



# Portland Housing Bureau

Mayor Ted Wheeler • Director Shannon Callahan

# Portland Housing Bureau PHAC Budget Presentation

January 12, 2021

# Mayor's Budget Guidance (12/3/2020)

- 5% reduction to the General Fund allocation
- Potential for Add-back packages
- Requests for new or one-time General Fund resources through add packages will be limited – still awaiting guidance on criteria
- Reduction applies to two bureau revenue streams:
  - Bureau General Fund Allocation \$3,635,366; 5% reduction amount **\$181,768**
  - Bureau Short Term Rental Tax transfer \$356,178; 5% reduction amount **\$17,809**

# Preliminary Reduction Package

<u>Reduction Package</u>	GF FTE	Reduction
<b>General Fund</b>		
Eliminate vacant Housing Management Assistant	-0.45	(47,097)
Shift Housing Program Coordinator costs to TIF	-0.10	(11,860)
Reduce bureau-wide Travel and Training		(8,411)
Reduce East Portland Grant Program 24%		(114,200)
		<u>(181,568)</u>
<b>Short Term Rental Fund</b>	STR FTE	
Eliminate vacant Housing Management Assistant	-0.10	(10,466)
Reduce External M&S		(7,343)
		<u>(17,809)</u>

- Elimination of a vacant Housing Management Assistant position currently assigned to the Communications Team;
- Reduction in bureau-wide travel and training;
- 24% reduction to the East Portland Grants program.

# Preliminary Add Package

<u>Convert Limited Term Position</u>	FTE	Salary	Total Cost
Analyst I	0.00	-	-

Convert the current limited term Housing Program coordinator (1.0 FTE) in the policy and planning program offer to permanent. No additional funding needed - the bureau has ongoing General Fund resources in place.

# Remaining Budget Timelines

- Week of 1/11 – complete financial information in budget system
- Week of 1/18 – complete test documents and forecast
- Budget due to City Budget Office and Commissioners Friday 1/29.

# Budget Changes Overview

## Program Delivery Teams

**Multi Family Affordable Rental Project Financing** - Reduction in projections of Construction Excise Tax proceeds. This may lead to a reduction in the number of new affordable housing units.

**Portland Bond** - investors seeking to provide LIHTC equity in affordable housing projects are hesitant to make future commitments in 2021. Remaining Portland Bond funds will only be released once the current ten projects have secured all other financing.

**Metro Bond** - PHB expects to further its third phase of implementation of the Metro Housing Bond with a Metro Bond Opportunity Solicitation released in Spring 2021.

**Multi Family Affordable Ownership Project Financing** - if maximum indebtedness in the Interstate Urban Renewal Area in FY 2021-22 is approved, a portion of these funds are slated to support Multi Family Affordable Ownership opportunities for N/NE Preference Policy households.

# Budget Changes Overview

## Program Delivery Teams Cont.

**Property Management** - in FY 2021-22, PHB will plan for capital and maintenance needs at the Fairfield Hotel and Ellington Apartments.

**Homeowner Retention Program** - this program will continue the Homeowner Asset Preservation Pilot in FY 2021-22.

**Rental Services Office** - there are no significant changes for FY 2021-22, although adjustments may be required depending on the level of Rental Registration revenue received by the City in FY 2020-21 and 2021-2022.

**Inclusionary Housing** - in FY 2021-22, PHB will implement additional programming to administer affordable housing restrictions for developments seeking bonus density through the Residential Infill Project. New processing and application fees need to be implemented to cover staffing across the programs.

# Budget Changes Overview

## Support Services Teams

**Director's Office** - in FY 2021-22, the Director's Office will continue guide addressing the needs of BIPOC communities and overall supportive housing needs, as well as planning for future bureau financial sustainability.

**Business Operations** - During the COVID crisis, the Business Operations team provided support, planning and project management for CARES Act funds. This work continues into FY 2021-22.

**Policy and Planning** - in the current fiscal year, assessing impacts of COVID-19 and planning and implementing COVID-19 housing services are a substantial new body of work. The bureau anticipates this work will continue into FY 2021-22.

**Data Analytics** - in FY 2021-22 the team will conclude a systems assessment. This work includes exploring a commercial off-the-shelf system for data gathering and compliance for the City's Residential Rental Registration program.





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# Questions