

# MEETING NOTICE

The Policy Advisory Board (PAB) for the Washington County Community Development Block Grant (CDBG) and HOME Investments Partnerships Program will meet at **7:00 pm** on **Thursday November 18, 2021**. The meeting will occur through Zoom.

**Call in option:** If the first number is full, dial the next number:

1-346-248-7799

1-669-900-6833

**Meeting ID:** 891 2935 4009 **Passcode:** 275087

**Video option:** If you'd like to connect to Zoom to view the presentation, click the link:

<https://us02web.zoom.us/j/89129354009?pwd=a3R2bGx5SW80c1F6N2E5V3cwb1pMQT09>

For further information, contact the Office of Community Development at 503-846-8814.

## PAB MEETING AGENDA

1. (Action)            Approval of Minutes, September 16, 2021 Meeting (enclosed)
2. (Action)            City of Gaston 3<sup>rd</sup> Street Improvements Contingency Request  
(pending more info from city – staff memo to follow)
3. (Info)              Briefing on the Manufactured Housing Communities – Part 1 Data  
(enclosed)
4. (Info)              Update on FY22/23 CDBG and HOME Applications (enclosed)
5. (Info)              Miscellaneous and Announcements

- ACTION -

**POLICY ADVISORY BOARD (PAB)** for the Washington County Community Development Block Grant (CDBG) Program and HOME Investment Partnerships Program, **September 16, 2021 7:00 pm.**

## **PUBLIC HEARING MINUTES**

### **DRAFT FY 2020 CAPER**

**And**

## **POLICY ADVISORY BOARD MEETING MINUTES**

The following persons were present:

#### **PAB REPRESENTATIVES:**

Banks	*Stephanie Jones
Beaverton	Javier Mena
Cornelius	*Luis Hernandez
Forest Grove	*Mariana Valenzuela
Gaston	*David Meeker
Hillsboro	Gina Roletto
King City	*Micah Paulsen
North Plains	*Trista Papen
Sherwood	*Kim Young
Tigard	*Liz Newton
Tualatin	*Bridget Brooks
Wash Co.	*Pam Treece

\*Denotes Primaries

#### **OCD STAFF:**

Jennie Proctor, Program Manager  
Ann Hawkins, Housing & Community Development Specialist  
Natalie Williams, Housing & Community Development Specialist  
Lauren Thomas, Administrative Specialist

#### **GUESTS:**

Kathy Peoples, City of Beaverton  
Omar Martinez, City of Hillsboro  
Jeff Peck, City of Tigard

### **Public Hearing**

Lauren Thomas informed all meeting participants that this public meeting will be recorded.

Stephanie Jones, Chair of the Policy Advisory Board, opened the public hearing at approximately 7:02 pm. All PAB members, staff, and members of the public introduced themselves for the record.

Ann Hawkins began the Public Hearing by reviewing the purpose of the FY2020 Consolidated Annual Performance and Evaluation Report (CAPER) and the public hearing. The CAPER highlights the annual accomplishments and shows the progress made in reaching the 5-year goals. The 2020 CAPER highlights the

accomplishments made during the first year of the 2020-2024 Consolidated Plan. The report does not include an accounting of CV funds received as those funds are reported separately. The purpose of the public hearing is to provide the public with an opportunity to comment on emerging housing and community development needs in the County.

### **City of Beaverton CAPER**

Kathy Peoples presented the City of Beaverton's portion of the CAPER.

#### PY20 Performance Highlights

- Spent \$869,855 meeting goals and objectives, part of which came from program income from city-held Section 108 rental producing property and repayments from a previous CDBG home repair loan program.
- Exceeded high-priority Consolidated Plan objectives in the areas of Economic Development and Emergency Rent.
- Did not meet critical home repair goals due to COVID restrictions and health and safety concerns.
- Awarded 13 local nonprofits that carried out the following activities:
  - Housing (homeowner rehab and homeownership)
  - Public Services (shelter services for families and youth, emergency rental and utility assistance, and children's court advocate services)
  - Economic Development (micro-enterprise technical assistance for those wishing to start their own small business)

#### PY20 Housing Highlights

- Provided housing rehabilitation and adaptation services to 46 households.
- Assisted two (2) low-income families to become homebuyers.

##### Subrecipients:

- Community Action (critical home repair)
- Proud Ground
- Rebuilding Together Washington County
- Unlimited Choices (adapt/mend-a-home)
- Willamette West Habitat for Humanity

#### PY20 Public Services Highlights

- Served 2,692 persons falling under public service strategies of the 10-Year Plan to End Homelessness.
  - Rental Assistance: 2,256
  - Shelter Programs: 436

##### Subrecipients:

- Boys & Girls Aid
- Community Action: Rent Assistance
- Community Partners for Affordable Housing

- Good Neighbor Center
- Ecumenical Ministries of Oregon (Second Home Program for unaccompanied youth)

#### PY20 Economic Development Highlights

- Served 139 businesses/persons with
  - Technical assistance questions related to microenterprise
  - Business retention during COVID
  - Pivoting business focus during COVID

#### Subrecipients

- Adelante Mujeres
- Micro Enterprise Services of Oregon
- Hispanic Metropolitan Chamber

#### **City of Hillsboro CAPER**

Omar Martinez presented the City of Hillsboro's portion of the CAPER.

#### Performance highlights

- Spent \$520,298 in PY2020
- Met and exceeded goals set in annual Action Plan
- Partnered with five organization to accomplish:
  - Affordable housing
  - Public Facility Investments
  - Affirmatively Furthering Fair Housing

#### Accomplishments

- 100% of households served under 80% AMI
- Affordable home ownership program
  - 4 households / Land Trust model
- Housing Rehabilitation Program
  - 20 households
- Public Facility Improvements
  - Safe Place Youth Shelter
  - 14 youth assisted
- Raise Fair Housing awareness in Hillsboro

#### **Washington County CAPER**

Ann presented the CAPER for Washington County.

#### CDBG Highlights

##### Affordable Housing Preservation Programs

- Housing Rehabilitation and Weatherization Services
  - 218 households assisted
    - 20 OCD Housing Rehabilitation Program

- 16 Rebuilding Together
- 182 Community Action Organization's Weatherization Programs

#### CDBG- Public Services

- 4,060 people assisted
  - 929 people were assisted through programs that met a strategy in "A Road Home: Community Plan to Prevent and End Homelessness."
  - 3,109 people were assisted through supportive services
  - 22 people were assisted through Workforce Training

#### HOME Highlights

The Washington County Consortium had one HOME project completed in 2020

- Clover Court – 6 affordable housing units
- Two projects were completed however, they were not closed in the Federal system. These will be reported in 2021.

#### ESG Highlights

Washington County focused on Rapid Re-Housing Activities in PY2020

- 57 Adults
- 56 Children
- 42 Households total

#### **Timelines**

Ann reviewed the timeline for the CAPER.

The public comment period ends today, September 16. OCD will submit the CAPER to HUD by September 28<sup>th</sup>.

## **PUBLIC TESTIMONY**

Stephanie opened the public hearing to the public for testimony. Mariana Valenzuela asked why we chose to work with Worksystems, an organization in Portland, for workforce training instead of a local organization like Centro de Prosperidad. Pam Treece clarified that Worksystems is in Portland, but they do a lot of work in Washington County and work closely with Centro de Prosperidad and other organizations in Washington County. Jennie stated that OCD held a request for proposals about a year and a half ago so we are working with organizations that applied to be a part of this effort. With there being no additional comments, Chair Stephanie Jones closed the Public Hearing at approximately 7:35 pm.

## Policy Advisory Board Meeting

The regular meeting of the PAB was called to order by Chair Stephanie Jones at approximately 7:36 pm.

### 1. APPROVAL OF AUGUST 12, 2021 MINUTES:

Pam Treece MOVED TO APPROVE THE August 12, 2021 MINUTES. Bridget Brooks SECONDED. Motion CARRIED. (12 yes, 0 no)

### 2. APPROVAL OF DRAFT 2020 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

On September 1, 2021, the 15-day public comment period began on the draft 2020 CAPER. The Consolidated Plan is carried out through Annual Action plans, which provide a concise summary of the action, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan. Annually, the Office of Community Development then reports on accomplishments and progress toward Consolidated Plan goals in the CAPER.

Kim Young MOVED TO ENDORSE THE 2020 CAPER FOR SUBMISSION TO HUD. Liz Newton SECONDED. MOTION CARRIED (12 yes, 0 no)

### 3. CONTINGENCY REQUEST, CITY OF TIGARD, FREWING STREET SIDEWALK INFILL PROJECT

The City of Tigard was awarded \$425,604 in FY 2019-2020 CDBG funding to construct sidewalks along either side of the street. The project addresses safety concerns by creating a safe place for the approximately 60 elementary, middle, and high school students who are picked up and dropped off at four school bus stops located along Frewing Street.

Due to higher than expected construction costs, the project is \$297,406 over budget. The City of Tigard has committed to contributing approximately 50% of the budget shortfall. They are requesting an additional \$148,703 in CDBG contingency funds to cover a portion of the additional project cost.

The Frewing Street Sidewalk Infill project will provide safe and convenient access by providing a continuous sidewalk along one side of SW Frewing Street between SW Ash Avenue and SW Pacific Highway. The improvements are targeted to provide an equitable and sustainable transportation system promoting the well-being of the community.

The primary contributors to the extra cost are:

- a) Stormwater Infrastructure
  - a. The proposed storm line was extended to the southern end of the work area. This was necessary to connect to existing structures, improve water quality, and assist with driveway drainage. The work added several manhole structures and increased the quantity of trench pavement restoration.
- b) Price Uncertainty in the Labor and Construction Material Markets
  - a. The labor market has declined from the pandemic and now contractors are realizing major delays in acquiring materials because of supply chain constraints. This is creating higher prices for everything from lumber to steel and there are not enough construction workers. Unit prices in the grant application were prepared in December 2018 generally following the 2018 capital project pricing. Increases to unit pricing is substantial for all of the work.
- c) Added Work Scope and Permitting
  - a. The completed design added work scope including mobilization, variable curb types, concrete walks with retaining walls, striping, stormwater pipe video inspection and construction survey work. Environmental permitting increased to support hydromodification requirements. The requirement was not implemented by Clean Water Services when the city applied for the grant in 2019.

Javier Mena asked for clarification about the Forest Grove infrastructure project being cancelled. Jennie Proctor confirmed that Forest Grove did officially withdraw their project and that those funds have been added to the contingency report.

Trista Papen asked if the City of Tigard has looked into Safe Route to School funding through ODOT. Jeff Peck, the Project Manager for the City of Tigard, stated that he does not know if other city staff have applied for that or not.

Kim Young MOVED TO APPROVE THE \$148,703 CONTINGENCY AWARD TO PROJECT #1105 TO ENABLE THE CITY OF TIGARD TO COMPLETE THE FREWING STREET SIDEWALK INFILL PROJECT. Trista Papen SECONDED. MOTION CARRIED (10 yes, 0 no)

#### 4. MISCELLANEOUS AND ANNOUNCEMENTS

The next PAB meeting will be on October 14th at 7pm. The November meeting will be on the third Thursday, November 18.

Chair Stephanie Jones adjourned the meeting at 7:45pm.

DATE: November 10, 2021

TO: Policy Advisory Board

FROM: Staff, Office of Community Development

SUBJECT: Manufactured Housing Communities At-Risk

During the 2020-2024 Consolidated Planning process, the Con Plan Work Group discussed strategies to address different areas of need across all types of affordable housing. One of those needs had to do with the risk to manufactured home park communities, a significant source of lower-cost, unsubsidized, owner-occupied housing in Washington County. The concern stemmed from the possibility that residents of manufactured housing communities might be displaced as the economic and land development landscape continued to heat up and land prices rose. A study of this risk was deemed a priority strategy to address early in the five-year planning horizon.

Washington County's 4,000 to 4,500 "mobile homes" (officially called manufactured homes or manufactured housing) in 42 manufactured housing communities (MHCs) are likely the County's largest source of unsubsidized affordable housing. Most residents are homeowners. Their continued presence depends on a delicate balance between the interests of landowners and homeowners. This arrangement---owner occupied homes located on rented spaces owned by a landlord---is called divided asset ownership. It results in lower housing costs for homeowners but also comes with the potential risk of displacement. For investors, it results in a reliable income stream with less upfront investment than apartments.

For homeowners, who are primarily older adults and families with modest incomes, displacement can be catastrophic. It results in the loss of their home (their primary asset), their community, and an affordable place to live. It uproots families from supportive ties and schools. For older adults, loss of home and all that is familiar sometimes precipitates a move into assisted living or a subsidized skilled nursing facility.



## Manufactured Housing Communities At-Risk

November 10, 2021

Page 2

The trauma to older adults of an involuntary move has been associated with negative health impacts and the possibility of a shortened life span. Importantly to policymakers, the loss of this housing also increases the demand for subsidized housing.

The vulnerability of this housing sector is not an abstract concern; for Washington County, it is real if not imminent. Washington County led the state in MHC closures during the real estate boom of 2001 – 2007. The County lost fifteen MHCs to closure for redevelopment, displacing approximately 1,100 households. In most cases, the closures were a form of suburban gentrification. While laws adopted in 2007 by the Oregon Legislature and changes in the housing market have forestalled additional closures in the County since and just about eliminated them statewide, a few closures for redevelopment are occurring in the Portland Metro area. In addition, some homeowners in the Metro region have faced displacement due to rising rents for spaces in their manufactured housing communities.

Given the growing displacement risk, Washington County Office of Community Development and the Long-Range Planning Section of the Department of Land Use and Transportation began work on a study in FY 20/21 to answer these three questions:

- What roles do MHCs play in the County's array of housing options?
- What displacement risks do the County's 4,000 to 4,500 households in MHCs face?
- What options for action does the County have?

Staff will present an overview of the following topics at your November and December meetings:

### November

- Question 1: Data about Washington County's manufactured housing communities, their residents, and their owners.
- Question 2: An assessment of the sources of displacement risk to the residents of manufactured housing communities.

### December

- Question 3: Eleven potential actions in four strategy areas that could help address the stability of this segment of the County's lower cost housing market.

## Manufactured Housing Communities At-Risk

November 10, 2021

Page 3

A summary of the principal findings regarding Question 1 (data) and Question 2 (risk) is to be addressed at your November meeting is attached.

Some of your cities are home to manufactured housing communities, and your local perspective is of value in informing this work. This past summer we introduced this project to city planning directors and received useful feedback and questions from them. Our intention for the November and December presentations is to gain valuable local knowledge and feedback from you. But because the strategies impact the work of county departments, the approval of the document will be from the Board of Commissioners.

We look forward to presenting data about MHCs and information about sources of risk to you on November 18<sup>th</sup>.

## **Washington County's Manufactured Housing Communities: Facts, Risks, and Options**

### **Section 1: Data Findings**

- 1.1: Washington County has 42 manufactured housing communities (MHCs) with 4,000 to 4,500 spaces for homes.
- 1.2: Nearly half (45%) the manufactured homes in MHCs countywide are in unincorporated Washington County and just over half are in cities.
- 1.3: Manufactured housing communities (MHCs) provide a significant portion of Washington County's lower-cost housing and are likely one of the County's largest sources of unsubsidized affordable housing.
- 1.4: The "average" manufactured home in an MHC in the County is a 38-year-old doublewide.
- 1.5: MHCs primarily serve two population groups: older adults and younger family households, both of whom are seeking independence and lower-cost single family home ownership. Within the region, manufactured housing residents are more likely to identify as White for race and Latinx for ethnicity than households overall. They are more likely to be disabled.
- 1.6: Manufactured homes have an inherent value to the people who own them. A family or individual with a modest income can own a manufactured home while keeping monthly expenses affordable. It is their housing of choice; many prefer it to other options available to them.
- 1.7: The industry has a range of MHC owner types. It has changed over time.
- 1.8: While Washington County does have a variety of MHC owners, ownership is relatively concentrated among a handful of investors. The investment goals and choices these five owners have an outsized impact on this housing segment.

### **Section 2: Risk Analysis Findings**

- 2.1: During the real estate boom of 2001-2007, fifteen MHCs closed in Washington County, displacing approximately 1,100 households.

2.2. Beginning in 2007, the Oregon Legislature adopted measures to assist residents displaced by a closure.

2.3. Divided asset ownership drives the inherent vulnerability of residents to displacement, but it also contributes to the affordability of MHCs.

2.4. Washington County faces two primary forms of displacement involving MHCs: a) closure and redevelopment of entire MHCs, and b) individual displacement due to rent increases that residents cannot afford.

2.5: Displacement of individual homeowners through rent increases and other means is occurring now in Washington County.

2.6: Displacement through MHC closures has not occurred in Washington County since 2007.

2.7: Closure of MHCs for redevelopment may not be imminent, but the likelihood of closure is expected to increase over time as land values increase and MHC infrastructure ages. Two main factors affect the likelihood of future closures: the profitability of redevelopment, and the investment goals and personal preferences of the MHC owner. A third potential factor is deteriorated MHC infrastructure due to lack of maintenance and investment.

2.8: Washington County has a variety of MHC owners, and, broadly speaking, investment goals may vary somewhat by investor type. Ultimately, the choice to redevelop is an individual decision affected by the personal preferences of the owner.

2.9: The impacts of displacement can be devastating financially and psychologically for individuals. Park closures also reduce the quantity of the County's lower-cost housing stock and increase the demand for subsidized housing.

- INFO -

Agenda Item #4

DATE: November 10, 2021  
TO: Policy Advisory Board  
FROM: OCD Staff  
SUBJECT: CDBG and HOME Applications

On October 8, 2021, applications were due at OCD for CDBG and HOME assistance for the 2022-23 funding cycle. Staff received a total of eight CDBG applications and three HOME development applications.

A current review of the applications indicates that the sponsors requested a total of \$905,000 in CDBG funds and a total of \$3,000,000 in HOME funds. The following is a breakdown, by category, of the number of requests received and the total amount of federal funds requested. A complete list of the applications is attached (Attachment A). Staff is in the process of reviewing the applications, and eligibility of the proposals is still being assessed.

Funding Source	Program Category	Applications submitted	Total amount of CDBG funds requested
CDBG	Infrastructure Improvements	1	\$475,000
CDBG	Public Facilities	1	\$250,000
CDBG	Public Services	6*	\$180,000
		CDBG Subtotal	\$905,000
HOME	Housing Development	3*	\$3,000,000

\* Does not include the two CHDO Resident Services/fair housing applications for CDBG set-aside funding and the two CHDO Operating Support set-asides, none of which are rated in the competitive funding process.

Attached (Attachment B) is a copy of the timeline for the 2022-2023 application review and project selection process. Leading up to the review and selection process, your Board needs to be made aware of certain critical dates where the PAB representatives need to be in attendance. Please mark these very important dates on your calendar. If possible, please designate one representative from your jurisdiction to be in attendance for all the planned meetings or activities.

At your January meeting, staff will provide your Board with an overview of the funding process, funding categories and allocation formula; project selection criteria in each category; current issues, groupings and concerns in each category; and information on sponsor presentations and proposal rating.

Attachments

Proposal ID	Organization Name	Proposal Title	Requested Amount	Total Eligible Match	Assigned Staff Member
<b>HOME</b>					
1	BRIDGE Housing Corporation	Belleau Woods	600,000	\$ 975,956.00	AH
2	Community Partners for Affordable Housing, Inc.	Woodland Hearth	1,200,000	\$ -	AH
3	REACH Community Development, Inc.	Dartmoth Crossing	1,200,000	\$ 485,375.00	AH
<b>CDBG</b>					
<b>Public Services</b>					
4	CASA for Children, Inc.	Crucial Advocacy for Washington County Children in Foster Care	\$ 30,000.00	\$ 30,000.00	MV
5	Ecumenical Ministries of Oregon	Second Home	\$ 30,000.00	\$ 55,000.00	MV
6	Family Promise of Tualatin Valley	Housing Case Management Services	\$ 30,000.00	\$ 30,000.00	NW
7	Good Neighbor Center	Expanded Childcare/Preschool Programming and Subsidy	\$ 30,000.00	\$ 50,000.00	MV
8	Project Homeless Connect Washington County	PHC Day Center	\$ 30,000.00	\$ 42,560.00	NW
9	St. Vincent de Paul, Tigard Conference	Rent and Utility Assistance	\$ 30,000.00	\$ 90,000.00	NW
<b>Infrastructure</b>					
10	City of Cornelius	South 12th Avenue Pedestrian Corridor	\$ 475,000.00	\$ 50,000.00	NW
<b>Public Facilities</b>					
11	Just Compassion of East Washington County	Just Compassion Campus Development	\$ 250,000.00	\$ 250,000.00	MV
<b>SET ASIDES</b>					
No staff review for PAB rating required. No Rating Required.					
12	Bienestar	Bienestar Community Services	\$ 30,000.00	\$ 60,000.00	AH
13	Community Partners for Affordable Housing, Inc.	CPAH Onsite Resident Services	\$ 30,000.00	\$ 30,000.00	AH
14	Fair Housing Council of Oregon	Fair Housing Services	\$ 30,000.00	\$ -	MV
15	Bienestar	CHDO Operating	\$ 45,000.00	\$ 135,000.00	AH
16	Community Partners for Affordable Housing, Inc.	CHDO Operating	\$ 85,000.00	\$ -	AH

## CDBG/HOME 22/23 Funding Timelines

Action	Due Date
CDBG Application Proposal Workshop HOME Application Proposal Workshop	August 25, 2021 August 26, 2021
Letter of Intent Due (CDBG only)	September 17, 2021
Application Proposals Due	October 8, 2021
Staff Evaluations Completed & Distributed	January 13, 2022
Sponsor Presentations	January 27, 2022
Policy Advisory Board (PAB) Rates Applications	January 30, 2022
PAB Approves List of Projects	February 10, 2022
PAB Approves Draft Action Plan	April 14, 2022
Board of Commissioners Approves Action Plan	May 3, 2022
Projects Funded – Program Year Begins	July 1, 2022