

Regional Affordable Housing Bond



Coalition of Gresham Neighborhood Associations
August 13, 2019

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Outline

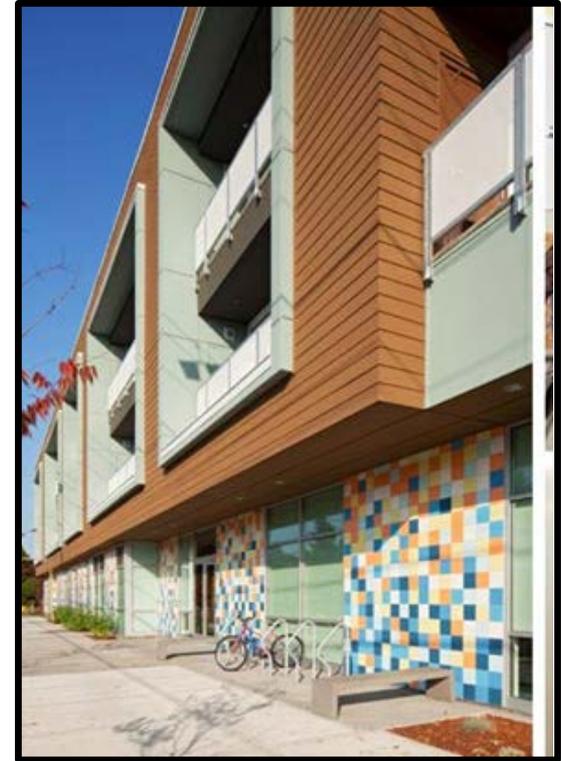
In November 2018, regional voters passed a \$652.8 million dollar bond for the development of new affordable housing.

The City of Gresham is working to develop a local plan that meets local needs to implement its share of the regional funds.

This will likely result in an investment in 2-4 housing sites for the creation of 187 housing units.

Outline:

1. Overview of work to date
2. Proposed City plan to invest funds
3. Next Steps



Questions

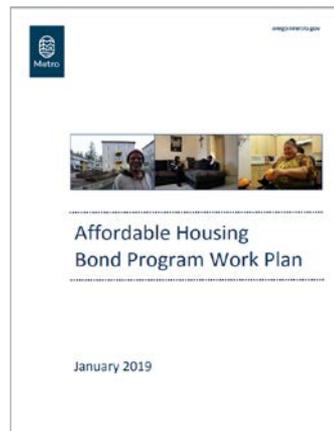
- What types of services and amenities would be helpful in any investment through the bond (either for residents or the community)?
- Do you have any feedback on the criteria for identifying investments?
- Do you have any feedback on how a proposed investment would be operated and managed?

Regional Affordable Housing Bond

In November 2018, Regional voters passed a \$652.8 million general obligation bond for affordable housing.

Goals identified for the regional bond include:

- Create 3,900 permanently affordable housing units.
- 1,600 housing units will be deeply affordable to households earning 30% AMI (area median income) or approximately \$24,000 for a family of four.
- Half of the housing units created will have 2 or more bedrooms.



Regional Affordable Housing Bond

November 2018 – March 2019

- Staff participated in meetings to coordinate regional bond
- Staff provided feedback to the Regional Bond Framework
- Staff completed internal work to inform local plan

March Council Policy Development meeting

- Reviewed bond components and timeline
- Guiding principles for the bond
- Types of housing investments

Since March

- Development of City plan: The Local Implementation Strategy (LIS)
- Presentation to Metro Bond Oversight Committee
- Presentation to City Council on July 9
- Continued discussions with Metro on the contract to obligate funds: Intergovernmental Agreement (IGA)

LIS: Guiding Principles (City Council in March 2019)

Opportunity

- Provide a range of housing types and sizes that reflect the needs of Gresham's citizens through all life stages and circumstances.
- Support the development of housing that reflects the square footage and number of bedrooms needed.
- Ensure that new housing developments are of high quality.

Location

- Avoid concentrations of any one housing type: strive to balance investments throughout the City
- Permit appropriate housing types in locations that most benefit the viability of the overall City and its centers.
- Ensure new housing developments complement or enhance the character of existing quality neighborhood development.
- Promote a mix of housing types where appropriate.

Housing Types

- Promote home ownership.
- Endorse incentives promoting the rehabilitation of deteriorated but still good quality housing.
- Provide opportunity for mixed use developments.

LIS: Engagement Themes

Initial themes from engagement to date

Affordability

- There are fewer safe and affordable choices for low income families, especially those with children.
- Seniors, particularly those on fixed incomes, are finding less options for housing.
- Increased competition due to rising rents; families are moving east.
- Less available for 'working families' in between market rate and deeply affordable housing

Services

- On-site services such as jobs, education, healthcare
- Tenants have a difficult time understanding rights
- Lack of childcare options and activities for children (community center)

Location

- Safety, security and a sense of well-being are essential
- Proximity to jobs and education
- A lot of older buildings that need maintenance
- Transit access is important, but is harder for families with children.



Draft Local Implementation Strategy

Draft Local Implementation Strategy

Four elements of the LIS include:

1. **Development Plan** to achieve the Housing Unit Production Targets
2. **Strategy for advancing racial equity** throughout implementation
3. **Engagement Report** for stakeholder input on development of LIS
4. **Engagement Plan** for ongoing engagement to inform project implementation

1. Development Plan

Based on share of regional Assessed Value (AV), \$26.7 million would be available for the City of Gresham.

- Estimate of 2-4 investments (187 units)
- Metro targets: 40% are deeply affordable (77); 50% family units (93)
- Gresham plan proposes a 'portfolio approach': each investment may include a mix of affordable, deeply affordable, and family units. The 2-4 investments combined will meet Metro targets.

Targets presume additional investment from Metro's Regional Land Acquisition Program.



1. Development Plan

Policy Priorities

Home ownership

**Rehabilitation
of existing
properties**

**New construction
of affordable
housing**

1. Development Plan

Policy Priorities

Home ownership

- 3rd-party development with organizations such as Habitat for Humanity and Proud Ground
- Co-operative model with organizations such as Casa of Oregon
- Land acquisition
- Building purchase for renovation and/or conversion
- Zombie property conversion

Rehabilitation of existing properties

New construction of affordable housing

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Rehabilitation of existing properties

- Preserve affordability contract for existing property
- Building purchase and acquisition by 3rd party organization

New construction of affordable housing

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New construction of affordable housing

- Partner with experienced developer that can successfully complete and manage housing units
- Prioritize investments that have completed substantive level of project development

1. Development Plan

Proposed city role in development

- The City will partner with experienced third party developers to finance and construct units.
- The City will consider property acquisition to develop housing units.

Proposed criteria for project selection

- City Policy: Alignment with City policy goals including guiding principles
- Metro Targets: Ability to meet target goals
- Equity: Investment demonstrates actions for advancing racial equity
- Qualified Developer: Qualified and proven developer
- Readiness to proceed: Substantive project development that can demonstrate construction/completion
- Operations and Management: Investment provides plan and contingency for successful operations and management for term of agreement, including services.

Proposed property Operations and Management

- On-site management for residential properties
- Business and Workforce Equity Goals
- Supportive services and programs
- Reduce barriers for residents to find and apply for housing

1. Development Plan

Approval process – The concept and detailed project plan will be approved by Gresham City Council and Metro.

1. Concept endorsement

- Gresham concept endorsement
- Metro concept endorsement

2. Project approval

- Gresham project-level approval and funding authorization
- Metro project-level approval and funding authorization

3. Release of funds

- Once an investment has received approval by City Council and Metro, funds will be released and disbursed to the project in accordance with provisions in approval documentation.

1. Development Plan investment opportunities

Productive discussions regarding ownership model

- Ownership housing is an allowable use of the bond.
- Staff has continued positive collaboration with organizations to identify ownership housing opportunities.



One housing site has an expiring affordability contract

- The current owner of Aldercrest Apartments has informed OHCS of an expiring affordability contract.
- Purchase of this property by 3rd party can preserve existing housing vouchers on the property.
- Funds can be used for renovations and extending affordability.

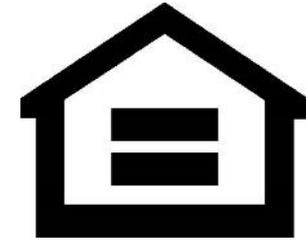
Conversations with housing under development

- Staff has held meetings with more than 12 housing investments that are currently under development in the City.

2. Strategy for Racial Equity

Affirmatively Furthering Fair Housing

- Address significant disparities in access to community assets.
- Overcome unequal and separate living patterns.



Themes

- Ability to have choice for where to live, including the opportunity to remain in the community one lives in now.
- Support the development of assets and opportunities in historically underserved areas.
- Create opportunities to participate in wealth creation, specifically for historically marginalized communities. This includes jobs, asset/equity building, and ways to foster generational wealth.
- Meaningful participation in decisions being made.

Actions

- Build ownership housing
- Business and Workforce Equity Goals
 - Encourage emerging small businesses
 - Require a solicitation plan for subcontracting, with supports for access, opportunity, and education
- Culturally specific programming and supportive services
 - Partner organizations with trust and experience in communities
 - Residential services and site management
- Reduce barriers to find and apply for housing

3. Engagement

Housing is a City Priority

- Housing Opportunities is Gresham City Council Work Plan
- Gresham Task Force on Housing

Build from existing work related to housing engagement

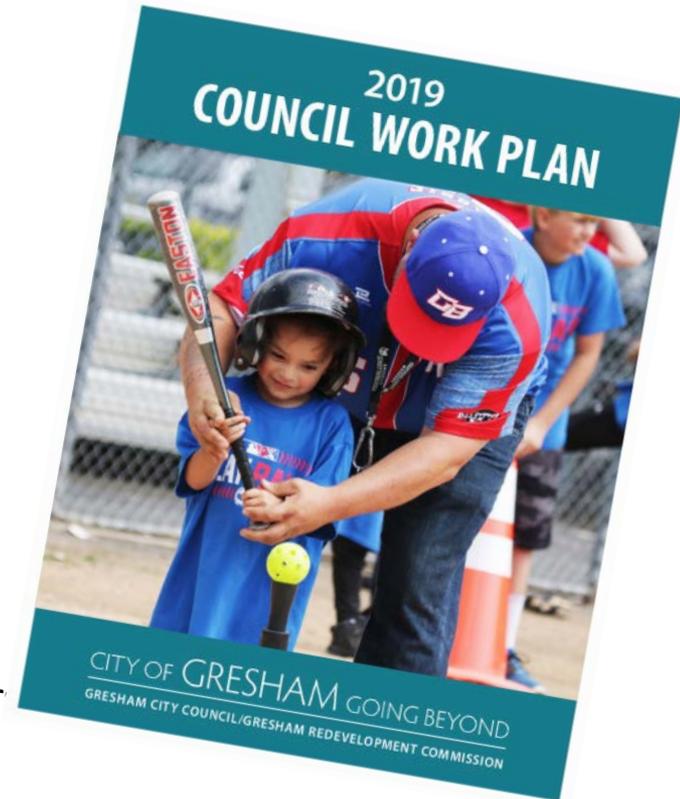
- Community needs meetings
- Community liaison programs
- Surveys
- Active project development

Partnerships and Focus Groups

- Work with housing providers and non profit partners
- Listen to those experiencing housing instability
- Listen to providers, case managers, and residential coordinator

Public meetings

- Meet with residents seeking housing
- Future neighborhood coalition meeting
- Public meeting to share DRAFT



Gresham Task Force on Housing

4. Ongoing Engagement Plan

Each investment will be required to complete an engagement plan to inform development of housing on the site. Elements include:

- Communities served
- On going programming and services
- Reporting and monitoring

Staff report to City Council annually

- Provide updates and monitoring towards bond completion



Next Steps

- Complete Draft of the Local Implementation Strategy: Public engagement and review in September
- Continue to coordinate with Metro on the contract to obligate funds
- Schedule a future Council meeting: A draft of the Local Implementation Strategy (LIS) and Intergovernmental Agreement (IGA)



Questions

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