



# Oregon

Governor Kate Brown

## Oregon Housing Stability Council

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January 8, 2016

### Oregon Housing Stability Council Meeting Minutes

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Chair Dickson called the meeting to order at 9:07am and asked for the roll call.

Roll was called and is reflected in the table below:

Council member	Present	Not Present
Mayra Arreola	X	
Tammy Baney	X	
Mike Fieldman	X	
Zee Koza	X	
Marissa Madrigal	X	
Adolph "Val" Valfre	X	
Chair, Aubre Dickson	X	

#### **Public Comment:**

Chair Dickson opened the meeting for public comment.

From the phone:

Josephine "Jo" Ko (Acorn Park Community for Well-being) Ms. Ko talked about the letters her association has sent and to whom those letters have been sent. Ms. Ko then thanked the Council for their response to the letter the association sent. Her main concern was for the children in her community.

Ruth Adkins (Oregon Opportunity Network) Ms. Atkins called to thank the Housing Stability Council and the OHCS staff for all of their hard work during 2015. Looking forward to 2016 and more opportunities to work together to improve housing in Oregon.

Mary McCullough (Acorn Park Community for Well-being) Ms. McCullough is still opposed to the project in her neighborhood. She gave second hand accounts of the opinions of several other people from the area near the project.

Chair Dickson closed the public comment section of the meeting.

#### **Draft meeting minutes for approval:**

The meeting minutes from the December 11, 2015 meeting were distributed to Council members prior to the January 8, 2016 meeting and edits received were incorporated into the document presented to the Council for approval today. Chair Dickson asked Council members for any questions or additional edits. Receiving none, Chair Dickson then called for a motion to approve the meeting minutes. The motion to approve the December 11, 2015 meeting minutes was made by Tammy Baney and seconded by Marissa Madrigal. Chair Dickson then called for a vote.



**December 11, 2015 Meeting Minutes:**

Council member	Motion	Yes	Nay	Abstain	Absent
Mayra Arreola		X			
Tammy Baney	X	X			
Mike Fieldman		X			
Zee Koza		X			
Marissa Madrigal	2nd	X			
Adolph “Val” Valfre		X			
Chair, Aubre Dickson		X			

**Vote: 7:0:0:0 | PASS**

**2016 Qualified Allocation Plan (QAP) Comment Draft Update – Julie Cody, Assistant Director, Housing Finance**

Ms. Cody provided an update on the progress of the 2016 QAP Draft. Please reference the presentation by clicking [here](#). Ms. Cody gave thanks to the group of people who came together to assist with the formulation of this latest draft of the 2016 QAP. The group met twice to aid in the creation of the draft. Ms. Cody then outlined the specific areas addressed by the group. Please reference page 3 of the presentation for a complete list of topics addressed.

Council comment:

Under the framework of this updated QAP Draft, as the difficulty and complexity of a project goes up, the allowable fee also goes up. And therefore it meets the “reasonability” test.

Ms. Cody also let the Council know plans are in place to address areas of concern which are not included in the 2016 QAP. Please reference slide 6 for additional details.

The “red-line” version of the 2016 QAP has been published and available on the website. The changes in the “red-line” version can be made immediately as they are not material changes.

Ms. Cody also informed the Council that she and the OHCS staff are still working to refine the definition of the “big P” preservation, so there may be some changes yet to be made.

Ms. Cody also outlined the next steps for the 2016 QAP if the Council authorizes OHCS to proceed. Please reference page 7 of the presentation for the detailed list and projected completion dates.

Council comments:

Tammy Baney offered up her appreciation and thanks to Ms. Cody and OHCS staff for all their hard work. She has heard great things from our partners and stakeholders. This is great work. She appreciates the patience, outreach and consideration of the OHCS staff during this process. Thank you for taking the time today to create a good 2016 QAP.

Val Valfre also commented on the good ways in which the OHCS staff and stakeholders have worked together. He also noted it would be good to incentivize the use of the 4% projects.

Marissa Madrigal commented on how the 2016 QAP is a good product. It is logical and fair. It is fabulous. Thank you for your hard work.

Chair Dickson then opened the meeting to public comment on the 2016 QAP.

On the phone:

Ruth Adkins – expressed appreciation for the opportunity to be a part of the dialogue and being included on the work group. Thank you to Julie and staff for all of their hard work.

In the room:

Steven McMurtrey – wanted to echo what Ruth said and thank you to Julie and the OHCS staff. Thank you for your willingness to discuss topics and concerns openly during this process. Excellent work!

Chair Dickson then called for additional questions and/or comments, receiving none, he called for the motion. The motion to approve and authorize the opening of the formal public comment period for the 2016 QAP from January 11 through February 10, 2016 was made by Tammy Baney and seconded by Zee Koza.

Chair Dickson then called for a vote on the motion.

Council member	Motion	Yes	Nay	Abstain	Absent
Mayra Arreola		X			
Tammy Baney	X	X			
Mike Fieldman		X			
Zee Koza	2nd	X			
Marissa Madrigal		X			
Adolph “Val” Valfre		X			
Chair, Aubre Dickson		X			

**Vote: 7:0:0:0 | PASS**

**Q:** Council member Tammy Baney asked: When will the workgroup be formed to begin work on the 4% LIHTC program?

**A:** Ms. Cody answered: In a couple of months from now. We will start to reach out to potential members after we get through the QAP approval process. Ms. Cody plans to ask the Council for suggestions for the work group.

### **LIFT Subcommittee Progress Update – Margaret Van Vliet, Director**

Director Van Vliet provided an update on the work to date of the LIFT Subcommittees. The two subcommittees had a productive joint meeting on December 7, 2015. OHCS staff then took the feedback and produced a draft program design. This draft will be shared with the subcommittees at their meetings next week on January 13. OHCS will also share the document with the Council.

Next Steps:

- Refine the document during the second half of January and then bring before the Council at the February 5, 2016 meeting.
- Bring it to key legislators to vet with them as well.
- Have enough detail to respond to the Governor and Legislators.
- We are hoping to go out for solicitation in the Summer of 2016.

Please visit the [LIFT](#) web page to access more information on the work of these two important subcommittees.

**Q:** What is happening with the legal opinion from the Legislative Council? Have you gotten an opinion about the ownership piece of this process?

**A:** We have seen a version from the Legislative Council on what ownership will look like. We are not ready to distribute the draft. We hope to share the opinion with the subcommittees next week. We are still waiting to hear from the DOJ on their opinion.

**Q:** Is there a timeline from DOJ?

**A:** No. But we expect to see their opinion later in January.

Mayra Arreola – United Way work is aligning well with what is happening with the LIFT subcommittees. She is working with Kim Travis and Alison McIntosh to develop the links and develop alignment and collaboration.

**Poverty Report – Claire Seguin, Assistant Director, Housing Stabilization**

Ms. Seguin brought Megan Bolton with her to provide a dive into the data and the Poverty report. She asked the Council to please think about what they would like to have this report look like in the future as OHCS wants to make this as useful as possible for them.

Ms. Bolton then reviewed the slide presentation with the Council. Please reference the slide presentation found on the website by clicking [here](#). Ms. Bolton used the data from Deschutes County as an example for her presentation.

**Q:** When you say “burdened” what do you mean 50% or 30%?

**A:** In this case burdened means the sample households are spending more than 30% of their income on rent or housing costs for our report sample.

Our hope is that this report can be used by agencies seeking grant monies, hosting fund raising events and planning for the future. Please click [here](#) to access the online Poverty Report.

**Q:** Tammy Baney had a comment – Community health assessments are being created now at the county level. How do we get this information in front of those organizations as they create their reports?

**A:** We will work through our Housing Integrators to spread the word as they interface with the CCOs around the state. Director Van Vliet also told the Council she would reach out to OHA and DHS and make sure they know about the report and the data which is available.

**2016-2020 Consolidation Plan (Con Plan) Comment Draft – Theresa Wingard, Planning and Policy Analyst**

Ms. Wingard provided the Council with the latest update on the Con Plan. You can access the one page presentation update by clicking [here](#).

Ms. Wingard thanked the Council members for their support during the process of creating the Con Plan. You can access the Consolidated Plan by clicking [here](#).

There will be another update coming to the Council on March 4, 2016. OHCS will ask the Council to take formal action in March if no issues are raised during the Public Comment period.

Chair Dickson then asked if any of the Council members had any comments they wished to share. Zee Koza said it was a fantastic project and she learned so much during the process.

Val Valfre said he thought this was a great effort and took his hat off to both Theresa and Shoshanah for all of their hard work.

Margaret reminded the Council that they will be using this work to build the strategic plan for the Housing Stability Council.

*Chair Dickson adjourned the meeting for a 5 minute break.*

*Chair Dickson called the meeting back to order at 10:20 a.m.*

**Public Purpose Charge (PPC)/Document Recording Fee (DRF) – Caleb Yant, Assistant Director, Chief Financial Officer**

Mr. Yant provided a comprehensive overview of the PPC and DRF reports which his office is preparing for publication and distribution. OHCS will post the information in these reports on the OHCS website and then going forward we will provide a quarterly update to the reports.

These two sources of income provide a significant amount of funding for OHCS. OHCS runs seven different programs with the funds from these two sources.

The Document Recording Fee, or DRF was established in 2009. It is a fee on the recording of property documents. In 2009, the fee was set at \$15, and in 2013, the Legislature increased the fee by \$5 to serve veterans. DRF revenues fund three programs: General Housing Account Program (**76%**), Home Ownership Assistance Program (**14%**), and the Emergency Housing Account (**10%**).

**Q:** Can the reports show how much went to Veterans? How do I look at the total amount which went to the Veterans?

**A:** The reports being shown today are at a high level, but we can tailor the reports to show the information you are looking for. If you want to see more detail, Mr. Yant is available to assist you.

Mr. Yant showed more detailed reports of the General Housing Account program that is funded through the DRF.

**Q:** Are the percentages for each program established by law?

**A:** Yes. These percentages are in statute (**76%**, **14%**, and **10%**).

**Q:** What does capacity building mean? Is the capacity building intended to grow the program or the agency?

**A:** We will come back to this question a bit later in the presentation.

Council Comments:

We like what you are showing us. It is great to see the data we have been asking for. It is great to see where the dollars are going. The data can also show us areas where we are not spending money and then ask the question why. Help us target funding in a non-competitive process.

Mr. Yant then reviewed the high-level reports for the Home Ownership Assistance program.

**Q:** Are the awards competitive?

**A:** Yes, they go out as a NOFA through the Single-family program.

Please note that when an organization serves more than one county, the OHCS staff has made an even split and adds a note to the report which says: “estimated”. The actual dollars can be seen in the excel file that accompanies the report.

**Q:** Can someone explain what home ownership innovation is?

**A:** Ms. Cody came to the microphone to explain. Homeownership innovation has in the past been used to fund manufactured home replacement and upgrades, adaptive dollars to keep seniors in their homes, and other innovative programs. OHCS will be talking about this more in the future with the Council to report back Please look for an update at a future Council meeting.

Mr. Yant next reviewed the high-level reports for the Emergency Housing Account program. The view he displayed to the Council showed the breakout by biennium.

**Q:** Where is the carryover from the previous biennium?

**A:** Mr. Yant showed the location on the spreadsheet.

**Q:** OHCS does not receive an appropriation for the entire biennium?

**A:** Usually it is allotted to OHCS on a quarter by quarter basis and OHCS prepares a quarterly request for the funds.

**Public Purpose Charge** –The Public Purpose Charge is money collected from ratepayers through the utilities. This money goes to fund investment in renewable energy and energy savings. A portion of the funds come to OHCS, and are primarily spent through contracts with Community Action agencies. Four OHCS programs are funded through PPC: Multi-family Weatherization, ECHO, Housing Development Guarantee Program, and Oregon Energy Assistance Program.

Mr. Yant provided a high-level view of the PPC funds and how they are distributed to the four programs funded by them. Mr. Yant also reviewed the percentage breakdowns of the funding dollars generated through the PPC.

**Q:** Clarification: the money is to be used in the community/county where it is collected, right?

**A:** Yes, that is correct.

**Q:** How do we allocate the administrative costs? It appears to vary greatly? Do we try to get to actual costs or is a formula used?

**A:** Sometimes we subsidize the administrative costs. What you see in the report is the cost billed to that funding source to administer each program. The actual cost to administer the program may be more.

Council suggestion: OHCS may want to provide an explanation for the administrative costs on each report to avoid misunderstanding or confusion.

**Q:** How does OHCS make sure the funds that come in are spent in the year they are collected?

**A:** The utility companies tell us where the money comes from and we allocate according to what we receive (i.e. OHCS receives \$100K in March, and then OHCS allocates that \$100K in April).

Mr. Yant will send the documents to the Council members after the meeting today. He will be available to address questions the Council members may have. Mr. Yant restated his commitment to the Council to provide a quarterly update on these reports going forward.

**HUD 811 Update – Rhonda Crawford, Housing Stabilization Section Manager & Ryan Miller, Housing Finance Section Manger**

Ms. Crawford and Mr. Miller provided an overview of the HUD 811 program. To view the update document please click [here](#).

The Council members asked for more detail than was provided on the one-page document. Population served, number of units, etc.

Ms. Crawford and Mr. Miller will send out the requested materials to the Council members.

**Q:** Why are states having difficulty placing the HUD 811 units into existing portfolios?

**A:** There are two reasons Ms. Crawford and Mr. Miller are seeing right now:

1. The high-cost of the units and
2. The low vacancy rates.

The other states are finding it hard to place the units in existing portfolios and they are now trying to place them into new projects.

**Q:** Will the partnering agencies be identifying the recipients?

**A:** Yes.

**Q:** How are the units going to be distributed around the state?

**A:** OHCS, DHS and OHA are still refining the program design. Mr. Miller will send out a roadmap to the Council members after the meeting. OHCS is still waiting to get the signed agreement back from HUD. OHCS expects to have it in the next 30-60 days.

**Q:** Is the 20% of units in a project maximum a HUD requirement?

**A:** That is a requirement of the US DOJ agreement. It is designed to ensure people with disabilities and mental health conditions are integrated into communities rather than segregated. Ms. Crawford and Mr. Miller are willing to come back at a later date to provide an additional update.

**Q:** Related to the maximum set at the rent level for 50% of Area Median Income, is that the sole rent that can go into this program? Is that the amount the owner will have to be satisfied with? Can other funding sources make up the difference?

**A:** Mr. Miller does not have the answer to this question right now. He will do some research and let the Council know what he finds out.

**Q:** In communities right now we have vouchers which are not being used. How is the HUD 811 program different than what we are using today? We can have more money, but if the units are not there than more money will not help.

**A:** We applied in 2013 for this program. OHCS's view is we want to get every single dollar we can get for Oregonians. If we can tie it to future production it may be helpful. It will be tricky for us to utilize the program funds. It is also dependent upon the need from OHA and DHS.

**Q:** Are the clients still going to get services for their needs from the service providers? The cost to the developer is the TRACS system.

**A:** Yes. Once the clients are housed they do not have to accept services, it is entirely up to the client. OHCS will double check with our colleagues at OHA and DHS and get back to the Council.

**Q:** Are you considering having hardened units? Will that be a consideration?

**A:** OHCS will make note of the request, but it is not currently a part of the HUD 811 program. OHCS will double check with our colleagues at OHA and DHS and get back to the Council.

#### Council discussion –

Councilmember Mike Fieldman sees this as a positive addition to the OHCS portfolio. This could be a way for OHCS to identify and secure inventory to a specific targeted population. This is a long-term subsidy for a specific targeted population.

**Q:** As an agency how will OHCS decide to stand up a program and bring on staff? If the program doesn't work are the hired staff members linked to the program only?

**A:** It depends on the situation, but we are going to reapportion work rather than hire someone. OHCS is trying to avoid adding FTE.

*The Council asked for follow up on this topic at a future meeting in 2016.*

Zee Koza thanked the staff for the work they are doing in this area. She noted that every little bit helps.

### **Report from Director Van Vliet**

Happy New Year! We have a lot going on. The future agenda planning document is on the table in front of you. Updates are coming and we will send an update when we make some additional edits.

You can tell by the agenda and conversation today that we are now in the new OHCS and the new Housing Stability Council. We are feeling good about where we stand, the help the Council is giving the agency, and what we can do with our partners in the future.

OHCS is making good progress toward the goals we set during the transition (being more data driven, transparent, and fiscally sustainable). We are making good progress.

More money is coming to Oregon for housing from the federal government. The Hardest Hit Fund is likely to get \$60-70M more dollars this year. Good news is we are getting more money, but the bad news is that we are down to a skeleton crew in OHSI and will need to increase capacity.

**Q:** Are the dollars restrictive?

**A:** Originally there were some very specific requirements to qualify for the program (foreclosure avoidance in hard hit communities). OHCS will be working with other states to find out what they have been doing or plan to do and how much flexibility Treasury will give us when using the funds.

**Q:** Will the money be able to help clients avoid tax foreclosure? There is some predatory activity out there and home owners are being preyed upon.

**A:** Sounds good, but it may be hard to administer. We will look into this question and report back to the Council.

Governor Brown will be making two new appointments to the Council in May and not during the February Legislative Session. We will need to recalibrate the calendar and schedule to accommodate this change.

CASA and Corporation for Enterprise Development (CFED) are convening a National Manufactured Housing meeting in Oregon on January 29. OHCS will be taking a tour of Palm Harbor Homes (a manufactured housing company) in Millersburg.

The Secretary of State's Office is continuing to scope for a Performance Audit of OHCS. SOS has still not decided what they will focus on for this audit. We will update you as we learn more. Portland HUD is undergoing a big organizational change right now. The Multi-family team will be moving to San Francisco or Denver.

The Oregon IDA Initiative Request for Proposals has gone out for new funding for the 2016-17 year (\$9.3M). OHCS should be able to make a funding announcement in March for the funding year which begins in March. We will keep you posted.

*Your packet contains a letter from a citizen about rent increases at a property called The Charleston, Ryan Miller and his team will look into the complaint. OHCS may have a role in compliance for this property. OHCS will provide written response when completed.*

The Legislature will be in town in a couple of weeks. Representative Keny-Guyer and Speaker Kotek are working on a variety of measures to address housing. We expect some big bills to come before the Legislative body. There will be several money asks during the session related to housing needs.

Oregon Volunteers still remains with OHCS now, but we have been requested to report to the Legislature about a future home for this work and whether it should remain with OHCS

Tammy Baney offered her thanks. She appreciates the work of the Director and her team for continuing the good work of the agency in the midst of great change.

**Report from Chair Dickson**

Thank you to OHCS in general and to Julie and her staff in particular for their hard work on the 2016 QAP and their inclusive attitude with our partners when creating the draft we were presented today. Thank you for the manner in which you turned around the updated draft and the ways in which you included your partners in the process.

I will be attending the Metro Housing Leadership Summit on February 1 in Portland along with Mike Fieldman and possibly some OHCS staff.

Today was a great first meeting for 2016. I look forward to the good work we will do the rest of this year.

*Chair Dickson adjourned the meeting at 11:55 a.m.*



02/05/2016

Aubre Dickson, Chair  
Housing Stability Council



02/05/2016

Margaret S. Van Vliet, Director  
Oregon Housing and Community Services