

# Affordable Housing Bond Preparedness: Develop clear and consistent guidance to improve bond operations

## Why this audit is important

In November 2018, voters approved a \$652.8 million bond measure to create 3,900 affordable housing units over five to seven years. Seven jurisdictions were eligible to receive bond funding. The measure established four outcomes for the bond program:

- Lead with racial equity
- Create opportunity for those in need
- Create opportunity throughout the region
- Ensure long-term benefits and good use of public dollars

We assessed Metro’s preparedness to implement the bond measure by reviewing agency practices for program governance, performance reporting, and administrative processes.



Preliminary bond funding for an affordable housing project in Beaverton was approved in March 2019

Source: Metro’s website

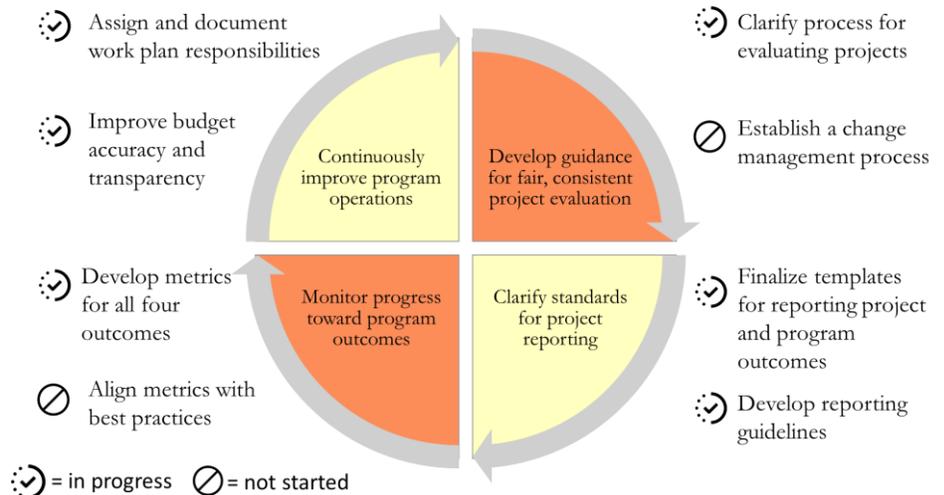
We also issued a separate letter to management in August 2020. The letter summarized control weaknesses in two areas. These weaknesses were related to guidance for administrative costs and the conflict of interest disclosure process for the bond’s community oversight committee.

## What we found

Metro prioritized building relationships with jurisdictions over developing procedures to implement the bond. Some procedures were in place. However, they were not fully established to support fair consideration of program funding requests, clear standards for reporting on program outcomes, and continuous improvements in program operations. We found:

- Processes for evaluating and approving changes to projects had not been clearly established
- Project reporting templates and guidance were not fully developed
- Metrics did not completely measure program outcomes and were inconsistent with best practices
- Opportunities to improve workload and budget management

## Housing bond implementation was in progress, but some gaps remained



Source: Auditor’s Office analysis

## What we recommend

We recommended management develop guidance to support fair and consistent consideration of bond program funding requests and help monitor bond progress. We also made recommendations to improve workload and budget management.