



CITY OF BEND

Minutes

Affordable Housing Advisory Committee

3:00 PM, Wednesday, March 10, 2021

Meeting was convened online via Zoom due to COVID-19.

Staff Liaisons: Lynne McConnell and Racheal Baker

Roll Call: Cindy King - Chair, Keith Wooden, Kathy Austin, Matt Martino, Ian Schmidt, Joanna Gardner, Heather Simmons

Councilor Barbara Campbell

- **Public Comment**

None

- **Approval of Meeting Minutes - 1/13/21, 1/27/21 and 2/10/21**

Minutes approved.

- **Annual Action Plan (AAP) Public Hearing**

- **Conflict of Interest**

Joanna Gardner – potential conflict as she works for Saving Grace, however, no direct financial benefit from award. Matt Martino– none. Heather Simmons – none. Keith Wooden – potential conflict. Employee of Housing Works who has a project being funded. There is no influence on his compensation. Kathy Austin- none. Ian Schmidt – none. Cindy King – none.

- **Process:** Open hearing, staff presentation, Q&A, public comment, close hearing, discussion, motion

From AHAC, AAP goes to Council and if they approve, will go to HUD. Addresses needs over next year. Allocation received but subject to change. \$8,662 for Shepherd's House Winter Warming Shelter. A bit more for Housing Works.

Public Comment: none

- **Motion: I move to recommend Bend City Council approve the 2021 CDBG Annual Action Plan as drafted, and authorize staff to take all actions necessary to fund approved activities, including signing loan agreements and related documents, without further approval from Council. Matt Martino made motion. Heather Simmons seconded. Heather Simmons- aye, Matt Martino- aye, Cindy King- aye, Joanna Gardner- aye, Keith Wooden- aye, Kathy Austin- aye, Ian Schmidt- aye. All in favor.**

- Optional: need a volunteer to go to Council and present recommendations on April 7th

Cindy can do if no one volunteers. Let her know. Ian volunteered. Cindy and Ian will do.

- **Funding Process Debrief**

Committee members received survey about funding process. Opportunity to discuss process and any potential changes. No recommendations to alter or remove any priorities.

1. Create and preserve affordable rental housing

2. Provide support to necessary public services
3. Create and preserve affordable home ownership
4. Assist homeless with shelter and services
5. Infrastructure.

Provide support to necessary public services is very broad. Includes many different types of services but is subject to services cap.

Any other recommendations? Cindy asked if we can modify now or in future. Racheal asked if anyone want to explore. Is a hefty process to modify 5 year plan. Ian mentioned we are half way through time frame.

Rental versus ownership.

What is value of timeliness? For instance how to balance longer timeline but more units.

Cindy – is deed restricted part of question? Ian hadn't thought that far.

Is there a clear hierarchy of supporting affordable rental housing? Residential is less beneficial to occupant in long run home ownership costs more to occupant and to build. What is ratio? As ratio gets closer is there a balance? If keep getting large apartment projects, KOR and Habitat will lose out. Is an issue. Matt suggested asking Council for their thoughts. Ian – agrees that Council should weigh in. Maybe even public. Looking for guidance. But AHAC members are the standing experts. This funding cycle made sense since there is such a shortage of units. Believes in diversity but need of units was there.

Cindy mentioned that goals were from public surveys and other plans. Could ask Council but give them information that the goals were based on. Also market is always changing.

Racheal – as long as within 5 goals AHAC can prioritize however they want. If outside goals, then would need to change plan. Lynne said that it appears that goals cover everything.

AHAC requested possible additions to RFPs:

- A breakdown of dollars leveraged
- Units or shelter beds per dollar requested when development of housing or shelter beds proposed
- Requiring AHF applicants provide the amount of funds that will be returned and when the funding is expected to return to the City

These will be added.

AHAC recommended evaluating the following scoring criteria for removal or alteration:

1. Does not duplicate services and effectively utilizes/maximizes partnerships
2. Clearly defined and realistic in scope, location, need, budget, and goals
3. Utilizes a proven effective strategy to improve conditions or solve an identified problem;
4. Requires a one-time only infusion of funds
5. Sustainable long-term impact, whether these strategies preserve dollars or affordability of housing

Kathy would like clarity on what a one-time infusion of funds means.

Ian – least useful is the one-time infusion criteria. Or at least clarity. 3 and 5 – not much separation to be gained between these two.

Will bring back to future meetings.

Staff will look the following points and bring back an update:

- Provide how many units funded past 4 years broken down into rental, homeownership, and shelter beds.
- Explore additional funding sources for public services.
- Explore additional policy adjustments to incentivize housing development for missing middle.
- Identify city owned buildable surplus land and enter into proposal process for affordable housing development.
- Explore how to contribute the knowledge and experience of the committee members with other branches of local government and public interest.
- Consider impact of AHAC decisions on City's infrastructure or transportation planning.

- **Grants vs Loans Discussion**

In last few RFP rounds there have been some asks that don't fit within current loan model. Do we want to add additional types? Three examples: Mission Church rehabilitation, Kitchen improvement of Central Oregon Council On Aging and Veteran's Village. In each case, the property is not owned by applicant so can't use to secure loan.

Options for unsecured loans terms (*unsecured forgivable loan for the duration of the proposed community benefit*)

- Organizations with an asset limit, e.g. <\$100,000, <\$500,00, or <\$1,000,000
- All shelters and transitional housing proposals for persons experiencing homelessness
- Organizations within an incubation period (e.g. operating <5 years or <10 years)
- All developments or projects with other community financial support for which there is minimal chance of revenue generation sufficient to repay a loan

Cindy - Do we want to make changes to loan terms? Do we want a subcommittee to review first and come back to full AHAC?

Matt reminded that previously focus was to recycle funds so can use again. So unsecured loan terms muddy the waters. Might be better to stay simple. Has reservations about unsecured credit. If for the most part is working, why change it? What is our goal, expanding options or allowing people to choose?

Kathy wants to make sure whatever we do does not make it harder for partners to do their work. There may be circumstances for grants. Kathy asked if we are allowed to do grants. Lynne responded that desire is for committee to have weighed in prior and not on a case by case basis. Regarding rented space or not owned - trying to feel out what makes sense to AHAC. Looking for direction. Lynne realizes we won't figure out all scenarios but a framework to evaluate. Kathy asked if it would be better to be a grant rather than an unsecured loan.

Matt reminded that there will always be things that don't fit. RFP allows applicants to state why terms don't work and what terms they are asking for. Don't add too many choices. Ian said it seems we are supporting by keeping options simple. We do have asks for other options. He personally would like to see more consistency rather than less. Clarity. Only a few meetings where it comes up. Would like a longer lead time to evaluate why a special circumstance is merited.

Kathy asked question about maintaining affordability. Lynne – deed restriction that looks like a loan. Also use covenants (using for tax credit projects). Kathy wants to make sure the term loan doesn't stop people from applying. Wants people to apply if don't own property.

Matt is willing to entertain alternatives but reminder that in past, we were talking for hours discussing loan terms for each RFP. Framework provides an expectation that we expect a loan but

are willing to listen. He wants to see request in writing with specifics. Trying to make expectations clear.

Cindy said framework helps funnel options. Language we have now that captures applicants that don't fit. Don't think we have had people not apply. Imagine they would call and ask first. Keep as is. Keep discussions. Have more time on particular applicants that are asking for different terms.

Staff will summarize discussion and come up with process improvements. Does loan committee want to gather occasionally?

Keith added that a lot of regular players are using Lift funds which is a loan. Is similar. Know what we offer. We don't have money to fund everything. Funnel in those who can work with us.

- **GIS and Data Introduction | Jesse Thomas and Colleen Miller**

Office of Performance Management. Make sure data is being used by City staff. Data provides accountability. Data is treated like an asset.

- Enterprise Data Management
- Business Intelligence
- Data and Analytics
- Geographic Information System (GIS)
- Continuous Improvement (Spark!)

Demonstrated tools:

- Bend Oregon Online Mapper (BOOM) Affordable Housing Viewer
- Newer tools: Home page. Maps. Interactive Map Gallery www.bendoregon.gov/maps
- Capital Improvement Project (CIP) and Transportation GO Bond Map
- Bend Land Information System – monitor land supply within City using City Permit Data and County Assessor data. Trying to do quarterly updates.
- Community Development Data Explorer. Permit history across system and ability to visualize. Includes a Zoning Lookup Tool.
- Working on a Data Hub including other things rather than just maps.

- **Staff Report**

- Councilor Campbell said that if AHAC wants to talk to Council, let her or Councilor Schenkelberg know and they can request a work session. It appears that Goals are broad enough to support whatever you decide is best.
- May 18 fair housing training – save the date. Will be geared towards consumers, tenants and homeowners. Put out word. Will be held no earlier than 4 pm.
- Shelter Codes update. AHAC submitted a letter of testimony. Kathy Austin sat in on Planning Commission. She mentioned AHAC was supportive. Suggests letter of support to Council. AHAC agrees.
- Susanna Julber – 2 phase approach.
 - Shelter code amendments. To take 1,000 foot buffer away. Moving package of amendments through Municipal Code for Safe Parking program which will use a managed camp model. Council has given direction to form a sounding board to draft city wide policies regarding homelessness. Will include Councilors Campbell and Perkins and representatives from committees – NLA, BEDAB and AHAC as well as HLC.
 - Would any one like to volunteer from AHAC? Estimated Timeline: March project begins. Meet every other week in April and May. Draft Charter in April. Look at peer communities and other models and management practices. What is vision for Bend? June - community review of drafts. July - additional community review of changes. Revised code language. August – Planning Commission Hearings begin. Cindy – where is information available? Susanna will get to Lynne to send out. Still in draft form. Kathy Austin volunteered.
- Amy Warren is offering tours of Korazon. Lynne will forward email.

- Hiring new Coordinator. Will help with new fund and other work. Lynne will share when open.
 - Legislation. Shelter Super Siting. Also money for Navigation Center. HB 4212 was passed during short session as super siting under which St Vincent de Paul and Veteran's Village were approved. HB 2006 same concept of super siting. HB 2004 includes Navigation Center. Bend one of five cities. Would work with partner.
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- **Adjourned 5:01 pm**