

BOND OVERSIGHT COMMITTEE

Portland's Housing Bond

PROGRESS REPORT

2017- 2018

In November 2016, Portland voters made history by resoundingly approving the city's first-ever affordable housing bond. Portland's Housing Bond dedicates \$258.4 million to create 1,300 new homes for our neighbors struggling to afford a place to live.

In July 2017, Portland City Council appointed the Bond Oversight Committee (BOC), a five-member public body responsible for ensuring Bond funds are invested in a manner consistent with the original intent of voters. The BOC oversees Bond expenditures and the City's progress in three main areas:

1. Adherence to the Bond Policy Framework
2. Engaging Communities
3. Maintaining Fiscal Accountability

The BOC is pleased to submit this first report to City Council to share the progress we have made as of December 2018.



BOND OVERSIGHT COMMITTEE MEMBERS

Stephen Green, Chair
(Appointed by Mayor Wheeler)

Susan Emmons
(Appointed by Commissioner Fritz)

Allan Lazo
(Appointed by Commissioner Eudaly)

Todd Struble
(Appointed by Commissioner Fish)

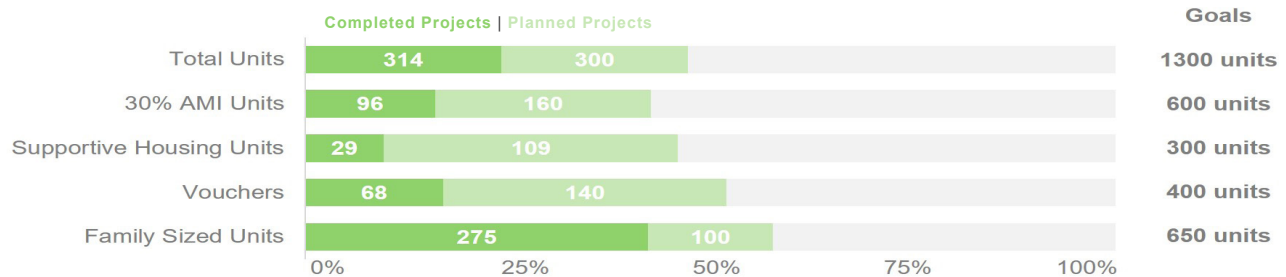
Jes Larson
(Appointed by Commission Saltzman)
(service ended 12/31/18)

GOAL 1: ADHERENCE TO THE BOND POLICY FRAMEWORK



In September 2017, Portland City Council approved the Bond Policy Framework, a community-driven roadmap for investing funds to ensure equitable housing access and opportunity for Portland households earning no more than 60% of Area Median Income (AMI). In 2018, 60% AMI was \$48,840 for a family of four. The Policy Framework establishes production goals as well as priorities for locations and communities served by Bond projects. The first two years of implementation show significant progress toward these goals.

PRODUCTION GOALS (AS OF DECEMBER 2018)



PRIORITIES

- Construct new housing in high opportunity areas, which are areas with access to transportation, jobs, open spaces, high-quality schools, services and amenities.

Status: 86% of the 351 new units constructed or planned for construction are located in high opportunity areas.

- Prevent displacement by acquiring housing in areas at high risk for gentrification.

Status: 100% of the 614 units purchased, constructed or planned are located in areas at high risk for gentrification.

- Increase access for priority communities; align and leverage bond housing with services from community partners and the homeless system of care.

Status: Service partnership established with Multnomah County Homeless Family System for the Ellington Apartments and East Burnside; 71% of new households (113 families) placed in Bond housing have been referred through culturally specific and/or homeless service community partners.

Highlights | 2017 to 2018



623 people housed



314 new homes created



5 properties acquired

GOAL 2: ENGAGING COMMUNITIES



The Bond Oversight Committee is committed to ensuring community members are kept informed and have opportunities to provide feedback throughout Bond implementation. Collaboration with community partners and transparency to the public are among the guiding principles of the Framework.

The diverse perspectives and expertise of community partners helped inform bond policy development and implementation in the following ways:



RESIDENTS OF THE ELLINGTON APARTMENTS



FIRST PROPERTY PURCHASED WITH THE BOND



CHILDREN AT THE ELLINGTON ICE CREAM SOCIAL

APRIL – SEPTEMBER 2017:

A Stakeholder Advisory Group developed a Bond Policy Framework rooted in community priorities and values. The group was comprised of 22 members representing diverse perspectives who met over the course of six months to develop the framework.

FEBRUARY 2018

The BOC hosted a community meeting to receive feedback on draft Bond policies, including screening criteria to increase housing access for households with barriers and over-income policies to prevent displacement.

APRIL 2018

The BOC approves the Community Engagement Plan, an addendum to the Bond Policy Framework. The plan calls out specific goals and approaches to guide how the City engages with community members. Focus includes providing frequent communication in plain language, using multiple methods of outreach, and culturally and linguistically appropriate approaches to reach priority communities.

GOAL 3: MAINTAINING FISCAL ACCOUNTABILITY



Reviewing expenditures and ensuring financial accountability is a core responsibility of the BOC. Bond dollars spent are clearly and separately tracked.

FUNDS INVESTED



\$37.5M

Proceeds
expended as of
June 2018.



1.34%

Of proceeds
spent on
administration*

*7% admin cap. Costs reflect time spent on first Bond acquisition. Expected to increase as new projects are funded and more staff are hired.

LOOKING AHEAD

- Continued planning on future acquisitions:

The BOC will oversee continued planning for future Bond acquisitions: 3000 SE Powell Boulevard, 5827 NE Prescott Street and 322-327 NW 6th Avenue, the Westwind Apartments.

- Increased partnerships:

The Oregon constitutional amendment (Measure 102) passed by voters in November 2018 allows general obligation Bond funding to be leveraged with other housing development funds used by the City, such as Low-Income Housing Tax Credits (LIHTC.) The BOC will provide guidance to the Portland Housing Bureau in developing and releasing a Bond solicitation to collaborate with housing developers and other partners to reach our Framework goals.

- Performance and fiscal audits:

A performance audit conducted by Portland's City Auditor's Office, as well as a fiscal audit to be conducted by an independent auditor, Harvey M. Rose Associates, will take place over the coming year. The BOC will receive updates on the activities and progress of both audits.

Contact Information

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