



Exhibit A to Resolution No. 18-4895

Regional Investment Strategy

# Affordable homes for greater Portland

Metro Chief Operating Officer Recommendation  
June 7, 2018

[oregonmetro.gov/housing](https://oregonmetro.gov/housing)

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*A stable, affordable home provides a foundation for a lifetime of opportunity and well-being.*

## Greater Portland is changing. Fast.

Whether we have sought it or not, change has remained a constant throughout the history of greater Portland. The economy has boomed, busted and boomed again. Our population has grown and become significantly more diverse. Floods, storms, fires and even volcanic eruptions have disrupted thousands of lives and reminded us of the importance of respecting our natural surroundings.

Through it all, the people of this region have proven resilient. They have repeatedly reassessed and realigned their priorities, learning from experience and innovating in response to changing circumstances and new imperatives. This region has remained focused on a greater purpose: ensuring that our decisions and actions will benefit our children, and our children's children.

Even during the Great Recession, the people of greater Portland doubled down on their long-term vision and continued to invest in the future. Today, hundreds of people move to the region every week, attracted by a lively urban center, thriving neighborhoods and suburban communities, ample economic opportunity, a vital and creative cultural scene, and an unmatched natural setting that encourages an active lifestyle.





## Six desired outcomes for greater Portland

**Equity** The benefits and burdens of growth and change are distributed equitably across the Portland region.

### Vibrant communities

People live, work and play in vibrant communities where their everyday needs are easily accessible.

### Safe and reliable transportation

People have safe and reliable transportation choices that enhance their quality of life.

### Economic prosperity

Current and future residents benefit from the Portland region's sustained economic competitiveness and prosperity.

### Clean air and water

Current and future generations enjoy clean air, clean water and healthy ecosystems.

**Leadership on climate change** The Portland region is a leader in minimizing contributions to global warming.

Greater Portland's economy is remarkably strong today. But not all boats have been lifted by the rising economic tide. Rapid growth and change have exposed and exacerbated longstanding economic and racial inequality, inundating many in our community and threatening to undermine the broader benefits of economic revival, as well as our quality of life.

Moreover, we increasingly recognize our obligation to redress longer-term inequities that have prevented too many members of our community from fully enjoying the benefits of living here. This need is intensifying as greater Portland grows more racially and ethnically diverse.

As we take stock of where we are and look forward to the decades ahead, it is time to reaffirm our commitment to working with the people of the region to create communities that give everyone the opportunity to fulfill their potential and to feel a part of this place we call home.

- **We must address a historic housing crisis affecting thousands of families and individuals.** Middle-income jobs lost during the recession have failed to reappear or have been replaced with jobs at lower wages. Meanwhile, residential construction ground to a halt during the recession, even as people continued to move here – meaning our supply of homes has not been able to keep pace. It's up to us to respond.
- **We must reform our approach to funding transportation.** Inconsistent federal investment in roads and transit, combined with population and job growth, have led to chronic traffic congestion that chokes the economy, pollutes our air and plays havoc with people's lives. Meanwhile, thousands of our residents – particularly communities of color – still await safe streets and access to reliable transit.
- **We must continue to protect critical natural areas and provide better access to these treasured places for communities of color and low-income residents.** Rapid population growth heightens the urgency of this work.

This is a time for shared action. Metro is uniquely positioned to lead on these critical issues.

Working closely with partners throughout the region, we envision a strategy that will ensure the promise of a livable region endures and extends to all – today and for generations to come.

# Recommendation: Affordable homes for greater Portland

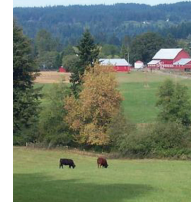
In this report I am recommending that the Metro Council take immediate action to address an urgent challenge facing our region.

Everyone deserves a safe, affordable home. Yet across greater Portland, thousands of people and families, especially communities of color, are unable to afford the high cost of housing and still have enough money for groceries and other necessities.

We must create new housing opportunity for families and individuals for whom the private market will never be able to provide affordable homes. That's why, after years of collaboration through the Equitable Housing Initiative, the Metro Council directed staff in late 2017 to work with partners to develop a potential regional investment framework that would create affordable homes throughout the region.

Emerging from the voices of partners and stakeholders, this recommendation is built upon shared priorities and common goals. It defines specific goals for people to serve and homes to create in places that provide opportunity and prevent displacement. It ensures accountability and community oversight through an implementation structure advancing shared goals while providing local flexibility. Most of all, it sets us on a path to create affordable homes for people who need them.

An affordable home, along with nearby nature and transportation choices, is part of the full life each of us deserves. By looking at the big picture and working together, we can ensure



these critical qualities are available to everyone in our community long into the future.

I am pleased to present this recommendation to you as a major milestone in our ever-renewing commitment to the people of the greater Portland region.

Let's get to work.

A handwritten signature in purple ink, which appears to read "M. Bennett".



*After years spent in low wage careers, the disappearance of pension funds, and the devastation of the Great Recession, many Baby Boomers are entering their senior years vulnerable to housing instability. Elsie Johnston lived on the streets before finding a home at The Knoll, an apartment community in Tigard created and maintained by Community Partners for Affordable Housing*

## The big picture and the richness of community

The people of the Portland metropolitan region established Metro to think about the big picture – not only by adopting policies that transcend city and county lines, but also by considering the impacts of the decisions we make today on the place our children will inherit tomorrow. By adopting a charter directing us to plan for the future, the people of the region acted on some of Oregon's most deeply held values: fairness, a voice in community decisions, and the need to serve as responsible stewards of our environment.

A quarter-century later, our values remain constant. However, as the needs and demands of our communities have evolved, so have Metro's specific activities and responsibilities. We now provide four categories of service to the region [see box, next page]. Within each service, we make specific decisions, deliver discrete projects, and purchase and manage individual public assets. We do all this in a constant conversation with our partners in local government, as well as the businesses, community groups, and people of the region.

*"We, the people of the Portland area metropolitan service district, in order to establish an elected, visible and accountable regional government that is responsive to the citizens of the region and works cooperatively with our local governments; that undertakes, as its most important service, planning and policy making to preserve and enhance the quality of life and the environment for ourselves and future generations; and that provides regional services needed and desired by the citizens in an efficient and effective manner, do ordain this charter for the Portland area metropolitan service district, to be known as Metro."*

**Metro Charter**  
November 1992

But while Metro's services necessarily are organized within distinct categories, they are connected by their roots in the land and natural resources of our corner of the world. Each service plays a role in protecting and shaping the region's built and natural environment, and each is informed by an ethic of caring for both place and people over the long term.

Nor is it always clear where one category of service ends and another begins: A closed solid waste landfill becomes a natural area, a trail serves both commuters and nature lovers, a creek is clean because of the care we take in disposing of toxic chemicals, a convention center and a performance hall are models of sustainability.

In this way, Metro's work reflects the way people experience our dynamic region. Life is lived not in discrete categories of activity, but in the spaces where home, work, school, shopping, civic life, culture and the outdoors overlap and collide to create the richness of community. It is up to those of us who serve the public to remember that no matter how we structure our work, our job is to improve the everyday experience of the people we work for, in the places where they live their lives.

While our region's vision of how we will live, grow and prosper over the long term still resonates, it needs to be updated to embrace the complexity of people's lives – as well as the concerns of those who have not been included in the past.

As we prepare to propose significant new public investments help achieve the region's desired outcomes, we will engage the community in a conversation about the challenges we face so we can make conscious choices together about how best to move forward.

That's why Metro is renewing and refreshing its commitment to the people of greater Portland.

## Metro's service areas

### Land and transportation

To meet the challenges of growth, Metro ensures land is available for homes and jobs where it makes sense, and provides choices in where we live and how we get around.

### Garbage and recycling:

To minimize our environmental impact, Metro manages the garbage and recycling system and helps people to reduce and safely dispose of waste.

### Parks and nature

To protect clean air and water, restore fish and wildlife habitat and connect people to nature, Metro manages 17,000 acres of parks, trails and natural areas, as well as the Oregon Zoo.

### Arts and events

To enrich our communities and support our economy, Metro operates the Oregon Convention Center, Portland Expo Center and Portland's 5 Centers for the Arts.



*A Metro employee waves a garbage truck forward at Metro Central transfer station.*



# Making the most of what we have

For decades, our region's approach to growth has been based on the common-sense premise that it is better to plan for growth than to react to it.

We have not followed the typical path of unchecked urban expansion and endless highway construction. Instead, we have built a region that attracts talented and determined people by investing in our communities: creating walkable neighborhoods that support human-scale interaction, building a variety of housing options, providing land for employment within our existing urban footprint, and connecting it all with choices in how to get around, including a robust transit system.

In addition to enhancing the health of our main streets and the stability of our neighborhoods, this approach has protected clean air and water. This, in turn, benefits not only public health, but also our economy.

Focusing on our existing communities also helps to get the best value for the public's hard-earned dollars. Efficient use of land means we do not have to spend as much money connecting pipes and pavement to far-flung areas. Good planning also ensures that regional investments are coordinated with each other, as well as with the goals and investments of local communities.



## What affordable housing looks like in greater Portland: Creekside Woods

Creekside Woods houses a vibrant senior citizen community. The thriving affordable-living community is tucked in the lush, verdant woods of Wilsonville. Behind the community is a small valley leading to Boeckman Creek. Murase Plaza Park is across the street and offers winding trails, picnic areas and an amphitheater. Many there live on fixed incomes and would not be able to afford market-rate rent.



# Protecting and creating special places

Our relationship with our surroundings remains at the heart of every resident's experience of life in this evolving region. The places that enrich our lives may be at the edges of the region or right around the corner. They may be different for one person than they are for another. But taken together, they define our sense of ourselves and our place in the world.

Since its creation, Metro has worked to prevent urban development from spilling unnecessarily onto the irreplaceable farm and forest lands that surround the region.

For more than two decades, the people of the region have also directed Metro to purchase and restore important natural areas to protect water quality and wildlife habitat in perpetuity, as well as to invest in local and regional parks and trails to provide our residents access to nature.

Because of these efforts, our region does not resemble most other large urban areas in America. The ability to actually see where city ends and country begins, or to find a natural

respite in the middle of a bustling urban area, provides a tonic to our souls and a boost to our collective prosperity.

Other Metro activities contribute to distinctive places of a more urban character. Our innovative transit-oriented development program supports investments that have provided homes and business opportunities in bustling town centers around the region. Cultural facilities like the Portland's Centers for the Arts provide opportunities to engage with artists and thinkers from around the globe. The Oregon Zoo's educational mission provides fun even as it enables people to support a better future for wildlife in the Pacific Northwest and worldwide.

With this recommendation, I am calling on Metro to elevate our commitment to making the most of what we have and protecting the region's special places by making transformative new investments that will improve the lives of the people we serve.



## Putting down roots

Several years ago Richard and Linda Edwards and their two young children experienced homelessness after the house they were renting went into foreclosure. With help from the nonprofit JOIN, the Edwards family eventually found an apartment that's protected from rent increases. "The kids run around playing... free to be children," Linda Edwards said. "I love being here. I think this is probably one of the most happiest (sic) times in my life."

# Focusing our investments through the lens of racial equity

As we dedicate ourselves anew to achieving a better future for the people of the region, we must acknowledge a major fault that has tarnished such efforts in the past: their failure to recognize or redress discrimination and racism.

Historically, decision makers created laws and policies that hurt and excluded people of color. We have articulated and pursued a vision in which many of our neighbors, especially communities of color and people with low incomes, do not see their lives reflected.

As a result, communities of color do not have the same opportunities for health, prosperity and education as many of their neighbors. People of color have less access to neighborhoods with good schools and nearby nature, fewer safe and reliable transportation choices, and often longer commutes. They are also more likely to live in parts of the region with poor air quality and unsafe streets.

As the region grows more diverse, these gaps in opportunities and outcomes hamper our ability to achieve any of the region's desired outcomes.

It is time for that to change.

A decade ago, Metro and the region committed to pursuing a future where the benefits and burdens of growth and change are shared equitably among residents and communities. This principle – one of the six desired outcomes for a successful region – constituted an important statement of intent.

Addressing the many disparities that stem from institutionalized inequity and exclusion will require much more than aspirational statements. That's why, in 2016, the Metro Council approved its Strategic Plan to Advance Racial Equity, Diversity and Inclusion.



*Leading with racial equity improves opportunities and outcomes for all historically marginalized communities in greater Portland.*

The strategic plan acknowledges that inequity takes many forms; many of the barriers faced by people of color also affect other groups, including people with disabilities, the LGBTQ community, people with low incomes, women, seniors and young people.

But because those barriers most deeply affect people of color, removing them for communities of color will also effectively benefit other disadvantaged groups. The Strategic Plan recognizes that leading with racial equity is the cornerstone of good governance that can ensure the success of everyone.

Moreover, because past and current government actions contribute directly to the ongoing disparities faced by people of color, it is critical that we explicitly pursue policies and investments that will reverse these dynamics.

For these reasons, I am directing Metro staff to lead with racial equity and include communities of color in all investment decisions, from planning and oversight through execution and evaluation.

Ensuring equitable access to the opportunities provided by these investments and making sure we leave no one behind is central to Metro's mission and to our region's future success.

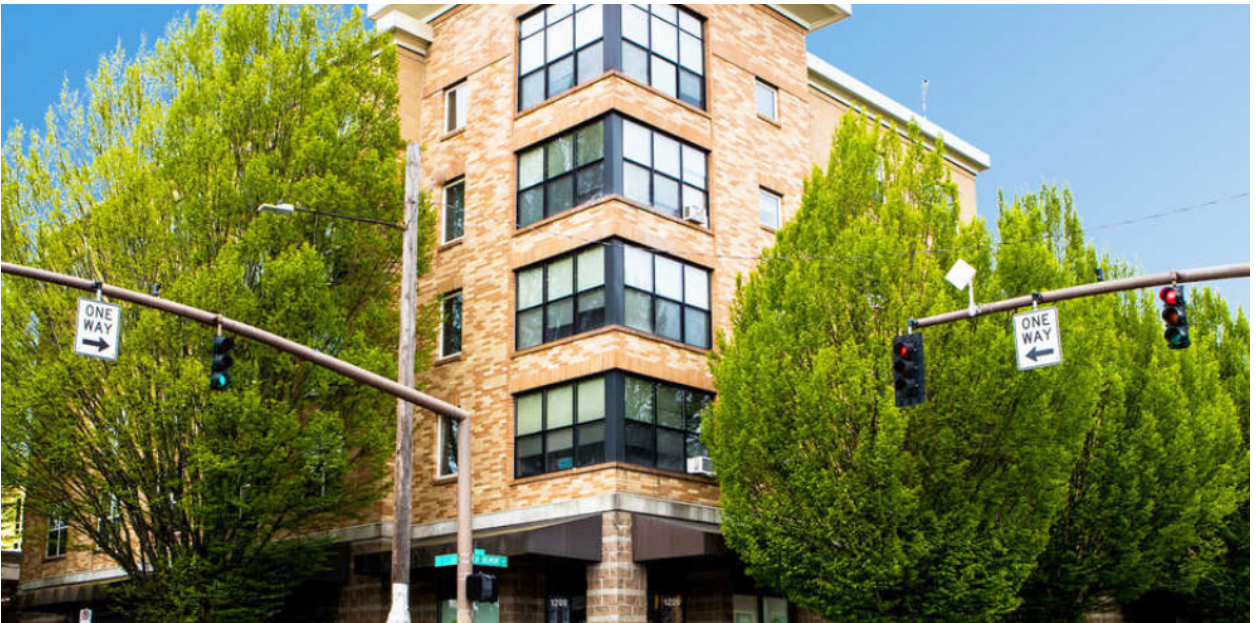
# Transformative investments for an equitable, prosperous and sustainable future

Those of us fortunate enough to live here today benefit not only from the foresight of our predecessors, but from the prudent investments they made to build a community they would be proud to pass on to those who followed.

Like the investments of earlier generations, our actions today must create a better future for ourselves and our children. Our world is immeasurably more complex than that of our forebears, but the fundamentals still apply: we all need stable and affordable homes, safe and

reliable ways to get around, and a natural environment that nourishes and sustains our bodies and souls.

Without any one of these factors, our prospects are diminished, both individually and collectively; with them, we can advance the fairness, livability and economic health of our entire community.



## What affordable housing looks like in greater Portland: Ritzdorf Court

In the heart of Portland's Buckman neighborhood lies the Ritzdorf Court apartments. The five-story, tan and coral brick building provides a refuge of affordable housing amidst a sea of skyrocketing rents. Ritzdorf Court houses people who are transitioning out of homelessness or have experienced homelessness within the last two years. It is more than just a stable place to stay, it provides social services to enable residents to keep their housing and eventually transition out. The community offers 90 units of housing, mostly studios, which are rented for \$427 per month.





# Core values

Our regional investment can create thousands of affordable homes for people who need them. We must build from a foundation of strong values. Metro started the conversation with our stakeholders and partners by focusing on values. We also looked to existing Metro policies, heard input from jurisdictional partners, and applied lessons learned from past regional and local investment measures.

Through these efforts, we found remarkable consensus around the values that should be reflected in a regional housing investment, from creating an investment framework to building homes and helping people access them. These values are described below.

## Lead with racial equity.

Leading with racial equity benefits all of us, regardless of our family background or the unique challenges we have faced. Through this investment, we can take a major step to improve racial equity across the Portland region – which strengthens and enriches our entire community.

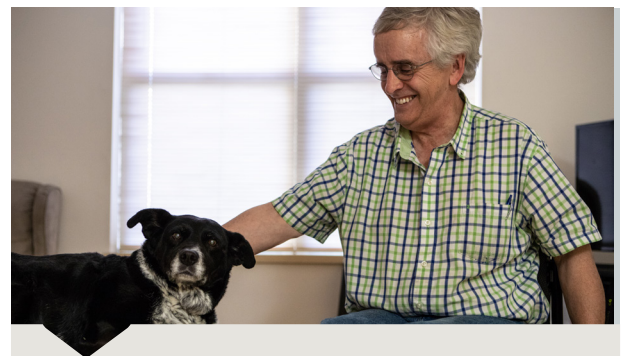
Across the region, communities of color struggle disproportionately with unaffordable housing costs, displacement and homelessness. The history of housing in America, and greater Portland, is marked by systemic, ongoing racism and discrimination. We are grappling with the legacy of decades of policy designed to prevent people of color from finding affordable, quality homes in livable neighborhoods. Over time, these policies have concentrated poor people of color, reduced public investment in neighborhoods where they live, and in many cases then displaced them.

Metro's racial equity strategy explicitly includes stable and affordable housing in its definition of racial equity: "Our region is stronger when all individuals and communities benefit from quality jobs, living wages, a strong economy, stable and affordable housing, safe and reliable

transportation, clean air and water, a healthy environment and sustainable resources that enhance our quality of life."

To advance racial equity, our regional housing investments will:

- Focus on deep affordability for those most vulnerable and least likely to be served by the market
- Emphasize family sized and multi-generational homes
- Invest to serve those experiencing or at risk of homelessness
- Create homes in places where communities of color live today to prevent further displacement
- Create homes in neighborhoods historically not accessible to communities of color, reflecting Metro's intention to affirmatively further fair housing under federal policies
- Ensure diverse representation of impacted community members in all oversight and ongoing implementation activities of the bond.



People with disabilities may live on low fixed monthly incomes that can easily be outpaced in a heated rental market. After his mother died, Murray Ruhland was unable to remain in the apartment they had shared in east Portland. Murray and his dog, Jenny, spent close to a year living in his car in a WalMart parking lot before his sister helped him find a permanent affordable home.

## Create opportunity for those in need.

The private housing market is best equipped to serve families who earn average or above-average incomes. But the market is unable to create affordable homes for many with low or very low incomes.

Our regional investment will seek foremost to serve people currently left behind in the region's housing market, especially:

- Communities of color
- Families with children and multiple generations
- People living with disabilities
- Seniors
- Veterans
- Households experiencing or at risk of homelessness
- Households at risk of displacement

The framework reflects a firm commitment to these members of our communities.

## Create opportunity throughout the region.

A home is more than rooms and a front door. It is part of a community – and the communities where we live determine much of our ability to access quality education, good-paying jobs and personal well-being. Metro's investments will create more opportunities to live in vibrant communities.

Through our investments, we aim to:

- Increase access to transportation, employment, education, nutrition, parks and natural areas
- Create affordable housing opportunities across the region
- Invest in mixed-income communities and a variety of housing types
- Prevent displacement in changing neighborhoods



## Ensure long-term benefits and good use of public dollars.

The impacts of our investments go beyond the life of this bond – and beyond any of our lifetimes. A number of values will be further reflected throughout implementation of the bond measure. These include the following:

- Create high-quality homes with permanent affordability
- Ensure that investments are financially sound and make good use of public dollars
- Allow flexibility and efficiency in responding to local needs and opportunities throughout the region, as long as local strategies contribute to measurable progress toward regional goals and targets
- Include many partners and types of expertise in implementation decision-making and oversight, including housing providers and builders, culturally-specific organizations, nonprofits and business representatives, and impacted residents
- Be accountable to the region's taxpayers through community oversight that monitors impacts, assesses changing circumstances and confirms measurable progress is made toward regional goals and key values
- Require regular public reporting and annual auditing



# Recommended housing bond framework

The next section contains my recommendations for the targets, commitments, implementation guidelines and next steps that should guide our work going forward.

These recommendations were developed through close collaboration with many stakeholders, jurisdictions, housing providers and other partners. Following the release of a draft measure framework in April 2018, staff further refined this framework based on additional input from partners and stakeholders.

## Regional impact

Most importantly, we are taking action as a region to create impact for people – families, seniors, communities of color, people living with disabilities, and others who have been left behind in a period of intense growth and demand for housing. Our first attention, then, is to the people we will serve.

**Our goal is to create affordable homes for about 12,000 people if a constitutional amendment is approved by Oregon voters in 2018, or 7,500 people if the amendment is not approved.**

**This means we seek to create approximately 3,900 affordable homes with the constitutional amendment, or 2,400 homes without.**

For the people who can find a home because of our investment, this is life-changing. For our communities, it's a major investment in stability and opportunity. For our region, it's a clear statement of our values and ambitions.

Our investment will focus particularly on people and families for whom even traditional affordable housing sources often fall short.

We have a unique opportunity through a general obligation bond to serve these most vulnerable members of our community, those who earn less than 30 percent of area median income – about \$24,400 for a family of four or \$17,100 for a single individual. These are often people with disabilities, seniors on fixed incomes, or families on the brink of homelessness. People of color are disproportionately represented in this income bracket as a result of decades of systemic job and housing discrimination.

**Our goal is to see approximately 1,600 homes created for households with 30 percent of area median or less if the constitutional amendment passes, or 1,200 homes for these households if the amendment does not pass.**

Our investment will also create housing opportunity for families.

**Our goal is that at least half of the affordable homes created through the bond will have two to five bedrooms.**

These will create safe, stable homes for parents, children and often other extended family members who wish to live together. For these families, the benefits of such a home will multiply through school achievement, improved health, and stable neighborhoods.

A small portion of affordable homes created through the bond will be available to residents with more moderate incomes who also struggle to find quality affordable homes.

**Our goal is that a maximum of 10 percent of the regional investment's affordable homes for people with 60 to 80 percent of area median income.**



A stable, safe and affordable home has helped Cheranda Curtis find employment and tackle health and addiction challenges. She's saving to buy a home – something she never imagined.

This April marks Curtis' two-year anniversary in her studio apartment – the longest she's ever lived in one place since she was a teen. She calls it her "sanctuary."

These are common incomes for preschool teachers, carpenters and families with two minimum wage earners. Rents in these units can help provide additional services or offset some of the public investment needed to support residents in the very low income units. All affordable homes created through the measure will be for households making 80 percent of median family income or less.

We are grateful for the preliminary commitment of 400 rental assistance vouchers to help support deeper affordability of bond-funded homes in Clackamas and Washington counties.

We recognize that further local operating subsidy will be needed to reach the affordability goals outlined in this framework. Creating homes affordable for those with the lowest incomes is a goal shared among all jurisdictions in Oregon, and Metro is committed to working in partnership to achieve these outcomes.

Creating housing opportunity for people with very low incomes can require greater long-term attention and coordination with supportive services to help people keep their home and use it as a springboard to further success.

Metro is committed to working with our partners on coordinating housing investments with supportive services over the long term. These members of our community deserve no less.

Ultimately, the homes we create must be accessible to the people we seek to serve. Additional actions through local implementation and regional oversight will seek to reduce barriers to finding and securing affordable homes created by our investment, particularly for communities of color. These are described in the "long-term benefit" section below.

### **The right scale: measure scope**

We seek to create affordable homes swiftly, tangibly and efficiently. In short, we want to serve as many people as we can, as quickly as we can.

Informed by local capacity and opportunity around the region, **a \$652.8 million general obligation bond provides strong confidence that our targets are achievable and realistic, and can be accomplished within five to seven years.** Through collaboration with partners and the community, we can do this.

A bond of this size would present an average annual cost to Portland-area homeowners of roughly \$60 per year.

## Creating affordable homes: eligible activities

Through our investment, affordable homes will be created in several ways. Clearly, partners may build new affordable homes. They may also acquire, renovate and protect existing low-cost housing on the market which is at risk of spiraling rents and displacement of current residents. Finally, local partners and Metro may purchase land on which to build affordable homes. These activities will work together to help achieve our desired outcomes.

If the constitutional amendment does not pass, all homes created through the bond would need to be owned by public entities, such as housing authorities. If the amendment does pass, affordable homes created through the bond could also be owned by nongovernmental entities, such as non-profit community development corporations. If the amendment passes, affordable homeownership programs would also be eligible as part of local implementation.

The purpose and singular focus of this regional investment measure is to create affordable homes. A general obligation bond must only be spent on capital costs. However, some costs of bond administration and oversight, including transaction costs of buying land and buildings, will occur through regional and local implementation. To focus bond dollars on creating the most homes possible, we propose that no more than 7 percent of bond dollars be used for administration, oversight and transaction costs at the regional and local level. This cap is incorporated into the distribution described below.

## Opportunity throughout greater Portland: distribution

A regional bond measure presents a unique opportunity to create affordable homes for people throughout the region, helping people find affordable homes in communities where they have historically been scarce. At the same time, the regional investment can enhance communities' cultural and social capital by countering displacement that has disrupted too many communities in the region, especially communities of color.

Recognizing the spread of need and opportunity throughout the region, we propose that affordable homes created by the bond be distributed region-wide based on assessed value of each of greater Portland's three counties within the Metro district .

**This means that approximately 45 percent of homes created through the bond would be in Multnomah County, 34 percent in Washington County and 21 percent in Clackamas County.**

## About the proposed constitutional amendment

The Oregon Legislature recently referred a constitutional amendment to statewide voters for consideration on the November 2018 ballot. If this amendment passes, a regional affordable housing bond measure can leverage additional funding and partnerships with cities and nongovernmental entities, such as nonprofit housing providers. If Oregon voters do not approve the proposed amendment, only government agencies could own affordable homes built and acquired with proceeds from a regional bond measure.

A regional housing bond measure would be implemented differently based on the outcome of the statewide vote on this constitutional amendment. Either way, the measure can create affordable homes for thousands of people.



Partners in each county will create homes according to local needs and opportunities, while also advancing regional outcomes and goals. Under the current Oregon Constitution, the three public housing authorities are best positioned to achieve these goals by developing, owning and operating affordable homes within their respective counties. Other public partners, including cities, may also develop this capacity and thus could be eligible for bond funds. If the constitutional amendment passes, cities that have more than 50,000 residents and that administer their own federal community development block grant allocations will be eligible to help create affordable homes through gap financing for construction, acquisition and renovation of affordable homes in partnership with private and nonprofit entities.

In addition to local action, a strategic regional approach to acquiring land for affordable homes will help create housing opportunity in neighborhoods where affordability is scarce or threatened by rapidly rising land prices. With its unique experience in land acquisition, transit planning and transit-oriented development, Metro will establish a strategic regional land acquisition program. Through this program, Metro will purchase land for affordable homes, including in areas with current or planned frequent service transit, in collaboration with local jurisdictions. This program will be subject to the same community oversight as local implementation, described below.

**Ten percent of the bond's programmatic funds will be dedicated to this regional program.**

### **Long-term benefit: implementation and oversight**

A regional housing measure will be guided by regional goals and oversight, but implemented primarily through the expertise of local jurisdictions. Local jurisdictions are best able to listen to their communities and create affordable homes that meet their unique needs. Successful implementation requires flexibility for local jurisdictions to create and nimbly

pursue strategies that make sense for them. At the same time, regional oversight must monitor commitments to the region's voters as well as Metro's fiduciary obligations, so these local strategies and actions can together advance desired regional outcomes and goals.

### **Local implementation strategies**

Implementation will be focused at the local level. Each participating jurisdiction will produce an implementation strategy focused on their community's affordable housing needs and development opportunities. Strategies will outline local goals and commitments to achieve regional targets, and identify local opportunities, needs and location priorities.

Participating local jurisdictions must describe how they will advance regional racial equity and affirmatively further fair housing – that is, ensure that homes created help provide new opportunity to people of color, people with disabilities, seniors and others who have experienced historic discrimination in the housing markets. Jurisdictions will also describe their project selection and approval process, including community and Metro input.

If regional voters approve the bond measure, participating local jurisdictions will conduct community engagement beginning in November 2018 to inform the development of their local implementation strategies. By March 2019, strategies will be reviewed by a community oversight committee described below, and incorporated into intergovernmental agreements between Metro and jurisdictions.

Once this process is complete, participating jurisdictions will begin identifying potential investments to create affordable homes. Investments that comply with the local implementation strategy, bond financing rules, and regional goals will be eligible to receive bond funding. Participating jurisdictions will have access to a pool of funding necessary for their share of the regional targets, as described in the distribution section above.

## Intergovernmental agreements

Intergovernmental agreements will provide clarity and certainty for each partner. Following a Metro Council referral of the bond measure, participating jurisdictions will begin preliminary discussions to develop Intergovernmental Agreements with Metro. These agreements will identify eligible program activities, funding needed to achieve the local share of regional housing targets, and a local strategy for implementation that advances regional policies and goals, including racial equity, community engagement and inclusive decision-making.

## Regional accountability and oversight

Greater Portland does best when we bring together diverse voices to monitor and advance shared goals. Metro is also committed to accountability to the region's taxpayers, to ensure that progress is made on regional outcomes.

If voters approve the bond measure, the Metro Council will appoint a regional community oversight committee in early 2019. The oversight committee's diverse membership will include people with experience in affordable

housing finance, construction and need, as well as members of communities we are seeking to serve. The oversight committee – from member recruitment to committee action – will adhere to the policies, recommended actions and practices derived from Metro's Strategic Plan to Advance Racial Equity, Diversity and Inclusion.

The oversight committee will make recommendations to Metro and participating jurisdictions to help ensure that local investments build up to regional goals and desired outcomes. Participating jurisdictions will present progress reports to the oversight committee annually. With input from the oversight committee and the Metro Council's approval, local strategies and regional targets may be amended annually to respond to changing circumstances and opportunities.

If a participating jurisdiction is unable to create homes consistent with the targets described in its implementation strategy and defined in intergovernmental agreements, the Metro Council, with input from the oversight committee and the Metro COO, may decide that other partners be identified to create affordable homes to advance regional goals.



### What affordable housing looks like in greater Portland: Sunset View Apartments

Every apartment at Sunset View serves residents in need of affordable housing. In this case, people earning at or below 60 percent of the area median income; \$44,820 for a family of four. Sunset View houses tenants with Section 8 and project-based vouchers. These programs help people who make less than 30 percent of the area median income, or \$22,410 for a family of four.

## Expectations for local implementation

Metro needs to ensure that local investments reflect adopted Metro Council policy, and that we incorporate feedback from community partners to advance racial equity and other key values.

Metro will include such values and policies in intergovernmental agreements with participating jurisdictions. Jurisdictions will reflect their intentions to achieve these values in their implementation strategies.

- Project selection and decision-making structures will include consideration of racial equity and affirmatively furthering fair housing.
- Local implementation and regional oversight will include impacted

communities.

- Bond-funded investments will include screening criteria that reduce barriers for vulnerable communities to access housing opportunities.
- Partnerships with culturally specific organizations and community groups will inform project selection, design, marketing and service. Marketing plans will seek to help immigrants and communities of color access affordable homes created through the bond.
- Regional and local partners will have targets for equitable construction contracting and workforce participation in developing and operating homes created through the bond.

These will be further refined after additional conversation with stakeholders and partners.

## Next steps

A great deal of conversation, feedback and engagement has shaped this framework. If the Metro Council decides to refer a bond measure to the region's voters, it will initiate further steps to prepare regionally and locally to begin creating affordable homes.

Families, seniors and vulnerable members of our community need affordable homes to be created as soon as possible. Should the region's voters approve a regional housing measure, Metro and partners will move quickly to complete local implementation strategies, identify investments and create affordable homes. That said, we will also be diligent to ensure our strategies and investments reflect the specific desires and needs of people and communities we seek to serve.

As such, we propose these next steps moving forward:

### June 2018

Metro Council consideration of a resolution to refer a bond measure to regional voters on the November 2018 ballot

### June to November 2018

Metro staff provide public information about the measure; work with local jurisdiction partners to pre-develop IGAs, local implementation strategies and community engagement plans for post-election; maintain ongoing dialogue with community partners

### November 2018 to February 2019

Regional community oversight committee appointed; local implementation strategy development, including community engagement; community oversight committee appointed by the Metro Council

### March 2019

Local implementation strategies reviewed by oversight committee and incorporated into final intergovernmental agreements approved by local governing bodies and the Metro Council

### April 2019

Implementation begins



# Engagement summary

An issue as fundamental as creating affordable homes merits a thorough public conversation. From the establishment of the Equitable Housing Initiative in 2015, Metro has convened and engaged many partners to understand housing need and potential solutions. Creating this measure recommendation continued this commitment.

Since early 2018, Metro heard and incorporated input from a variety of stakeholders, jurisdictions, housing and service providers, and the public. Additional information and input received will be available at [oregonmetro.gov/housing](http://oregonmetro.gov/housing).

## Developing a strategy and key goals

In January Metro staff identified an approach and set of activities to effectively engage and raise awareness among a broad range of regional geographic and cultural groups. Metro focused on engaging communities of color and lower income populations who have faced greater systemic barriers to finding safe, affordable housing.

During this time, two discussions were held with community partners active in advancing racial equity throughout the region, many of whom partner with Metro on a variety of initiatives. These discussions shaped the overall engagement goals and approach, and gave specific input into the structure of the community partnership grant program.

Engagement and communications goals included:

- Inclusive engagement to inform key decisions
- Elevate historically marginalized groups
- Build and strengthen relationships and trust with decision makers
- Build capacity of the community to engage on housing issues
- Inform and engage the public to raise awareness and share knowledge
- Coordinate with other Metro engagement



*Dawn Swan, pictured here with her daughter in their home in Beaverton, waited nearly a decade to get a Section 8 housing voucher.*

## Advisory Tables

Two advisory tables convened by Metro staff provided essential insight and advice about values and considerations that should be incorporated in the recommended measure framework. The tables' members are listed on pages 24 and 25. This recommendation is considerably stronger thanks to their time, experience and energy.

### Stakeholder Advisory Table

Nearly 30 members representing a variety of perspectives on housing need, opportunity, development and community served on a Stakeholder Advisory Table from January to May 2018. The group's provided input to Metro staff on key elements of the housing measure framework by articulating community values to guide program activities and providing feedback on program scenarios.

During the first two meetings in January and February the group focused on collectively developing priority values that the group wanted to guide the development of the framework. These values were employed throughout stakeholder discussions to help the group evaluate possible investment scenarios.

At the March and April meetings the committee reviewed draft investment scenarios. The



Keith Schulz was born with cerebral palsy, which affected his ability to find living-wage work. He describes his job prospects as limited and said his Social Security Disability checks would not have covered rent in an apartment building in the private market. After his wife died, Schulz lived with his in-laws while he raised his young son.

Schulz applied for a Section 8 housing voucher when he was ready to move out on his own. He waited about a year for his voucher. "It's helped out immensely," he said. He wants to get more involved advocating for affordable housing, after he received a no-cause eviction last year, which put him on the verge of homelessness.

committee considered the priority values, technical input and community feedback to discuss who would be served by the measure and what type of housing would be built. The group also heard presentations and gave input and reactions to proposals for distribution formula, oversight and implementation considerations.

The committee reviewed a draft framework in early May and had dialogue and specific recommendations for the number and size of homes that could be created, income level targets, and distribution of new home versus purchase of existing properties.

At the committee's last meeting on May 21, the Stakeholder Advisory Table discussed refinements to the measure framework and shared hopes and advice for implementation with Metro's chief operating officer and staff. The committee also shared suggestions for local implementation strategies and next steps.

### **Technical Advisory Table**

More than 20 representatives of local jurisdictions, housing agencies and housing developers participated in a Technical Advisory Table from January to May 2018. The committee advised Metro staff, consultants and stakeholders on technical and operational components of the housing measure framework, as well as capacity and tools and next steps for successful implementation.

In January and February, the committee grounded their work in examples from other jurisdictions, discussed the values articulated by the Stakeholder Advisory Table, and made recommendations for important data sources to include in the process. At meetings in March and mid-April, the committee provided feedback on the assumptions and inputs used to create draft scenarios, and made recommendations to refine draft scenarios for consideration. The committee also reviewed and recommended approaches for distributing housing resources throughout the region.

At the group's final meetings in late April and May, discussion continued about specific elements of the draft and refined measure framework.

## **Metro-funded community partnerships**

Metro sought to hear directly from communities impacted by the housing crisis, particularly communities of color. Metro also sought to increase the capacity of community-based organizations to conduct engagement and create awareness of housing need and opportunity.

Seven community partner organizations were selected to receive more than \$110,000 to implement projects that advanced Metro's broader engagement goals. The funded projects engaged a diverse range of cultural communities in each of greater Portland's three counties, including Latinos, African Americans, Native Americans, Asian Pacific Islanders, mobile home park residents, immigrants and refugees, seniors and low-income renters. Activities supported by these funds included community discussion groups, forums and workshops, leadership development, door-to-door engagement and home visiting, community education and mobilizing organizations and individuals to engage in affordable housing efforts (more detail below).

Six partners were selected through a competitive application process in February. Two additional partners were selected in early May to conduct further targeted engagement.

Metro staff worked with each partner to create opportunities for the input and feedback received to be directly connected to project stakeholders and decision makers. Funded groups included:

- Asian Pacific American Network of Oregon
- Black Parent Initiative
- Latino Network
- Native American Youth and Family Center
- Rosewood Initiative
- Unite Oregon
- Verde
- Welcome Home Coalition

Activities funded through the partnerships included the following:

### *Leadership development and training*

Three partners leveraged existing leadership development groups to build members' capacity to understand and engage in regional housing work. Verde worked with its Cully Housing Action Team (CHAT) and Mobile Home Repair and Organizing group through monthly meetings and an all-day leadership training to build skills on canvassing, phone banking, giving public testimony and meeting facilitation. Participants in Unite Oregon's BOLD leadership program (Beaverton Organizing and Leadership Development) held a small group discussion to share their ideas with Metro Councilors and integrated affordable housing policy into their ongoing leadership curriculum. Rosewood Initiative hosted Guerreras Latinas members for a leadership development workshop to build skills on housing outreach and advocacy.

### *Community discussions*

Several partners held multiple discussion groups and led door-to-door outreach to share resources and learn more about affordable housing barriers and solutions from those experiencing the greatest challenges.

Culturally-specific discussion groups facilitated by Latino Network, NAYA, Rosewood Initiative, Verde and the Black Parent Initiative were held in Tigard, Gresham, Portland, Cornelius and Hillsboro. Verde leaders and Community Health Workers from Rosewood Initiative visited with residents of the Cully neighborhood and East Multnomah County to gather their ideas about housing needs and community wellness.

### *Connect with staff and decision makers*

Metro Councilors and staff attended many of the events hosted by community partners to help build relationships and share up-to-date information on the work to develop a regional affordable housing bond framework. In addition partners were invited to present to Metro Council and the Stakeholder Advisory Table. Members from Unite Oregon's BOLD program and Community Health Workers with Rosewood Initiative coordinated small group discussions with Metro Councilors.

### *Informing key elements of the framework*

Information gathered from the partnerships activities above was shared with advisory tables and Metro staff. In addition, the Welcome Home Coalition engaged its 80 members in monthly phone calls, survey and in member meetings on key steps of the bond development process.

### **Opt In online survey**

More than 2,660 people responded to an online Opt In survey between April 30 and May 18. The survey sought to generate feedback on housing priorities identified in the draft housing measure framework and to inform implementation of the housing measure should it be approved by voters. While non-scientific, the survey results provide valuable insight into the priorities, concerns and expectations of area residents. Nearly two-thirds of respondents described investments in affordable housing as "very important." Most also prioritized creating homes for those in most need, and creating affordable homes in well-established communities with good access to transportation, jobs, community centers and other opportunities.

A report on the survey's findings will be posted at [oregonmetro.gov/housing](http://oregonmetro.gov/housing).

### **Public partner engagement**

Metro sought regular, open engagement with local jurisdictions, housing authorities and other public agencies that will be key partners in implementing a regional investment in affordable homes. Early in the process, Metro staff presented at more than a dozen public meetings, including MPAC, city councils, county commissions and coordinating committees. Staff also individually briefed many other local elected officials and agency staff members. Metro heard concerns and opportunities raised at these conversations and worked to incorporate them into the draft measure framework released in late April.

After the draft framework's release, Metro staff presented and heard feedback at more than a dozen public meetings, including MPAC, numerous city councils, all three county commissions, and all three county coordinating committees. Metro staff also presented and heard feedback through individual briefings with elected officials and staff from key partner jurisdictions.



Patti Jay felt "exhausted with having to move again" after she received a no-cause eviction. She's grateful she found a place to live close to her son's high school, which means he didn't have to switch schools.



## Communications and storytelling

In addition to direct engagement, Metro shared information and raised awareness to a wide range of regional residents including monthly Interested Parties email updates that reached more than 750 people. Staff posted regularly on Facebook and Twitter, and published several Metro News stories describing the process to develop a housing measure framework and sharing the lived experiences of those impacted by the housing crisis in our region.

An online Regional Snapshot on Affordable Housing was published in late April. The Regional Snapshot provided information on the current supply and shortage of affordable homes throughout the region and who is most at risk for housing displacement or homelessness. The Regional Snapshot also provided a tour of modern affordable homes throughout the region and shared personal stories of individuals and families who have struggled or are experiencing challenges finding affordable homes.

## Metro staff engagement

The project team also held opportunities for Metro staff to be engaged through lunchtime discussions on the root causes of homelessness, details on the process to develop the housing bond measure, and presentations of this COO recommendation.



Low-income families, the elderly, and people with disabilities receive housing assistance primarily through two different means. They may be able to rent an apartment with rent limits; or they may receive a voucher that helps them bridge the gap between what they can afford and the cost of apartments in the private market.

Waiting lists to get a regulated apartment or a voucher are years long.

In the tri-county area, nearly 11,500 individuals or families are on the waiting lists for regulated housing. That's more households than there are in the entire city of Tualatin.

People in dire circumstances may receive priority, but most could expect to be waiting anywhere from one to 14 years for an apartment.

## Stakeholder Advisory Table

Jesse Beason  
Northwest Health Foundation

Renée Bruce  
Community Action of Washington County

Michael Buonocore  
Home Forward

Denny Doyle  
Mayor of Beaverton

Ernesto Fonseca  
Hacienda CDC

Mark Gamba  
Mayor of Milwaukie

Sheila Greenlaw-Fink  
Community Housing Fund

Ashley Henry  
Business for a Better Portland

Hannah Holloway  
Urban League of Portland

Mitch Hornecker  
Portland Business Alliance Board of  
Directors

Duncan Hwang  
APANO

Marc Jolin  
Joint Office of Homeless Services

Komi Kalevor  
Washington County Housing Authority

Roy Kim  
Central Bethany Development Company

Eva Rippeteau  
AFSCME Council 75

Anneliese Koehler  
Oregon Food Bank

Allan Lazo  
Fair Housing Council of Oregon

Dani Ledezma  
Coalition of Communities of Color

Kari Lyons-Eubanks  
Welcome Home Coalition

Nate McCoy  
National Association of Minority  
Contractors -- Oregon Chapter

LaQuisha Minnieweather  
Momentum Alliance

Dave Nielsen  
Home Builders Association of  
Metropolitan Portland

Maria Caballero Rubio  
Centro Cultural

Margaret Salazar  
Oregon Health and Community Services

Jill Sherman  
Gerding Edlen

Bandana Shresthra  
AARP Oregon

Jamie Stasny-Morgan  
Westside Economic Alliance Board  
of Directors

Richard Swift  
Clackamas County Health, Housing and  
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Ana del Rocío  
David Douglas School Board

Dan Valliere  
Reach CDC

Bob Walsh  
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## Technical Advisory Table

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Devin Culbertson  
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Ryan Deibert  
Joint Office of Homelessness Services

Karl Dinkelspiel  
Portland Housing Bureau

Rachael Duke  
Community Partners for Affordable  
Housing

Ernesto Fonseca  
Hacienda CDC

Chris Hartye  
City of Hillsboro

Sean Hubert  
Central City Concern

Komi Kalevor  
Washington County Housing Authority

Anneliese Koehler  
Oregon Food Bank

Martha McLennan  
Northwest Housing Alternatives

Ed McNamara  
Turtle Island Development

Brian Monberg  
City of Gresham

Jeff Owen  
TriMet

Nicole Peterson  
BRIDGE Housing

Cadence Petros  
City of Beaverton

Chuck Robbins  
Clackamas County Housing Authority

Emily Schelling  
Housing Development Center

Sarah Stevenson  
Innovative Housing Inc.

Jonathan Trutt  
Home Forward

Bill Van Vliet  
Network for Oregon Affordable Housing



