



CITY OF
PORTLAND, OREGON
PORTLAND HOUSING BUREAU

Nick Fish, Commissioner
Traci Manning, Director
421 SW 6th Avenue, Suite 500
Portland OR 97204
(503) 823-2375
Fax (503) 823-2387
www.portlandonline.com/PHB

December 15, 2011

To: PHB Sub- Recipient Contractor

Re: FY 2012-13 Portland Housing Bureau Budget Process

Dear Contractor,

You are a valued partner, and we cannot meet our mission without you. We are writing to let you know that this year's budget process is underway. Throughout this year's budget process we want to keep you updated and informed of important dates, the budget outlook and how you can give feedback and input.

Budget Outlook

The Portland Housing Bureau's budget resources are subject to sizable reductions. Based on the Transportation, Housing and Urban Development appropriations bill for the current fiscal year, signed by President Obama last month, Portland will see a 14% or \$1.3 million cut in CDBG and a 37% or \$1.5 million cut in HOME. Locally, the Portland City Council has directed us to submit three budget scenarios, showing 4%, 6%, and 8% reduction in ongoing General Fund, or \$250,000 - \$500,000 in cuts. Additionally, we rely on \$4.8 million in one-time General Fund to support our safety net and access services. Because of issues of property and business tax forecasts, these funds are also at risk. PHB is allowed to submit a request for continued funding for programs that have been supported by these "One-Time Only" dollars, but at this time it is not clear how much will be funded.

These cuts will affect FY 12-13 contract amounts as well as funds available next year for affordable housing development. Commissioner Fish, PHB's Director and staff, and the Portland Housing Advisory Commission (PHAC) want your feedback as we make decisions.

Budget Process

You can access information about this year's PHB budget at: www.portlandonline.com/phb/budget

Date	Activity
On-going	Contractor feedback solicited
Jan 10	PHAC budget meeting, 3:00-5:00 pm, PHB
Jan 17	Budget decisions by Director and Housing Commissioner
Jan 30	Budget scenarios due to City Office of Management and Finance (OMF)

From now until our budget is submitted to OMF, we are asking program managers to convene contractors by program area to discuss strategies to apply cuts. Expect to hear from Contract Managers by the end of the year. We are also meeting with PHAC members and encourage you to attend the PHAC meeting to provide comment. Decisions will be guided by these discussions, our Strategic Plan investment priorities, and the eligible uses of our funding sources. Following the City

Bureaus' budget submissions, the City process for public input begins, and the schedule can be found at <http://www.portlandonline.com/omf/index.cfm?c=26061>

We value your opinion and I hope you will participate in our decision making process. This includes getting your best thinking about how you might structure potential cuts given your current contract with the bureau. But importantly, we also want to use your feedback to help us tell the story of the impact of the cuts to our collective work. The work you do is vital to our community and we will advocate to find a means to continue that work.

Thank you for your hard work and dedication to serving people in need in Portland.

Sincerely,

A handwritten signature in black ink, appearing to read 'Traci', with a stylized flourish extending from the end.

Traci Manning
Director

cc: Commissioner Nick Fish
Portland Housing Advisory Commission