



PORTLAND HOUSING ADVISORY COMMISSION

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Date: January 18, 2012

To: Mayor Sam Adams
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Randy Leonard
Commissioner Dan Saltzman

Re: PHB FY 2012-2013 Requested Budget

The Portland Housing Advisory Commission (PHAC) appreciates the opportunity to comment on the Portland Housing Bureau's (PHB's) FY 2012-2013 requested budget. We are committed to the mission, vision and values of the Portland Housing Bureau and support the progress PHB has made in implementing its strategic plan.

This year's budget process has been particularly challenging given the increasing community need for PHB programs amidst federal and local cuts to the resources available to meet those needs. To cut funding at this time means moving fewer people out of homelessness, fewer evictions prevented, and fewer new affordable homes built.

We believe PHB has made sound choices to focus community resources on the most serious unmet housing needs. We strongly support fully funding the requested budget including Decision Packages 1 through 5, and ask that you support it as well.

We hope that City Council will once again provide on-going funding to support strong PHB programs that currently rely on one-time-only resources. We also ask you to champion the Bureau's progress towards a sustainable budget, by transitioning the Bureau's established programs with demonstrable outcomes from Serial One Time Only Funding to on-going funding. This request is consistent with our recommendations made last year, and the recommendations of prior Budget Advisory Committees to the precursor Bureau of Housing and Community Development.

We have endorsed the Bureau's Proposed Budget and Decision Packages 1-5 and want to highlight the following considerations.

A) We advised PHB to retain their Strategic Plan priorities, but recognize these are long term goals and recommend that PHB work to make targeted budget decisions based on current needs.

While we continue to support and recognize the long term importance of these investment priorities, this year we have given priority to safety net services to proactively address the realities of these harsh economic times. We support the smaller percentage cut to priority four services because we recognize the importance of maintaining our community's safety net, particularly emergency shelters.

B) When making cuts, we advise that PHB staff pay special attention not to dismantle system capacity.

PHB invests in proven, cost effective strategies implemented by community based partners. We advised PHB to seek to cut funding to programs in a way which would not permanently dismantle systems of care proven to be effective in serving our community's needs. For example, facility based services should not be cut to the extent that would require the shelter to shut down, nor should the Short Term Rent Assistance program be cut where the loss of FTE would inhibit the ability of the entire program to operate. This program is a best practice in cost effective and efficient end to or prevention of homelessness and is heavily reliant on serial one-time general funds.

C) We commend the leadership team's intentional staff driven budget process that has prioritized staff generated problem solving and expertise.

Throughout our budget process, it has been evident that staff at all levels have participated in providing creative solutions.

D) Within each investment priority, we recommend that PHB use a lens that maximizes leverage and avoids exposure.

Our budget process has examined all of PHB's resources not just City General Funds. We advised PHB to try to avoid cuts to programs with significant leverage and at the same time, to try to avoid cutting programs without any other sources of funding.

E) We continue to support PHB's equity agenda and have advised staff to ensure that budget decisions support increasing access to programs and funding for communities of color and reduce historical disparities in outcomes.

A commitment to equity permeates the work of the Bureau. We have examined PHB's data on who they serve and will continue to advocate that the Bureau use this data to inform budget decisions.

F) We continue to support the City's Investment in programs and strategies proven to assist low- and moderate -income families from Portland's communities of color to sustainably purchase a home or retain a home they already own.

In a budget year when we have focused on serving those most in need, we also recognize homeownership's important place in the housing continuum. A combination of incredibly low interest rates and housing prices make this a particular moment of opportunity to create ownership opportunity for minority communities that have been disproportionately impacted, first by gentrification, then by sub-prime lending. By providing new affordable homeownership opportunities for people living in PHB assisted housing, an affordable unit is opened up to another family in need. In this market, we encourage PHB to retain its homeownership programming, although it may not be the highest priority at this time.

Thank you for your commitment to addressing the unmet housing needs of members of our community and for your support of the PHAC and the Portland Housing Bureau. We urge you to fully fund both the base budget and Decision Packages 1-5. We feel PHB has taken a balanced and strategic approach during these challenging times.

Sincerely,

Portland Housing Advisory Commission