



**MEETING MINUTES
HOUSING ADVISORY COMMITTEE OF WASHINGTON COUNTY
May 27, 2021, 9:00 a.m.**

Virtual Meeting Via Zoom

<u>COMMITTEE MEMBERS PRESENT</u>	<u>STAFF PRESENT</u>
Katherine Galian (Chair)	Komi Kalevor, Executive Director
Sheila Greenlaw-Fink	Yaling Huang-Dressel, Housing Controller
Eric Schmidt	Melisa Dailey, Housing Program Coordinator
Sid Scott	Will Seals, Asset Manager, Public Housing
Vince Chiotti	Shannon Wilson, Housing Development Manager
Renée Brouse	Annette Evans, Homeless Program Manager
Ben Sturtz	Liz Morris, HCV Manager
Dave Bachman	Jes Larson, SHS Program Manager
Narendar Sahgal	Heather Skriver, SHS Data Analyst
Alma Flores	Allie Alexander Sheridan, Program Coordinator
Balen Younis	Jack Liang, Finance Director
Cindi Otis	Elizabeth Mazzara-Meyers, Senior Staff Assistant to the Board
	Megan McKibben, Staff Assistant to the Board
<u>ABSENT</u>	Ruth Osuna, Deputy County Administrator
Alma Tapia Hernandez	Walter Robinson, Staff Assistant to the Board
Melinda Bell (Vice-Chair)	Ty Schwoefferman, Program Coordinator
<u>HABOD MEMBERS PRESENT</u>	<u>STAFF ABSENT</u>
Kathryn Harrington, Chair	Josh Crites, Assistant Director
Nafisa Fai	
Roy Rodgers	
Pam Treece	
Jerry Willey	
Caroline Roper	
Michael Savara	

I. ROLL CALL – 9:02 a.m. A quorum was present.

II. ACTION - APPROVAL OF MINUTES FROM April 22, 2021 @ 9:20 a.m.

Motion: Ben Sturtz

Second: Sid Scott

Vote: All approved

III. DISCUSSION - ORAL COMMUNICATIONS & MEMBER UPDATES

MEMBER UPDATES

Ben Sturtz with BRIDGE Housing shared the South Cooper Mountain project was given unanimous approval from the Beaverton Planning Commission. He congratulated the Housing Authority on becoming a Moving to Work agency.

Renée Brouse with the Good Neighbor Center announced their annual event will be held on June 16, 2020. Tickets are free with several buy-in opportunities. More information can be found on their website.

Eric Schmitt stated his interview Chair Harrington will air on TVCTV County Talk show and he will update everyone when it's broadcast.

Sid Scott with Scott-Edwards Architecture noted the increase in construction prices particularly in wood and steel. Alternative solutions are being sought to keep projects moving forward.

Vince Chiotti expressed his appreciation to the County for their support of housing over the last ten years.

Sheila Greenlaw-Fink reported the Community Housing Fund will be hosting an event focused on the Southwest Corridor on June 10. The main speakers will be Lyn Peterson and Tigard Mayor Jason Snyder thinking through how to pursue equitable development when resources are missing that are needed for development in specific areas. She added that a housing advocacy training was recently held. They are also working on a large multi-family potential loan in Aloha and are about to close a loan for Habitat in Forest Grove to build seven additional home ownership opportunities.

Dave Bachman with Cascade Management reported all their new developments are leased up. There is an increased demand in addition to the waiting lists. They are working on undoing the eviction moratoriums as they come to a close and working with residents with relief funds that are available.

Katherine Galian reported Community Action is currently processing emergency rental assistance funds. The grace period for repayment for past due rental arrears has been extended until March 2022 to pay what they owed prior to July 1 which provides some financial relief to those behind on rents.

Narendar Sahgal, one of the new Housing Advisory Committee members, was pleased to see the Housing Authority Board of Directors in attendance at today's HAC meeting and hear about all the good work that is moving forward in the county.

Alma Flores, Director of Housing Development with REACH CDC, announced the Cornelius Planning Commission unanimously approved their application for 113 units at the Gateway master plan area that is in partnership with Bienestar.

Chair Harrington stated the County budget hearing took place last night with a tremendous amount of public feedback.

Balen Younis reported statistics show Washington and Multnomah counties will receive 1,300 new immigrant refugees in 2026. He was pleased to see unemployment benefits would be extended until the end of September easing the minds of several immigrants in regards to paying their rents.

Cindi Otis stated the elderly disabled community is regaining confidence venturing outside with the availability of COVID vaccinations. She also shared she is pursuing obtaining a property management license.

Michael Savara, Housing Authority Board member, expressed his appreciation for all the affordable housing work that is currently taking place within the county.

Caroline Roper, Housing Authority Board member, also extended her appreciation to the Housing Authority staff for all their hard work.

ORAL COMMUNICATION

IV. EXECUTIVE DIRECTOR'S REPORT

Komi Kalevor reported Washington County is moving into a lower risk COVID category and awaiting guidance on office staff in-person attendance from county administration. The Housing Authority will be moving to Adams Crossing this fall providing much needed space. Currently not only due to covid but with space limitations several employees are still working from home. He announced Melisa Dailey will be transitioning to the development team.

V. STAFF REPORTS

A. Financial Statements

See New Business section which is at end section VII.

B. Housing Choice Voucher Program

Liz Morris stated leasing is one of the HCV Division's highest priorities. A lot of work was completed in April but the numbers won't increase until May. There are about 3,000 vouchers available between the Housing Choice, Mainstream, and VASH vouchers. They are currently pulling people off the 2015 waitlist but because it's six years old it's difficult to find individuals who are still eligible. A new waitlist will be opened at the end of July or August adding 2,000 additional individuals. She noted the Mainstream vouchers are continuing to be distributed. They will be working with the Continuum of

Care to distribute the emergency housing vouchers on July 1, 2021. Due to COVID and for the second year, HUD decided to waive the SEMAP (Section 8 Management Assessment Program) which is the audit to assess high performing housing authorities. This allows the housing authority to keep the high performing score from two years ago. Ms. Morris added the project-based vouchers are in great utilization. She announced the Viewfinder will lease up later this year with 16 project-based units (8 VASH and 8 Section 8). This waitlist will open soon.

C. FSS Programs and Special Projects

Liz Morris reported they recently conducted Family Self Sufficiency (FSS) meetings that were attended by 38 families resulting in 5-10 potential new enrollees in the program. The Kaiser Metro 300 program currently has 75 people leased up. Kaiser Metro 300 has served 81 people this year and are continuing to take new applications.

D. Public Housing

Will Seals reported the month of April closed with a high occupancy rate of 99.2% while maintenance staff remains responsive to maintenance requests.

E. Affordable Housing/Portfolio Rehab

Mr. Seals stated last week's community engagement meeting took place in Tigard where a resident satisfaction survey was distributed. Baseline numbers are coming back to obtain a perspective on how to improve the communities. The AHP4 rehab project includes four affordable housing properties being rehabilitated in Tigard and Forest Grove. Federal accessibility standards will be met by converting 5% of the units. They held their first preliminary preapplication meeting with the City of Tigard for the rehab work at Bonita Village. Everything is moving forward with a plan to submit the application for the LIHTCs by June and the private activity bonds will be requested in July.

F. Housing Development

Shannon Wilson reported Metro has put together a Metro affordable housing bond annual report based on work completed in 2020. There are 19 regional projects underway as part of the bond with 12 of those located in Washington County. This is a testament to the partnerships with the cities of Beaverton and Hillsboro and support from the County Commissioners and Housing Authority Board. The Community Housing Fund provides early funding to projects which has also contributed to those 12 projects commencing. The Valfre at Avenida 26 is scheduled to close and begin construction in mid-July providing 36 affordable housing units in Forest Grove. The Aloha Inn, which is a motel conversion project focused on permanent supportive housing, will be used in the interim as a shelter beginning July 1, 2021, with the Good Neighbor Center overseeing operations. During the interim use, the development team will work with the architect and contractor to on a plan for the conversion and renovation work to turn those units into permanent supportive housing.

G. Report on Homelessness

Annette Evans reported the winter shelters were extended through June 30. As of today, 32 individuals from the winter shelters moved into housing and six moved in with family and friends. The network of homelessness providers are moving to a new model of enrolling individuals which is in response to COVID. They will be using FEMA public assistance funding to operate the extension of the shelters. Several of the shelters may be operating beyond June 30 with funding from FEMA through September. Ms. Evans thanked Renee Brouse and the Good Neighbor Center for being a provider for the winter shelter program and all their work helping people find housing. The average length of stay in the shelter is over 70 days as compared to the prior model, which was first come, first served where people on average stayed about 28 days. The legislative update will be provided next month due to the legislature being in session until June 27. In partnership with the office of Community Development, the Fair Housing Council will be hosting a training in Washington County on June 10 focused on fair housing for shelter providers, culturally specific organizations, and community based organizations advocating for their clients who are likely to experience illegal housing discrimination. Ms. Evans announced long time public servant Ralph Brown has been missing for several weeks and urged everyone to keep watch for him.

H. Supportive Housing

Josh Crites reported the request for programmatic qualifications (RFPQ) closed last week with 26 organizations applying including culturally specific organizations. These organizations will be the service providers for the supportive housing services program. The federal government provided emergency housing assistance and Washington County received \$86,000 and Portland received \$478,000. Washington County requested an additional \$34,000. The supportive housing services program provides long term rental assistance portion with a goal of serving 500 people. Supportive Housing Services will be paying for supportive services at the Aloha Quality Inn. They had a large turnout for a similar project at the Econo Lodge in Hillsboro which will also have services paid for by supportive housing services. The expected revenue collection from Metro is uncertain so conversations are happening on how to bridge the gap, if needed, until the funding come in.

Jes Larson shared Metro staff, the Metro supportive services oversight committee, and the Metro council gave Washington County a lot of praise for the development of the supportive services local implementation plan. Washington County's implementation plan will be approved by the Metro council later today. She also noted the projected revenue for the supportive services program is slated to be higher than estimated.

VI. OLD BUSINESS

NA

VII. NEW BUSINESS

Komi Kalevor explained the Housing Authority of Washington County is a blended component of Washington County where staff are contracted as employees with the County. An additional 19 staff have been hired for fiscal year 2021-2022 of which 17 are dedicated to the Metro Supportive Housing Services program. The Housing Authority of Washington County (HAWC) was established under Oregon revised statutes chapter 456 which is why the Housing Authority budget is not subject to local budget law and not included in the Washington County budget.

Yaling Huang-Dressel noted the Department of Housing Services added homeless programs ten years ago, and in the last two years the Metro Affordable Housing bond funds as well as the metro Supportive Housing Services were added. The projected budget for Supportive Housing Services is \$50 million for the coming fiscal year. The continuum of care is funded by a federal grant and homeless programs are supported by the County general fund. She noted the Department of Housing Services is divided into three major program categories with today's focus on the Housing Authority portion of the budget.

Mr. Kalevor reported the Housing Authority pursued acceptance into the Moving to Work program two years ago because the cost per unit was the highest in the state at just over \$900 a person thus decreasing the number of people who can be served. Public housing and the portfolio rehab total about 643 housing units. Keeping low rents in these units has in turn created a vast amount of deferred maintenance. To address this issue, four of the ten properties were leveraged with tax credits and bonds totaling \$75 million of which \$25 million will be used for direct rehabilitation. Aloha Inn was purchased to become permanent supportive housing. The acquisition of the Econo Lodge in Hillsboro will be Washington County's first year round adult shelter.

Ms. Huang-Dressel reported the Housing Authority operating budget increase is mainly due to the landlord compensation fund. Additional funds were received from HUD for housing assistance payments totaling \$4 million along with additional vouchers to assist more households in the community. The budget heavily relies on federal grants but staff are looking for ways to reduce reliance on those grants. For the 2020-2021 budget year the federal grant is about 78% with the new fiscal year portion reduced to 70% due to the one-time landlord compensation fund impact. The highest revenue is the housing assistance payments (HAP) totaling \$33 million which increased due to COVID impact payments from HUD totaling \$1.8 million. The expenditures are mainly focused on Section 8 vouchers that provide rental assistance.

Housing Choice Vouchers (Section 8) – These vouchers assist individuals with rental payments, pay administrative fees for staff time, and pay for services of the properties. HUD funding for this program is based on prior calendar year expenditures. HUD also requires enough reserves to pay for all households being assisted for at least two years. If these reserves run low due to rental increases HUD does not compensate for this gap resulting in less households being served. However this year additional housing

assistance payments were received to be able to increase the number of households served.

Family Self Sufficiency Fund (FSS) – This program assists clients to increase their earning potential. There was a decrease in funding for this program due to staff changes resulting in a decrease in the number of clients served. This portion will be picked up in the next fiscal year.

CARES Act - Received \$1.8 million for housing assistance payments and \$900,000 of the administrative fee helping to cover the gap in funding the County is not able to fund. The fees provide needed investment to have a waitlist, conduct briefings, and provide housing navigators to assist clients with finding housing.

Public Housing – There are 244 public housing units which are widely spread throughout the county creating a challenge in keeping operating costs low. To assist in lowering costs, 60 of these units will be sold and the resulting funds used to purchase multi-family units which will decrease operating costs and increase capacity for the community. This program receives three funding sources. Two parts come from HUD consisting of operating dollars and capital dollars. The capital dollars are slowly decreasing because of competition with 3,000 other housing authorities for those funds. The third portion comes from tenant rents which have decreased due to economic impacts of tenants losing their jobs which cannot be recovered by HUD funding.

The Local Fund – this fund consists of the following four programs:

1. Landlord compensation fund which is a one-time program projected to receive \$12 million for the current fiscal year and \$6 million for the next fiscal year. This program is funded from House Bill 4401 to pay the landlord for 80% of rent in arrears. The Housing Authority distributes the funds to the landlords and notifies tenants of past due rent paid on their behalf.
2. Real Estate Development program works with developers to provide guidance on the process of issuing low income tax credits in exchange for receiving developer fees. Those fees will be invested back into affordable housing targeting much needed deferred maintenance.
3. Health Careers Northwest is a pass-through grant from Worksystems which is slated to end in September 2021. With the Housing Authority recently becoming a Moving to Work agency the Housing Authority will start a similar program to assist clients to increase their earning potential and provide career coaching.
4. Non-Federal Properties consist of 10 properties within the county which have been acquired through foreclosures. Three of the properties are from the Neighborhood Stabilization Program (NSP) that funded purchase of small single-family homes that assist individuals in the community. These have a break-even yearend balance.

Affordable Housing Properties – There are ten properties in this portfolio all of which have deferred maintenance. In 2009 these properties did not bring in enough cash flow to pay debt service. The County assisted the Housing Authority by issuing a full faith credit bond in order to reduce the debt service payment. These funds were used for operating costs, and funding has not been available to address the ongoing maintenance issues for over ten years. In 2019, the full faith credit bond was refinanced reducing the debt service payment by \$200,000 a year. The Housing Authority is working on different options to address the deferred maintenance issues. Staff are also working on slowly increasing the rents to current affordable housing rent levels.

Kaybern Terrace is a 12-unit property funded by USDA-Rural Development (RD) dollars; capital dollars are needed for rehabilitation on this property. Different avenues are being discussed with the RD to increase the subsidies on this property to bring it back to breakeven.

Aloha Park is an 80 unit affordable housing property in which the funding is restricted for use solely for this property. It is running at breakeven but not to the point of accruing a replacement reserve. However, it is one of four properties that have been packaged for syndication to bring in \$25 million to address rehabilitation needs.

Cornelius Place apartments were acquired in 2019. This property is breaking even but the net income shows a deficit because the depreciation is counted as part of the net income.

Moving to Work – the Housing Authority was recently granted to be a Moving to Work agency but with this comes a lot of work for the staff to manage. This will provide localized programs to assist the community.

The federal government has made changes to the 4% tax credits. In the Metro areas this includes the Metro Affordable Housing bond. The County is providing the Housing Production Opportunity Fund (HPOF) allowing the Housing Authority to address rising construction costs.

Sid Scott stated in talking to professionals in his industry it is projected construction costs will begin to decrease in 2022. Lumber costs have increased 300% this past year which has inversely increased steel prices.

Commissioner Rogers asked how the Housing Authority is planning for the future to address continued funding issues regarding maintenance, insurance needs, and tenant revenues. He noted the need for financially strong and long term conversation about the county's financial health around several programs.

Mr. Kalevor noted discussions to develop a management revenue plan are taking place but also to increase rents gradually to not overwhelm their clients. With becoming a Moving to Work agency they now have the flexibility to address local issues with local solutions.

Chair Harrington expressed her appreciation of the Housing Authority budget presentation. She asked for a copy of today's presentation digitally as well as further information on the increase in employees for the next fiscal year.

Mr. Kalevor stated they will add the budget information to next month's HAC meeting packet. He pointed out supportive housing services is part of the Department of Housing Services budget. The budget discussed today is the Housing Authority budget which is not subject to local budget law and doesn't have to go through a budget appropriation process.

Chair Harrington explained after last night's county budget meeting it was clear increased communication is needed with the community so they can see the value of what is being done for the public budget dollars being expensed.

Ruth Osuna stated the Housing Authority is talked about in the County's budget as well as the staff as an example of supportive housing. Even though the general fund portion has been reduced in the budget overall, the inclusion of housing services as well as the Housing Authority, the investment in general fund is the same as current year.

Commissioner Rogers asked in regards to the ORS 294 local budget law why complicate things by including the Housing Authority budget with the county budget if it's not required. To ease confusion he feels it should be omitted.

Jack Liang stated the County did not include HUD's Housing Authority's budget in the County's budget. It's a separate budget. The only portion that is included in the County budget is the Department of Housing Services budget.

Chair Harrington noted at last night's County budget meeting the public was concerned with how the County is serving people in the community. Issues such as more affordable housing to reduce homelessness and addressing mental health services support were expressed. The way the budget was presented made it difficult for people to see the service level information that is included in the budget. She noted today's Housing Authority budget presentation highlighted the information the public was seeking last night.

Ms. Huang-Dressel explained about 15 years ago the Housing Authority had to downsize the accounting staff from seven to four while in the midst of the yearend audit. A decision was made to pull the Housing Authority presentation from the County portion. This is why the Housing Authority budget is separate from the County's Department of Housing Services budget. She will be working with Jack Liang, Finance Director, to assess the best way to incorporate the Housing Authority budget information into future county budget meetings.

Sheila Greenlaw-Fink suggested to include more statements at the outset outlining how the County is addressing housing and the strides the County has made to move toward reducing homelessness.

VIII. RESOLUTIONS/ACTION ITEMS

Motion: Eric Schmidt moved to approve the FY2021-2022 Housing Authority budget as proposed.

Second: Renée Brouse seconded the motion.

Komi Kalevor made a friendly amendment that HAC is recommending approval of the budget to the Housing Authority Board of Directors.

Friendly Amendment: Accepted by Eric Schmidt.

Vote: The motion unanimously passed.

IX. ADJOURNMENT

Meeting adjourned at 11:01 a.m.

Komi Kalevor
Secretary/Executive Director