early commitment of funding to four "Phase I projects" (also including Viewfinder, Mary Ann, and Tukwila Springs).

## PROJECT ENDORSEMENTS AND FINAL APPROVALS

*The following projects were endorsed or approved during the second quarter of 2024. Staff reports for these approvals are included in the Quarterly Report Project Approvals Addendum\**

<b>Project</b>	<b>Endorsement/Approval</b>
73 <sup>rd</sup> and Foster	Final Approval Amendment
Myrtlewood Way	Concept Endorsement
Troutdale	Final Approval
Hillside Park C	Final Approval

\*Staff reports for projects approved in the second quarter can be found at <https://www.oregonmetro.gov/public-projects/affordable-homes-greater-portland/progress>

# METRO AFFORDABLE HOUSING BOND

Financial Report Through June 2024 (1st Close)

## FINANCIAL SUMMARY

<b>TOTAL REVENUE</b>	<b>\$705,436,227</b>
<b>TOTAL EXPENSES and DISBURSEMENTS</b>	<b>\$376,751,445</b>
<b>TOTAL COMMITTED</b>	<b>\$198,120,735</b>
<b>TOTAL FUNDING REMAINING</b>	<b>\$130,564,047</b>

## REVENUE

	<b>FY 2018 - 2023</b>	<b>FY 2023 - 2024</b>	<b>TOTAL REVENUE</b>
Bond Proceeds	\$652,800,000		\$652,800,000
Premiums on Bonds	\$2,630,335		\$2,630,335
Interest Earnings	\$35,973,700	\$14,032,192	\$50,005,892
<b>TOTAL REVENUE:</b>	<b>\$691,404,035</b>	<b>\$14,032,192</b>	<b>\$705,436,227</b>

## EXPENSES

<b>PROJECTS</b>	<b>Prior Years Expended or Disbursed</b>	<b>FY2023-24 Expended or Disbursed</b>	<b>Committed -- Not Yet Disbursed</b>	<b>TOTAL EXPENDED, DISBURSED or COMMITTED</b>	<b>WORK PLAN FUNDING (Amended)</b>	<b>% of Work Plan Funding Expended, Disbursed or Committed</b>
<b>Jurisdiction:</b>						
Beaverton	\$12,000,000	\$0	\$18,939,934	\$30,939,934	\$31,587,595	98%
Clackamas County	\$51,351,542	\$18,190,693	\$34,154,545	\$103,696,780	\$122,018,094	85%
Gresham	\$16,530,261	\$2,500,000	\$8,100,000	\$27,130,261	\$27,140,995	100%
Hillsboro	\$16,940,731	\$0	\$10,500,000	\$27,440,731	\$41,240,081	67%
Home Forward (East Multnomah Co.)	\$21,034,083	\$15,970,323	\$0	\$37,004,406	\$37,141,206	100%
Portland	\$65,763,299	\$2,538,237	\$93,230,184	\$161,531,720	\$208,740,992	77%
Washington County	\$105,161,611	\$0	\$9,450,000	\$114,611,611	\$118,135,532	97%
Metro Site Acquisition Program	\$22,154,319	\$5,149,479	\$23,746,072	\$51,049,870	\$62,016,000	82%
Other Metro Direct Project Costs	\$161,824	\$101,129	\$0	\$262,953	\$0	N/A
PSH IGA in progress (Wash Co)					\$6,746,000	N/A
Funding to be allocated (Interest Earnings)					\$15,397,921	N/A
<b>TOTAL:</b>	<b>\$311,097,670</b>	<b>\$44,449,861</b>	<b>\$198,120,735</b>	<b>\$553,668,266</b>	<b>\$ 670,164,416</b>	<b>83%</b>

<b>ADMINISTRATIVE</b>	<b>Prior Years Expended or Disbursed</b>	<b>FY2023-24 Expended or Disbursed</b>	<b>TOTAL EXPENDED or DISBURSED</b>	<b>WORK PLAN FUNDING (Amended)</b>	<b>% of Work Plan Funding Expended or Disbursed</b>
<b>Jurisdiction:</b>					
Beaverton	\$569,252	\$376,583	\$945,835	\$974,615	97%
Clackamas County	\$1,712,246	\$641,376	\$2,353,622	\$3,636,371	65%
Gresham	\$450,643	\$147,702	\$598,345	\$837,421	71%
Hillsboro	\$684,752	\$310,027	\$994,779	\$1,272,457	78%
Home Forward (East Multnomah Co.)	\$334,297	\$162,676	\$496,973	\$496,973	100%
Portland <sup>1</sup>	\$0	\$0	\$0	\$0	N/A
Washington County	\$1,759,590	\$627,716	\$2,387,306	\$3,645,054	65%
Metro Site Acquisition Program <sup>2</sup>	\$0	\$0	\$0	\$1,940,932	N/A
Metro Accountability and Financial Transaction Costs	\$11,226,696	\$2,200,358	\$13,427,054	\$19,409,319	69%
Funding to be allocated (Interest Earnings)				\$3,058,669	N/A
<b>TOTAL:</b>	<b>\$16,737,476</b>	<b>\$4,466,438</b>	<b>\$21,203,914</b>	<b>\$35,271,811</b>	<b>60%</b>

<sup>1</sup> PHB uses a Program Delivery Fee, not paid for by Metro's Affordable Housing Bond, to cover administrative expenses.

<sup>2</sup> Administrative expenses in support of Metro's Site Acquisition Program are combined with Metro's total Administrative expenses and included in "Metro Accountability and Financial Transaction Costs."

<b>METRO COSTS</b>	<b>FY2023-24 YTD Actuals</b>	<b>FY2023-24 Metro Budget</b>	<b>YTD % Spent</b>
<b>ANNUAL BASIS<sup>3</sup></b>	2,530,835	3,068,547	82%

<sup>3</sup> In addition to Metro's Administrative costs, these costs include certain Metro Direct Costs reported under the "Project" Cost table above (e.g. personnel costs for the Metro Site Acquisition Program as well as Other Metro Direct costs). These costs were not provided a Work Plan Funding allocation, and therefore must be covered by Metro's Administrative Funding allocation.

The following materials were received  
during the meeting.



Metro



Metro affordable housing bond oversight committee meeting | October 14, 2024



Metro

# Welcome and Introductions

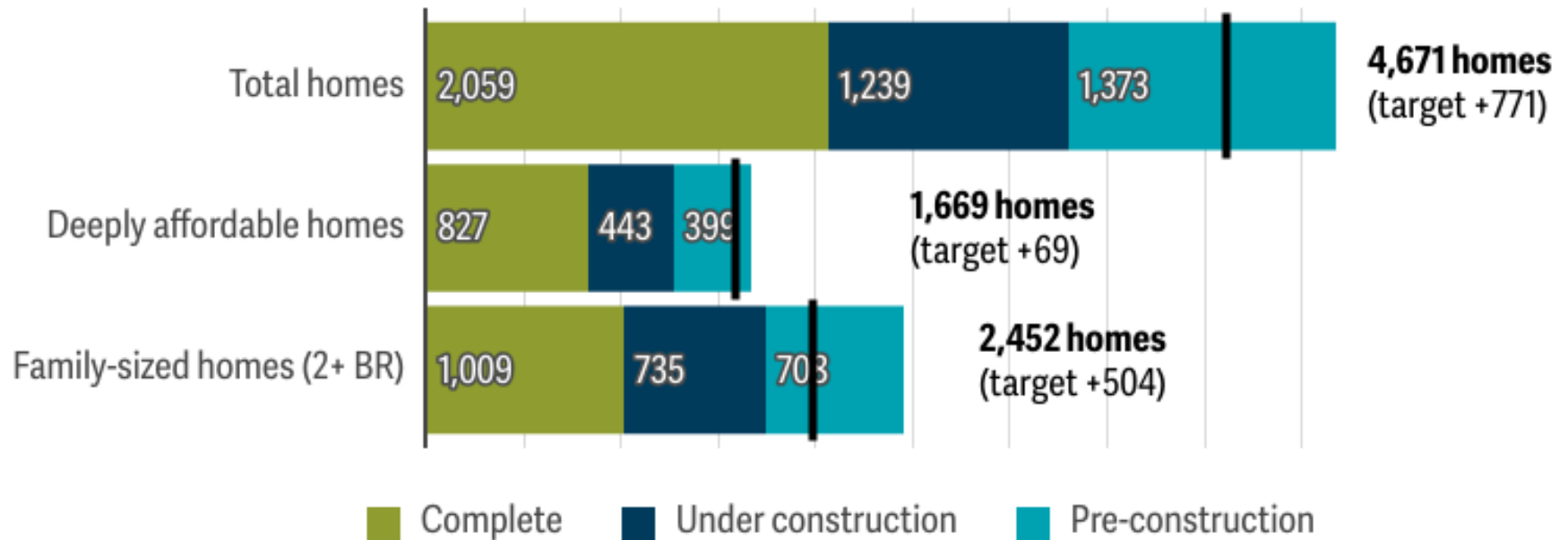
# Agenda

- Welcome and introductions
- Conflict of interest declarations
- Public Comment
- Staff presentation: quarterly report | april – june 2024
- Staff update on committee recruitment and cochairs
- Break
- Presentation on Analysis of affordable housing investment opportunities
- Policy updates
- Program updates
- Next steps



# Affordable Housing Bond – Production Progress

## Affordable housing production: progress underway (updated October 2024)



# New committee member recruitment

- Promoting the recruitment
- Rolling applications, review begins November 1, 2024
- Review by staff, leadership, and co-chairs
- Appointments in January 2025

# Nominating new chair / co-chairs

## Nominating new chair / co-chairs

- Nominate yourself or someone else (ask first)
- Review of nominations with Metro Council President
- Metro Council President makes selection

# Chair / Co-chair responsibilities

- Participates in committee discussions and forming committee recommendations
- Provides guidance on content and ideas to meet Oversight Committee goals
- Leads discussions
- Participates in the development of meeting agendas
- Time commitment of 7 to 9 hours per month
- **Submit nominations by Friday, November 1, 2024**



Metro

# Analysis of affordable housing investment opportunities



Metro

Break

# Policy Updates

- Asset management and monitoring assessment
- State funding coordination and alignment
- Regional Housing Coordination Strategy
- Update on Metro's work to advance Permanent Supportive Housing solutions



Metro

# PSH Overview



# PSH: What Is It?

Capital Funds (one time)

Operational Funds (ongoing)

Housing unit



Rental assistance



Wrap-around services



Permanent supportive housing

## Housing Bond

State funds  
Federal funds (HUD)  
Local funds (PHB)  
Banks, private funds  
Market units

## SHS (RLRA)

State PSH funds  
HUD, other Federal funds  
Local funds

## SHS funding (Services)

State PSH Funds, OHA  
HUD, other Federal funds  
Federal Funds (Medicaid)  
Philanthropy

# Why PSH? Why Metro?

- Permanent Supportive Housing (PSH) always planned as intersection point between The Affordable Housing Bond and SHS .
- With the SHS focus on Population A, PSH is the primary housing solution for reducing chronic homelessness.
- Metro uniquely positioned to lead expanding the region's capacity to develop and operate Permanent Supportive Housing (PSH) **at scale**.
- Committee recommendations and audits require some PSH-focused work (see next slide).

# Why PSH? Why Metro?

- **Oversight Committee Recommendations**

- Affordable Housing Bond:
  - Increase region's capacity to implement PSH and serve those most in need
  - Integrate Bond/SHS to expand PSH
- Supportive Housing Services:
  - More clarity on future financial obligations such as RLRA
  - Regional data definitions, including for PSH
  - Added Bond/SHS PSH alignment section to reporting

- **SHS Audit Recommendations**

- Develop performance measures to evaluate the quality of services
- Use research, program data, and financial projections to inform strategies

# PSH Phase 1: Jan 2024 – early 2025

## *Setting the foundation*

- PSH Definition
- Quality Guidelines
- PSH Regional Inventory
- PSH Service Quality Deep Dive
- Cost Estimations of Quality PSH

# Progress

[as of Sep 2024]

- **PSH Definition** – High-level definition included in SHS guidance released in June 2024.
- **Quality Guidelines** – Guidance drafted based on a national scan/best practices, and local county community guidelines.
- **PSH Provider Technical Assistance Pilot** – Capacity technical assistance program with learning cohort to launch in 2025.
- **PSH Inventory** – Creating a master inventory of PSH across the region.
- **PSH Service Quality Deep Dive** – Research underway, engagements to start late Fall/early 2025.
- **Cost Estimations of Quality PSH** – Cost estimation/financial obligation planning tools created; Initial research complete, tool refinement in process.

# Program Updates

- PSH pilot: Interest Earnings
- Post occupancy evaluation framework



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# PSH pilot: interest earnings

# PSH Pilot – Interest Earnings

- Clackamas
  - Up to \$4.2M
  - Dedicated to Vuela at the Willsonville transit center
- Portland Housing Bureau
  - Up to \$9M
  - Portion dedicated to Foster 73
  - Considering acquisition for remaining funds
- Washington County
  - Up to \$6.7M
  - Considering acquisition





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# Post occupancy evaluation framework

# Post-occupancy evaluation framework

- Post-occupancy reporting
  - One-time report
  - Within 3 months of 95% occupancy
- Collecting affirmative marketing, referral, application, screening, demographic data
- Have reported on some elements based on preliminary data; made improvements
- Need to develop framework for evaluation and portfolio reporting

# Next Steps

- The next AHBOC meeting is on December 9, 2024
- Committee recruitment
- Upcoming events:
  - 10/22 - Strong Family Apartments groundbreaking
  - 10/24 - Shortstack Milwaukie groundbreaking
  - 10/31 - Meridian Gardens Grand Opening

**oregonmetro.gov**



# Evaluation of affordable housing investment strategies

Housing Bond Oversight  
Committee Briefing

October 14, 2024



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# Agenda

- Project overview
- Key findings overview
- Question break
- Next steps

# Project Overview



# Project Purpose

- Evaluate possible investment strategies
- Update lessons learned from bond implementation
- Support Stakeholder Advisory Table (SAT) process
- Inform Chief Operating Officer (COO) recommendation process



# Project Team

- Metro Staff
  - Emily, Melissa, Daisy, Gio, Sandi, Emma
  - Many reviewers and supports
- Consultants
  - BAE Urban Economics, ECONorthwest, Lagniappe Housing Solutions

# Strategies Evaluated

- Gap funding of new rental construction
- Affordable homeownership
- Preservation of existing affordable housing
- Acquisition and conversion opportunities
- Complementary and supportive strategies

# Process and Deliverables

- National and regional practice scans
- Evaluation of existing data, emerging trends
- Technical engagement with experts
- Scenario / unit production modeling
- Leadership advisement and technical report

# Evaluation Criteria

- **Policy Outcomes**
  - populations served (including SHS alignment), geographic considerations, equity in contracting and workforce opportunity, environmental justice
- **Feasibility**
  - production potential, administrative considerations

# Subject Matter Expert Interviews

- Affordable housing developers, operators, and service providers
- Jurisdictional partners
- Housing finance and policy



# Operating Cost Listening Session

- 90-minute virtual session
- Affordable rental housing (including PSH)
- Cost drivers, impacts, and possible solutions



Housing  
Development  
Center

# Key Findings



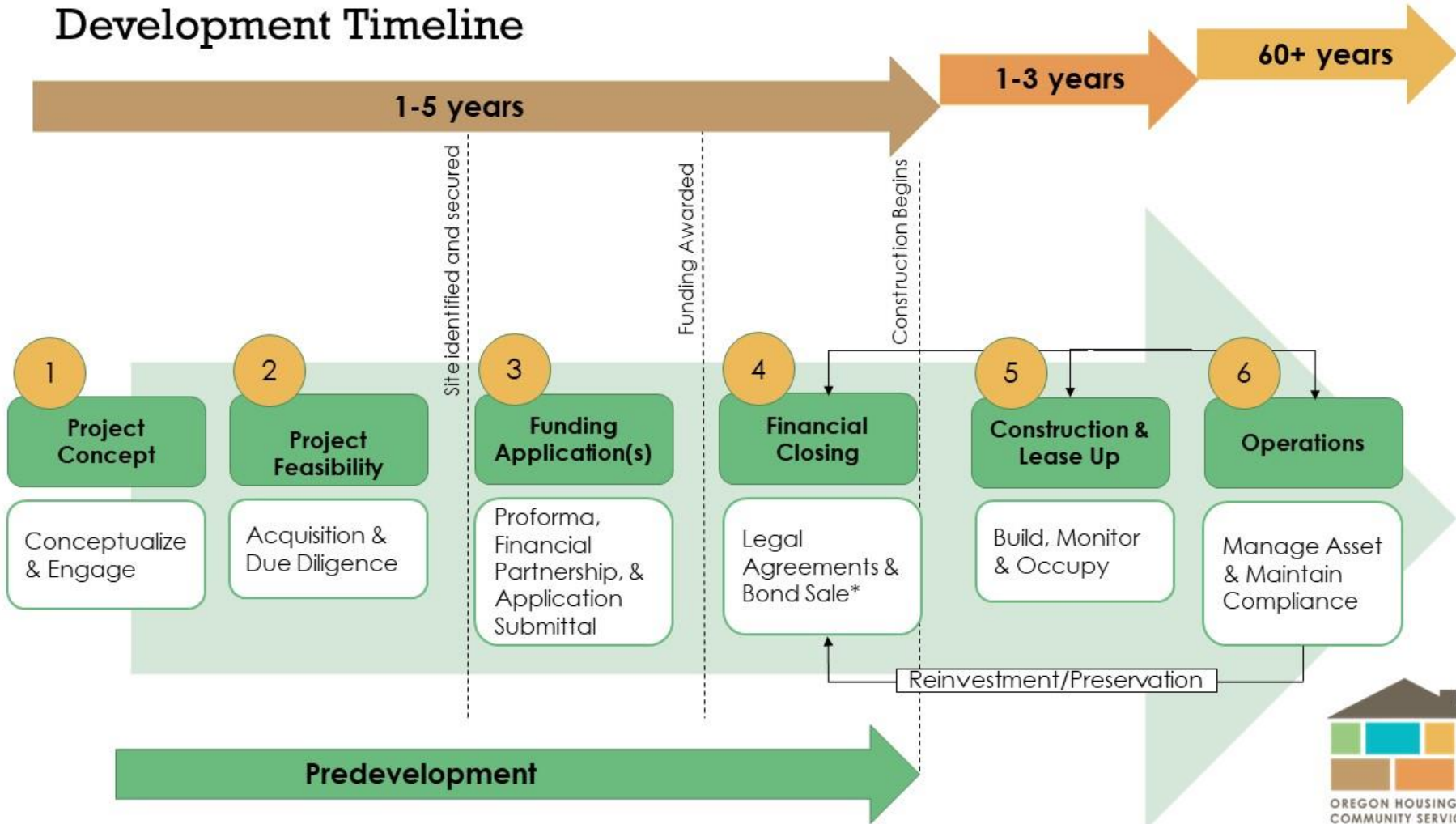
# Key Finding 1

Affordable housing industry developers and operators are experiencing significant barriers to production and successful long-term property operations.

These trends are occurring nationwide but are acutely felt in coastal metropolitan areas like greater Portland.



# Development Timeline



# Key Finding 2

Capital investments for future regional affordable housing funding should be coordinated across funders to provide predictability, and funding requirements should be informed by actual cost.

Funders should seek to balance maximizing unit production with ensuring quality and long-term stability for future residents and housing providers.

# Key Finding 3

Across all investment strategies evaluated, the following best align with SHS goals and service population priorities while also responding to industry challenges and market opportunities:

- Gap financing for affordable rental construction
- Preservation of existing affordable housing
- Acquisition and conversion of market rate multifamily housing, hotels, and motels
- Operating and risk mitigation support funds
- Strategic land acquisition
- Pre-development funding

# Key Finding 4

Homeless services and affordable housing systems need more comprehensive integration.

# Questions



# Next Steps

- Presenting findings to external groups, council briefings and/or work session
- Report distributed via email to interested parties
- Q&A office hours

**Thank you!**



# Housing Communications | September-October 2024



## Earned media

Francis + Clare Place, a newly opened affordable housing development with SHS-funded services, was covered by **KGW News**.

Metro's team provided info on background for a *Willamette Week* article about Portland acquisitions: **City of Portland Stumps Up \$15 Million for Apartment Building Bargain Hunters**.

## Email newsletter

**September's email newsletter** featured themes from the most recent SHS quarterly reports, highlights from groundbreakings and openings, and our latest social media campaigns.

**Subscribe to Metro's Housing newsletter, published monthly.**

## Social media

**Ongoing:** Series covering housing and supportive services providers

**Upcoming:** The communications team is planning content related to holidays/commemorative days and housing, including Veteran's Day, Indigenous Peoples' Day and Thanksgiving.



## Movie theater project

A set of slides that highlight the affordable housing bond and SHS will continue being displayed in five local independent theatres throughout October.





# Housing Communications | September-October 2024

## Metro News

- [Scholar of Oregon's Black history celebrated in naming of new affordable apartment community](#)
- [Las Flores celebrates opening in Oregon City](#)
- [Plaza Los Amigos brings 113 affordable homes to Cornelius](#)



## Photo voices project

**Focus: community voices, affordable housing bond**

In alignment with Metro's commitment to amplifying community voices in our storytelling and public education, we launched our community engagement photography workshop program this summer.

Nine residents in the bond-funded Terrace Glen Apartments in Tigard participated in a six-session workshop led by PSU photography professor Emily Fitzgerald.

This diverse group of participants explored the meaning of "home." Their final projects will be on display at Blue Sky Gallery in December.

01:27:18 Melissa Arnold (she/her); Metro: sorry didn't realize I was still sharing my screen! :)

01:28:36 Andrea Sanchez (she/her/ella): I think we got an email on 7/9.

01:29:57 Andrea Sanchez (she/her/ella): All my questions were answered. Great work Melissa and other staff members.

01:29:58 Sandi Saunders | Metro (she/her): <https://www.oregonmetro.gov/public-projects/future-regional-housing-funding>

01:47:34 Sandi Saunders | Metro (she/her): Market rate MF property suitable for affordable conversion. Came to market on Oct. 1st [https://www.loopnet.com/Listing/12870-SW-Allen-Blvd-Beaverton-OR/33290557/?utm\\_source=savedsearch&utm\\_medium=email&utm\\_campaign=ldp\\_contact\\_broker\\_form\\_expanded&utm\\_content=&utm\\_term=](https://www.loopnet.com/Listing/12870-SW-Allen-Blvd-Beaverton-OR/33290557/?utm_source=savedsearch&utm_medium=email&utm_campaign=ldp_contact_broker_form_expanded&utm_content=&utm_term=)

02:10:11 Jenny Lee: I'll be leaving at 5:00 but want to thank everyone for being here today!

02:36:25 Mara Romero (she/her): "mo' money, mo' problems" 😊

02:41:47 Jeff Petrillo: Keep in mind that short-term interest rates have already dropped 100 basis points since the Federal Reserve rate cut in Sept. And short-term rates will decline more, if the Federal Reserve cuts rates again at the Nov. and Dec. Fed Meetings. This will reduce interest earnings from the bond proceeds over the next 6 to 9 months

02:44:08 Emily Lieb: Great feedback, thanks Jeff!

02:45:45 Sandi Saunders | Metro (she/her): Thank you, Mara!