



**Tualatin Hills Park & Recreation District
Minutes of a Work Session of the Board of Directors**

A Work Session of the Tualatin Hills Park & Recreation District Board of Directors was held on Tuesday, May 16, 2017, 7:00 pm at the HMT Recreation Complex, Dryland Training Center, 15707 SW Walker Road, Beaverton, Oregon.

Present:

Jerry Jones Jr.	President/Director
Ali Kavianian	Secretary/Director
Bob Scott	Secretary Pro-Tempore/Director
John Griffiths	Director
Larry Pelatt	Director
Doug Menke	General Manager

Agenda Item #1 – Call Work Session to Order

A Work Session of the Tualatin Hills Park & Recreation District Board of Directors was called to order by President Jerry Jones Jr. on Tuesday, May 16, 2017, at 7:00 pm.

Agenda Item #2 – District Support of Community Services

This evening’s work session was the result of board discussion at the February 14, 2017 Regular Board Meeting during the agenda item Affordable Housing and Systems Development Charges. At that meeting, Randy Ealy, Chief Administrative Officer for the City of Beaverton, gave a presentation about the city’s affordable housing strategies and the possibility of systems development charge (SDC) waivers as a tool to enable development of affordable housing. Rob Massar, Assistant County Administrator for Washington County, also provided information on the county’s current considerations regarding affordable housing. A list of questions from the board pertaining to SDCs and affordable housing arose from this discussion, as well as a request for a board work session in order to discuss the topic further.

General Manager Doug Menke opened the discussion by noting that in order to evaluate THPRD’s potential role in aiding affordable housing, it would be helpful to first review the district’s present involvement in the delivery of social services. He noted that staff has reviewed district operations in order to aggregate how THPRD meets some of the important social service needs of our community. The programs are generally, but not all, above and beyond the district’s regulatory obligations and baseline service delivery requirements. By sharing this information, the question of THPRD’s role in affordable housing can be viewed in the context of what the district already provides, of which most have a rational connection to THPRD’s mission and are already integrated into our operations.

Doug commented that should affordable housing be added to the mix of social services provided by the district, any new obligations the district incurs should be weighed against the services already provided; their context within the district’s mission; and the district’s budget framework and operation. Doug introduced Aisha Panas, director of Park & Recreation Services, to provide a presentation on THPRD’s Access for All initiative.

A. Access for All at THPRD

Aisha provided a detailed overview of THPRD's Access for All initiative via a PowerPoint presentation, a copy of which was entered into the record, and which included the following information:

- An overview of the variety of social services provided by the district, including but not limited to: the district's scholarship program, adaptive and inclusive recreation, healthcare partnerships, Meals on Wheels, free swim lessons, and much more.
- Access for All initiatives can be categorized within four themes:
 - Welcoming Environment
 - Financial Assistance
 - Partner Support
 - Targeted Programming
- Ways in which THPRD's Access for All initiative is consistent with City of Beaverton's vision and goals, including the city's Community Vision Action Plan.
- The total THPRD commitment to the Access for All initiative is over \$1.6 million annually.

Aisha offered to answer any questions the board may have.

John Griffiths commented that this presentation should be shared with the City of Beaverton council members and staff.

- ✓ Ali Kavianian expressed agreement, noting that the district should be touting these services via social media and contact with our partner agencies.

Bob Scott pondered the possibility that waiving SDC funds in support of affordable housing initiatives may impact the social services already being provided by the district, especially when considering that the residents that qualify for affordable housing may also be availing themselves of these particular district services.

- ✓ John questioned whether waiving SDC funds would truly impact the Access for All initiative since SDC funds are used for capital improvements, not operational expenditures.
- ✓ President Jones explained that any SDC funds waived are required to be backfilled from other funding sources.
- ✓ Doug noted that it would be the board's determination through the budget process from where the waived SDC funding would be backfilled.

B. Affordable Housing Support

Keith Hobson, director of Business & Facilities, referenced the memo included within the board of directors' information packet that provides an overview of the questions and answers that resulted from the board's discussion on this topic at the February 14, 2017 Regular Board meeting. One question in particular was regarding the legality of waiving SDC funds for affordable housing projects. He noted that although the legal analysis is privileged information, the synopsis is that selectively waiving SDC fees for one group of housing units creates legal risk for the district's SDC methodology unless waived SDC funds are replaced by another non-SDC source of funding. Keith noted that the only other funding source that the district has that is not otherwise committed to something else is the general fund. Keith offered to answer any questions or clarify any of the information contained within the memo.

John asked for confirmation that if the district were to waive SDC funds for an affordable housing project, a backfill funding source would need to be identified and those funds transferred in order to make the SDC fund whole. The SDC fund should remain the same amount as it would have been if no waiver was granted and SDC funds were collected on that project as normal.

- ✓ Keith confirmed this.

- ✓ Doug commented that the terminology of funding can be viewed the same as value. One option that has been discussed openly is the concept of using an outside source that would bring value to the district, such as a transfer of land.

President Jones referenced City of Beaverton Mayor Doyle's official SDC waiver request to THPRD for the Beaverton Central housing project, and suggested forming a working group consisting of district board members and city council members, along with their respective staff, to further discuss the request. He commented that he has been clear with the mayor in prior conversations that THPRD is not typically involved in affordable housing but that the district is willing to discuss what the options might be and how other jurisdictions have worked through this issue. Jerry stated that he has reached out to Beaverton City Council President Marc San Soucie to begin formulating this working group, on which John Griffiths has also offered to serve. A brief document will be developed outlining the charge of the working group, along with the desired outcomes and action items. He noted that the concept of transferring land that the city owns but the district operates as a way to backfill SDCs has been brought up to mixed reactions but will be further discussed. This evening's work session will be helpful to him in identifying ideas and comments from the board that he can present to the working group.

- ✓ Doug added that the intent is that the working group would develop a formal recommendation for consideration by both the full THPRD Board of Directors and City of Beaverton Council.

John commented that the current SDC waiver request will not be the last and he is hopeful that the working group will identify a process that could be applied consistently for future requests. He would also like the city to better understand the legal parameters the district is working within for such requests and that SDC funding is the district's only form of growth capital.

Discussion occurred regarding what other jurisdictions have been asked to contribute or waive for the Beaverton Central housing project, as well as the generally limited number of agencies that assess SDCs. It was determined that this would be a discussion for the working group, too.

Larry Pelatt described the City of Portland's focus on affordable housing, noting that it will not be too long before the City of Beaverton and Washington County are focused on this topic just as heavily. THPRD will need to develop a consistent, simple and repeatable method in addressing these requests. He noted that he is having difficulty reconciling the need for affordable housing with THPRD's mission and purpose.

Bob commented that he is intrigued by the concept of receiving land in exchange for SDC waivers, but not interested in the concept of using general fund dollars.

John pondered what the ramifications would be if THPRD denied the request. He observed that even a long-term solution in terms of exchanging value in order to backfill SDC waivers would eventually become depleted. He agrees that it is in the best interest of THPRD to work with the city on an accommodation in order to foster the agencies' relationship.

Ali commented on the number of residents that could be assisted via the district's scholarship program with the SDC funding amount requested to be waived. He expressed agreement with exploring the concept of exchanging value rather than simply waiving the SDC funds and backfilling the amount from the general fund.

Larry explained that he sees a fundamental issue in waiving SDCs in order to aid affordable housing when the residents who live in such housing typically tend to be heavy users of THPRD's free services such as parks and trails, which are funded via SDCs.

- ✓ Jerry commented that the district does not know for certain how many low-income residents use the district's services versus median or higher income residents, or tax payers that are not using the district's services at all.

President Jones stated that he is opposed to taking funds from the district's Access for All initiative in order to support affordable housing efforts. Such services are needed and well-utilized, and cutting funding in any way would have a distinguishable negative impact on those patrons. However, he would like to explore what other options there might be in order to accommodate the city's request.

Discussion occurred regarding a potential conflict in taking land in exchange for SDC funds when SDCs are the district's funding source used to develop land into parks. Points made included consideration of receiving land that has already been developed with park amenities or facilities but is not owned by the district, although those opportunities are in limited supply. Another point was made as to how to properly appraise property that is already being used as a park or recreation facility, as well as how the district could receive a high-value property and essentially establish a SDC waiver credit bank that the city could draw from for future requests.

President Jones concluded the work session by describing the next steps in this process as the creation of the working group along with a stated desire to make whatever solution that is developed a repeatable and sustainable process.

Agenda Item #3 – Adjourn

There being no further business, the work session was adjourned at 7:45 pm.

Jerry Jones Jr., President

Ali Kavarianian, Secretary

Recording Secretary,
Jessica Collins