



CITY OF
PORTLAND, OREGON
PORTLAND HOUSING BUREAU

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Dear Portland Housing Bureau Partner ~

As many of you know, this is a tough budget year. You've heard for some time that PHB is bracing for a big drop in our tax increment funds for affordable housing. You may have heard less about the federal funds that we receive from the US Department of Housing and Urban Development next year will be reduced. These reductions are caused by a decline in our entitlement grants and the loss of federal stimulus funds critical to our work the past couple of years.

While Mayor Adams' recently released budget proposals provide more City general fund resources to PHB than what is in our budget this year, the increase does not make up for the reductions in federal funding.

This means that PHB will have less money to put on the street in partnership with you to do the good work of providing a safety net and avenues to prosperity and stability that are critical to people we serve. You will get a detailed letter from my office telling you exactly what you can expect in your contract for the year that begins on July 1, 2011 within the next couple of days. Almost everyone we do business with will see a smaller contract dollar amount.

Senior leadership at PHB has worked hard to apportion these cuts in a manner consistent with our recently adopted strategic plan and the priorities articulated – with your help – in that plan.

PHB is feeling the impact of these budget reductions, as we are reducing our workforce by nine positions on July 1, following seven staff reductions last fiscal year. I realize some of you may also face staffing reductions as a result of this situation. I wish we were in a different financial situation, because I see clearly that the need for our collective help is not diminishing. You also see that need first hand.

We will share additional information about our budget situation in the coming days. The City will be hosting public information sessions and hearings about the proposed budget. You can find more about the public meetings here: <http://www.portlandonline.com/omf/index.cfm?c=26061>.

Watch for your “contractor letter” from your program manager in the next few days.

Thank you very much for your commitment to the people of Portland.

Margaret VanVliet,
Director, Portland Housing Bureau