



CITY OF
PORTLAND, OREGON
PORTLAND HOUSING BUREAU

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

To: City Council

From: Commissioner Nick Fish

MF

RE: Portland Housing Bureau's Fall BMP Submittal

Date: Monday, October 1, 2012

The Portland Housing Bureau (PHB) has prepared the attached report as requested by the Office of Management and Finance for the Fall Budget Monitoring Process (BMP). PHB's submission can be broken into two major categories – budget status reporting and budget amendment requests.

Budget Status Reporting

The Fall BMP requires several status reporting exercises. The first requirement is an explanation of variances between the FY 2011-12 Revised Budget and actual expenditures and revenues. The attached Prior Year Reconciliation reports describe these variances in detail. In summary, PHB was within budget at the fund-level across all seven bureau funds.

The second requirement is for a final reporting of budgetary performance measures for FY 2011-12 along with explanation of significant variances over the prior year. The final requirement is for a status updates on both FY 2011-12 decision packages and service improvement plans. In both cases, PHB reports substantial accomplishment of goals and target outcomes.

Budget Amendment Requests

PHB's Fall BMP submission also includes requests for adjustments to the FY 2011-12 Adopted Budget. In addition to technical adjustments with no budgetary impact at the bureau level, PHB is requesting a number of revisions to current appropriations. The most significant of these are as follows:

General Fund

- **\$343,166** in general fund carryover for encumbered contracts.
- **\$75,000** of new Multnomah County revenue for outreach to persons experiencing homelessness in East County.
- **\$5,745** reduction to personnel services budget for Council vacancy savings.
- **Two requests for additional General Fund Resources:**
 - \$24,000 for fair housing education and enforcement work.
 - \$17,000 for a permanent supportive housing evaluation at Bud Clark Commons.

Federal Grants Fund

- **\$639,000** in Lead Hazard grant rebudget carryover for single- and multi-family lead abatement programs.
- **\$420,000** in NSP program income and prior year grant resources for sale of program-acquired properties.
- **\$162,000 of Healthy Homes** grant resources from prior year unspent funds.
- **\$122,000** of HOPWA entitlement grant resources from prior year unspent funds.

CDBG Fund

- **\$2.7 million** of CDBG entitlement grant resources from prior year unspent funds for upcoming preservation projects.
- **\$150,000** in CDBG grant encumbrance carryover for ongoing programs.

HOME Fund

- **\$41,000** of HOME grant encumbrance carryover for ongoing programs.

Urban Renewal Area (URA) Tax Increment Financing

- **\$1.93 million** of prior year housing set-aside Convention Center URA funds for the upcoming Fall NOFA.
- **\$360,000** of prior-year funds in the Downtown Waterfront URA for opportunity funds.
- **\$212,000** in the Gateway URA rebudgeting the predevelopment loan for the Glisan Commons project.
- **\$789,000** of Interstate URA appropriation to rebudget several projects (King/Parks, Killingsworth, McCoy).
- **\$651,000** of Lents URA appropriation to rebudget several projects (Kah San Chako Haws , Firland, Dahlia Commons).
- **\$406,000** in the North Macadam URA appropriations for Gray's Landing Veterans Housing.
- **\$1.29 million** in the River District URA of prior year housing set-aside resources for the Fall NOFA.

Should you have any questions about the PHB BMP submittal, please contact Leslie Goodlow at 823-4160 or Mike Johnson at 823-4176.

BUDGET AMENDMENT REQUEST

Portland Housing Bureau

PERIOD Fall BuMP

FISCAL YEAR FY 2012-13

HC_001 - Technical Adjustments

The primary technical adjustments in this request relate to moving HOME funds within existing appropriations to 1) true up to prior year entitlement resources available, and 2) rebudget projects currently underway. These projects include the Loan Servicing and Asset Management system, 3 construction projects that did not spend down in FY 2011-12 as anticipated (Ainsworth, PCRI 10, and MLK Cook/Fargo), funds for the HOME Consortium partners (Gresham and Multnomah County). In addition, the allocation for community housing development organizations (CHDOs) has been reduced (\$130,000) due to fewer CHDOs having qualified projects than expected.

The other significant technical adjustments involve moving staff costs for the Asset Management and Loan Servicing team from Business Operations to the Housing Development Finance team in order to provide better coordination. There are also several adjustments among general ledger accounts to provide more accurate tracking of costs within the bureau.

Dollar Amount: \$0
Type: Technical Adjustment
Resources: Internal Transfer

HC_002 - New Revenues

Requests in this package include recognizing additional funds from Multnomah County and from a legal settlement for use in homeless services programs. In addition, the bureau is cleaning up the remaining Section 108 loan income that belongs in the CDBG fund. The final major adjustment is appropriating prior year loan income in the Downtown Waterfront URA as opportunity funds. The FY 2012-13 Adopted budget had no opportunity funds appropriated to cover issues that may come up during the year.

Dollar Amount: \$651,644
Type: New Request
Resources: New Revenues

HC_003 - Non-General Fund Carryover

This request is to carry forward encumbered amounts for grant funded activities. Amounts of significance include \$468,000 in Neighborhood Stabilization funds for homebuyer assistance, \$247,400 of Emergency Solutions grant funds for homeless services, \$639,300 of Lead remediation funds for healthy homes, and \$235,027 of Housing for Persons With AIDS funds for housing rehabilitation and rent assistance.

Dollar Amount: \$2,011,035
Type: Carryover Request
Resources: Grants

HC_004 - General Fund Carryover

This request covers the carry forward of primarily several encumbered homeless services contracts.

Dollar Amount: \$343,166
Type: Encumbrance Carryover Request
Resources: General Fund Discretionary

BUDGET AMENDMENT REQUEST

Portland Housing Bureau

PERIOD Fall BuMP

FISCAL YEAR FY 2012-13

HC_005 - General Fund Request

In the first part of this request, the bureau is requesting \$24,000 with the objective of providing sufficient funding for fair housing education and enforcement activities for the 2012-13 fiscal year in order to deliver on the City of Portland Fair Housing Action Plan. Activities will include tenant and landlord education and capacity for complaint based and audit testing for fair housing violations. This amount was part of the bureau's FY 2011-12 General Fund appropriation, but was not contracted to continuing discussions with partners regarding the scope of the activities to be contracted.

The second part of the request, for \$17,000, is for an evaluation of permanent supportive housing at the Bud Clark Commons. A contractor performed preliminary work in FY 2011-12 (\$8,000), but the additional time needed to determine a scope of work with local partners for the next phase extended past the end of the fiscal year. Therefore, the remaining \$17,000 of the original \$25,000 budgeted for the project was not contracted prior to the end of the year.

Dollar Amount: \$41,000
Type: New Request
Resources: General Fund Discretionary

HC_006 - Rebudget Request

This package contains a number of project rebudget requests. The nature of housing development includes sometimes longer than anticipated lead times for committed funds, and the inevitable unanticipated delays that can come with loan closings and construction.

Approximately \$2.9 million of Community Development Block Grant funds are being rebudgeted for projects that are anticipated to have financing packages closed during the fiscal year, but for which the final funding commitment amount has not yet been made. Approximately \$1.9 million in prior year housing set-aside funds are being rebudgeted in the Convention Center URA in anticipation of the bureau's fall 2012 notice of funds availability (NOFA). In the Gateway URA, \$212,000 is being rebudgeted for continued disbursement of the Glisan Commons pre-development loan.

The Interstate URA includes a rebudget request of \$789,200 primarily for the completion of the King/Parks, McCoy Village, Rivergate, and Killingsworth Station projects. The Lents URA rebudgets \$651,000 primarily for the completion of the Dahlia Commons, Kah San Chako Haws, and Scattered Sites projects. Approximately \$1.7 million in prior year housing set-aside funds are being rebudgeted in the River District URA in anticipation of the bureau's fall 2012 NOFA. Finally, \$407,000 in the North Macadam URA is being rebudgeted for the continued construction of the Gray's Landing veteran's housing project.

Dollar Amount: \$8,470,061
Type: Carryover Request
Resources: New Revenues

HC_007 - Position Conversion

This request converts a limited term Assistant Housing Business Systems Analyst position to a permanent position of the same classification. This position has been limited term for a number of years, and the Bureau of Human Resources agrees that it is time to become permanent. The position is no longer 100% grant funded, as the bureau has been able to generate additional non-grant resources to cover part of the positions cost.

Dollar Amount: \$0
Type: New Request
Resources: Grants

BUDGET AMENDMENT REQUEST

Portland Housing Bureau

PERIOD Fall BuMP

FISCAL YEAR FY 2012-13

HC_008 - General Fund Vacancy Savings

This request complies with City Council direction to hold three months of costs for for vacant positions. This amount reflects the General Fund portion of bureau savings, and will be transferred to the City's General Fund contingency.

Dollar Amount: **(\$5,745)**

Type: Mid-Year Reductions

Resources: General Fund Discretionary

HC_009 - Non-General Fund Vacancy Savings

This request complies with City Council direction to hold three months of costs for for vacant positions. The savings have been moved into contingency for each funding source involved, resulting in no overall change in appropriations.

Dollar Amount: \$0

Type: Mid-Year Reductions

Resources: Internal Transfer

Prior Year Business Area Reconciliation Report

General Fund

	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Percent of Actuals to Revised
Portland Housing Bureau			
EXPENDITURES			
Personnel Services	\$471,193	\$429,517	91%
External Materials and Services	\$11,775,531	\$11,150,267	95%
Internal Materials and Services	\$29,215	\$81,908	280%
TOTAL EXPENDITURES	\$12,275,939	\$11,661,691	95%
REVENUES			
Charges for Services	\$0	\$1,373	0%
Intergovernmental Revenues	\$863,553	\$652,454	76%
Interagency Revenue	\$0	\$14,313	0%
Miscellaneous	\$0	\$4,614	0%
General Fund Discretionary	\$11,412,386	\$0	0%
TOTAL REVENUES	\$12,275,939	\$672,754	5%

Bureau Reconciliation Narrative

[INTERNAL M&S] - Expenditures exceeded budget by \$53k. This was due to \$57k billed by the Bureau of Human Resources for COBRA benefits for laid off employees. These expenses were unanticipated and unbudgeted. They also were billed under an "Admin & Support" line-item which made it difficult to distinguish them from the services PHB receives from Procurement Services. These charges only became apparent in late July, a point in time when it was too late for the bureau to allocate the expense across other bureau personnel funding sources.

[INTERGOVERNMENTAL REVENUES] – Indirect cost recovery was lower than budgeted due to vacancies in CDBG-funded positions. (CDBG indirect costs are recovered as a percentage of direct CDBG personnel services expenses.)

[INTERAGENCY REVENUE] – Late in the fiscal year, PHB and the Office of Equity & Human Rights entered into an interagency agreement for sub-leased office space and administrative support services.

**Prior Year Fund Reconciliation Report
Portland Housing Bureau**

	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Percent of Actuals to Revised
213 - Housing Investment Fund			
EXPENDITURES			
Personnel Services	730,225	668,830	91.59
External Materials and Services	8,978,061	1,572,570	17.52
Fund Transfers - Expense	322,001	322,001	100.00
Contingency	638,167	0	0.00
TOTAL EXPENDITURES	10,668,454	2,563,402	24.03
REVENUES			
Budgeted Beginning Fund Balance	1,945,649	0	0.00
Charges for Services	269,800	383,746	142.23
Intergovernmental Revenues	182,700	205,615	112.54
Interagency Revenue	4,000	0	0.00
Fund Transfers - Revenue	3,855	3,855	100.00
Bond and Note	7,541,105	400,000	5.30
Miscellaneous	721,345	1,605,923	222.63
TOTAL REVENUES	10,668,454	2,599,139	24.36

Fund Reconciliation Narrative

[EXTERNAL M&S] – The \$7.2M of Section 108 resources budgeted for affordable rental housing was not awarded this past fiscal year. PHB rebudgeted this resource for affordable rental housing in the FY 2012-13 Adopted budget.

[CHARGES FOR SERVICES] – PHB saw greater-than-anticipated revenues in the Limited Tax Exemption program (\$70k) and in the Mortgage Credit Certificate program (\$35k)

[INTERGOVERNMENTAL REVENUES] – Although the majority of housing program fund balances were transferred from PDC to PHB in FY 2010-11, PHB received a check from PDC for remaining housing-related fund balances late in FY 2011-12. These were unanticipated.

[BOND & NOTE] – Housing Investment Fund bond and note revenues are received when Section 108 loans are issued. No new Section 108 borrowing in FY 2011-12. See External M&S above.

[MISCELLANEOUS] – PHB received an unanticipated loan payoff of \$650k for the University Place property. The loan portfolio in the Housing Investment Fund also performed better than anticipated during FY 2011/12.

Prior Year Business Area Reconciliation Report

Federal Grants Fund

	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Percent of Actuals to Revised
Portland Housing Bureau			
EXPENDITURES			
Personnel Services	\$664,621	\$573,985	86%
External Materials and Services	\$5,131,871	\$3,294,399	64%
Contingency	\$327,120	\$0	0%
TOTAL EXPENDITURES	\$6,123,612	\$3,868,384	63%
REVENUES			
Budgeted Beginning Fund Balance	\$199,793	\$0	0%
Intergovernmental Revenues	\$5,923,819	\$4,278,667	72%
Miscellaneous	\$0	\$318,944	0%
TOTAL REVENUES	\$6,123,612	\$4,597,611	75%

Bureau Reconciliation Narrative

[PERSONNEL SERVICES] – PHB's single-family loan originator position – funded significantly by grant sources in this fund -- was vacant for the majority of the fiscal year. Additionally, staff spent less time than previously-anticipated on the Healthy Homes grant.

[EXTERNAL M&S] – PHB spent less than budgeted on grant-funded subrecipient and direct service contracts by the following amounts: \$1.1M Lead Hazard Abatement; \$315k Neighborhood Stabilization Program 1 & 3; \$150k HOPWA; \$115k Health Homes. PHB rebudgeted some of these funds in the FY 2012-13 Adopted budget and is requesting Council approval to carry over the remaining resources during the Fall BMP process.

[INTERGOVERNMENTAL REVENUES] – Grant program expense reimbursements were less than budgeted due to the underspending described in External M&S above.

[MISCELLANEOUS] – The Neighborhood Stabilization program grant activities generated program income via the targeted acquisition, rehabilitation and resale of property. PHB is requesting Council approval to carry over these resources during the Fall BMP process.

Prior Year Fund Reconciliation Report

Portland Housing Bureau

	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Percent of Actuals to Revised
218 - Community Development Block Grant Fund			
EXPENDITURES			
Unappropriated Fund Balance	1,200,000	0	0.00
Personnel Services	1,775,863	1,481,959	83.45
External Materials and Services	11,106,024	7,306,136	65.79
Internal Materials and Services	126,095	95,959	76.10
Bond Expenses	489,000	405,546	82.93
Contingency	1,134,379	0	0.00
TOTAL EXPENDITURES	15,831,361	9,289,600	58.68
REVENUES			
Charges for Services	0	200	0.00
Intergovernmental Revenues	14,631,361	10,165,519	69.48
Bond and Note	1,200,000	0	0.00
Miscellaneous	0	1,197,508	0.00
TOTAL REVENUES	15,831,361	11,363,226	71.78

Fund Reconciliation Narrative

[PERSONNEL SERVICES] – Personnel services expenses were less than budgeted due to vacancies in several CDBG-funded positions in the bureau.

[EXTERNAL M&S] – External M&S expenses were less than budgeted for two main reasons. First, the bureau did not award \$3.0M in funds that had been budgeted for affordable rental housing in the 2011 NOFA. These funds are being awarded to projects in 2012 and will be allocated to individual projects during FY 2012-13. Second, the Kehillah and Butte Apartments projects (\$275k and \$180k, respectively) were anticipated to close in FY 2011-12, but ultimately did not.

[INTERNAL M&S] – The OMF Grants Office interagency with PHB spent \$28k less than budgeted.

[BOND EXPENSES] – PHB over-budgeted section 108 debt service payments requirements. Actual expenses reflect the true debt service obligations for FY 2011-12.

[INTERGOVERNMENTAL REVENUES] – Grant program expense reimbursements were less than budgeted due to the underspending described above.

[BOND & NOTE] – CDBG program income anticipated by the bureau was errantly budgeted in a line-item that rolled up as “Bond & Note” revenues rather than under “Miscellaneous” revenues.

[MISCELLANEOUS] – Per past practice, PHB budgeted grant program income in a line-item that rolls up to “Intergovernmental Revenues”. Late in the fiscal year, however, the business process was amended such that these revenues are booked in the “Miscellaneous” category.

Prior Year Fund Reconciliation Report

	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Percent of Actuals to Revised
219 - HOME Grant Fund			
EXPENDITURES			
Personnel Services	384,077	367,338	95.64
External Materials and Services	4,883,470	3,578,134	73.27
Contingency	1,064,315	0	0.00
TOTAL EXPENDITURES	6,331,862	3,945,472	62.31
REVENUES			
Charges for Services	0	1,401	0.00
Intergovernmental Revenues	6,331,862	4,220,326	66.65
Miscellaneous	0	266,676	0.00
TOTAL REVENUES	6,331,862	4,488,404	70.89

Fund Reconciliation Narrative

[EXTERNAL M&S] – External M&S expenses were less than budgeted because \$1M budgeted for affordable rental housing was awarded but not spent in FY 2012-13.

[INTERGOVERNMENTAL REVENUES] – Grant program expense reimbursements were less than budgeted due to the underspending described above.

[MISCELLANEOUS] – Per past practice, PHB budgeted grant program income in a line-item that rolls up to “Intergovernmental Revenues”. Late in the fiscal year, however, the business process was amended such that these revenues are booked in the “Miscellaneous” category.

Prior Year Fund Reconciliation Report

Portland Housing Bureau

	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Percent of Actuals to Revised
221 - Tax Increment Financing Reimbursement Fund			
EXPENDITURES			
Personnel Services	2,032,074	1,822,427	89.68
External Materials and Services	51,961,449	43,251,447	83.24
Internal Materials and Services	1,034,895	1,034,895	100.00
Capital Outlay	1,563,882	0	0.00
Bond Expenses	40,000	15,000	37.50
Fund Transfers - Expense	73,744	73,744	100.00
Contingency	897,000	0	0.00
TOTAL EXPENDITURES	57,603,044	46,197,512	80.20
REVENUES			
Budgeted Beginning Fund Balance	119,685	0	0.00
Charges for Services	0	15,619	0.00
Intergovernmental Revenues	50,885,715	40,117,097	78.84
Miscellaneous	6,597,644	9,062,341	137.36
TOTAL REVENUES	57,603,044	49,195,057	85.40

Fund Reconciliation Narrative

[PERSONNEL SERVICES] – Personnel services expenses were less than budgeted due to vacancies in several TIF-funded positions in the bureau.

[EXTERNAL M&S] – External M&S expenses were less than budgeted for two main reasons. First, the bureau did not spend \$5.2M that had been budgeted for affordable rental housing and section 8 preservation projects. These funds, however, have been or will be awarded to projects and will be allocated accordingly in FY 2012-13. Second, the following projects and programs spent down more slowly than anticipated: Downpayment Assistance (\$700k remaining at year-end); Kah San Chako Haws (\$600k remaining at year-end); Grays Landing (\$400k remaining at year-end); Lifeworks (\$400k remaining at year-end); and the Firland (\$300k remaining at year-end).

[CAPITAL OUTLAY] – PHB had \$0 capital outlay expenses despite the \$1.56M appropriation. Central Accounting advised the bureau to budget a property sale between TIF sub-funds using this account, but when the bureau went to process the transaction, Central Accounting revised its recommendation.

[BOND EXPENSES] – Bond issuance costs for the Bud Clark Commons permanent financing were less than anticipated.

[CHARGES FOR SERVICES] – These miscellaneous loan servicing fees were not budgeted as anticipated revenue.

[INTERGOVERNMENTAL REVENUES] – Tax increment financing reimbursements were less than budgeted due to the underspending described above.

[MISCELLANEOUS] – PHB received an unanticipated loan payoff of \$3.5M for the Museum Place property.

**Prior Year Fund Reconciliation Report
Portland Housing Bureau**

	FY 2011-12 Revised Budget	FY 2011-12 Year-End Actuals	Percent of Actuals to Revised
621 - Headwaters Apartment Complex Fund			
EXPENDITURES			
External Materials and Services	1,000	175	17.50
Bond Expenses	977,748	977,735	100.00
Fund Transfers - Expense	1,828	0	0.00
Contingency	254,335	0	0.00
TOTAL EXPENDITURES	1,234,911	977,910	79.19
REVENUES			
Budgeted Beginning Fund Balance	166,448	0	0.00
Intergovernmental Revenues	814,128	1,015,468	124.73
Fund Transfers - Revenue	254,335	254,335	100.00
Miscellaneous	0	1,938	0.00
TOTAL REVENUES	1,234,911	1,271,741	102.98

Fund Reconciliation Narrative

[INTERGOVERNMENTAL REVENUES] – Headwaters Apartments net operating income exceeded the amount anticipated during FY 2011-12.

Portland Housing Bureau - FY 2012-13 Fall BMP

Decision Package Status Update

Dec Pkg	Description	FTE	GF Ongoing	GF One Time	Other Rev	Total	Status Update
ADOPTED BUDGET ADD PACKAGES							
HC_04	Homeownership Programs & Services Funding for homeowner and homebuyer support programs substantially targeted to minority communities.	-	0	250,000	0	250,000	Funds were contracted with five nonprofit providers and 96% of the \$250,000 was spent. Activities are 100% complete and client-level outcome data through the end of 11/12 was received and reported in the bureau's 11/12 Dashboard.
HC_05	Housing Access Services Funding for programs providing information & referral, as well as advocacy and case management for low-income renters confronting homelessness, eviction, housing discrimination and unhealthy housing conditions.	-	0	456,300	0	456,300	Funds were fully contracted with three nonprofit providers and activities are 100% complete. Client-level outcome data was received through the end of the contract year (6/30/2012). All outcomes and goals met or exceeded contracted expectations, with the exception of the goal of number of Portland residents assisted with shared housing situations, which served slightly fewer households than anticipated (goal: 175; served: 168).
HC_06	Shelter & Emergency Services Funding for the three types of shelters PHB invests in -- year-round, winter and severe weather.	-	0	1,734,000	0	1,734,000	Funds were fully contracted with seven nonprofit providers and Multnomah County, and activities are 100% complete. Client-level outcome data was received through the end of the contract year (6/30/12). All outcomes and goals met and/or exceeded contracted expectations.
HC_02	Prevention & Rapid Re-housing Funding for this highly effective tool to prevent eviction, to keep people housed, and to rapidly end homelessness for most families or individuals.	-	0	1,900,000	0	1,900,000	Funds were fully contracted with three nonprofit providers, Multnomah County and Home Forward. Home Forward administers the Short Term Rent Assistance program through subcontracts with nineteen community-based nonprofit providers, including eight culturally-specific providers. Activities are 100% complete. Client-level outcome data was received through the end of the contract year (6/30/2012). All outcomes and goals met and/or exceeded contracted expectations.
HC_01	Bud Clark Commons Operating Costs Funding for Bud Clark Commons operating costs.	-	0	390,000	0	390,000	Funds were fully contracted to one nonprofit provider and Home Forward. Activities are 100% complete. Client-level outcome data was received through the end of the contract year (6/30/12). All outcomes and goals met and/or exceeded contracted expectations.

Portland Housing Bureau - FY 2012-13 Fall BMP

Decision Package Status Update

Dec Pkg	Description	FTE	GF Ongoing	GF One Time	Other Rev	Total	Status Update
HC_08	Portland Plan: In-Depth Housing Strategy Funding for development of a 25-year comprehensive housing policy reflecting the goals of the Portland Plan and the PHB Strategic Plan.	-	0	150,000	0	150,000	\$13k was used in FY 2011/12 to pay fellowship costs to hire a Portland State fellow to work on community engagement and outreach for the housing strategy project. \$137k was carried forward into FY 2012/13 to continue the project and contract services to complete the project. Of this, \$10k was transferred in an IAA to BPS for GIS mapping services; \$32k is being contracted with the Housing Development Center to complete an update of the Central City Housing Inventory; \$50k is being released in an RFP to contract for community involvement with under-represented communities through the City's DCL program; \$4k is being transferred to METRO for use of their Opt-In system to survey on housing preferences; and the remainder will be used to hire economic development consultants to assist in development of the strategy.
HC_12	OMF I/A Adds	-	0	3,592	0	3,592	These interagency increases were reflected in PHB's FY 2011/12 interagency appropriations.

Portland Housing Bureau - FY 2012-13 Fall BMP

Decision Package Status Update

Dec Pkg	Description	FTE	GF Ongoing	GF One Time	Other Rev	Total	Status Update
ADOPTED BUDGET REDUCTION PACKAGES							
HC_11	OMF I/A Reductions	-	(6,010)	0	0	(6,010)	These interagency savings were reflected in PHB's FY 2011/12 interagency appropriations.
HC_09	1.5% Reduction This reduction package includes a true ongoing component comprising of staffing reductions in addition to the one-time reduction of ongoing General Fund discretionary. The bulk of the reduction is to various contracts in the Shelter & Emergency Services area, and a small reduction in non-profit sponsorships. The bureau is continuing staffing reductions that occurred in FY 2010-11. Three of the positions identified for reduction in FY 2011-12 include a General Fund funding component; however the General Fund portion of funding is very small compared to CDBG and TIF.	(3.00)	(92,658)	0	(86,628)	(179,286)	Shelter & emergency services contract and non-profit sponsorship budgets were reduced in FY 2011/12. Additionally, the following positions were eliminated: a vacant Senior Administrative Specialist providing support to the Ending Homelessness Team; a Business Systems Analyst that supporting the Asset Management & Loan Servicing team; and a Program Manager on the Policy and Planning team. Duties of these three positions have been absorbed by existing staff or through data system consolidation and improvement.
HC_10	Staffing Reductions Due to a forecast decline in housing development resources, the bureau is continuing staffing reductions that occurred in FY 2010-11. This package includes the reduction of six positions.	(6.00)	0	0	(249,016)	(249,016)	The following positions were eliminated: a vacant Senior Community Outreach & Information Representative on the Planning & Policy team; a vacant Program Coordinator position on the Housing Access & Stabilization team; a vacant Program Coordinator and two filled Housing Development Finance Coordinator positions on the Housing Development team; and a Senior Community Outreach & Information Representative on the Neighborhood Housing team. PHB has addressed the service impact of these reductions in two ways. First, certain functions have been absorbed by other bureau personnel. Second, bureau organization and business processes have been redesigned in response to the shifting focus and nature of PHB's work.

Portland Housing Bureau - FY 2012-13 Fall BMP

Decision Package Status Update

Dec Pkg	Description	FTE	GF Ongoing	GF One Time	Other Rev	Total	Status Update
FY 2011/12 MID-YEAR PACKAGES							
HC_004	Fall BMP - General Fund Carryover \$494k carried forward to provide funding for contracts with JOIN and New Avenues For Youth to complete services under the "Mayor's Homeless Emergency Funding" decision package. The remaining \$85k will provide funding for seven contracts continuing into FY 2011/12 (e.g., Red Cross Emergency Shelter, Home Forward).	-	0	579,022	0	579,022	The majority (\$494k) of the carried over budget supported the completion of the "Mayor's Homeless Emergency Funding" decision package. Funds were fully contracted to two nonprofit partnerships selected through a competitive RFP process. Activities are 100% complete (contracts began in October and November, 2010). While spending was on-time for completion within the original one-year contract duration, providers indicated that greater program success would be possible within existing program budgets if PHB allowed slightly longer contract durations. PHB extended both contracts through June 30, 2012. PHB provided a full update to City Council on 04/20/2011. Client-level outcome data was received through the end of the contract term (6/30/12). Actual outcomes and goals exceeded contracted expectations.
HC_007	FY 11/12 - Spring BMP Occupy Portland Expenses \$7,871 allocation of one-time General Fund resources to reimburse JOIN for expenses incurred while providing services to vulnerable and mentally ill individuals during the Occupy Portland protests.	-	0	7,871	0	7,871	PHB reimbursed JOIN for the expenses incurred in the course of providing services to vulnerable and mentally ill individuals during the Occupy Portland protests.

Portland Housing Bureau - FY 2012-13 Fall BMP

Service Improvement Plan Update

#	Description	Status Update
1	Review and update lending and asset management guidelines. Together with its housing industry partners, PHB is undertaking a careful examination of the process, guidelines and products it uses to underwrite housing projects and manage existing community housing assets for long-term viability. This initiative will improve transparency and service to customers, ensure that investments balance policy objectives against prudent fiscal practices, and maintain a healthy and sustainable portfolio that will serve generations of Portlanders. Success of the lending and asset management guidelines initiative will be measured by the financial health of the portfolio and by a survey of borrowers to measure customer service improvement.	PHB has completed a substantial portion of the work in this area and will continue progress in FY 2012-13. As part of the loan guidelines work, PHB and OMF have begun discussions to address PHB's loan portfolio balances and loan repayments. PHB staff is currently working on a charge off ordinance which will enable PHB to right size it's portfolio. Success of the lending and asset management guidelines initiative will be measured by the financial health of the portfolio and by a survey of borrowers to measure customer service improvement. This initiative is scheduled for completion by June 30, 2013.
2	Implement a comprehensive, integrated PHB business and data system. PHB is currently procuring a vendor and set of system products to upgrade and unify existing systems through which the bureau originates and services housing loans, conducts asset management and compliance functions, and produces and analyzes investment and programmatic outcome data. Successful implementation of the new system is critical to provide timely and accurate information internally and externally to borrowers, community contractors, regulators, auditors, and the public. The new business system will improve customer service to borrowers and contractors, enhance PHB's ability to analyze the impact of its programs and investments and provide for effective portfolio and asset management. Success of the business system initiative will be measured by customer service surveys and by the level of improvement to - and expansion of - PHB's new online production report.	The Housing Development Software (HDS) project implementation is on track. The Funds Management and Single Family modules have been implemented. Multi-Family and Asset Management module workflow definitions have been drafted and system configuration is well underway. Loan Servicing data conversion data files have been provided to the vendor, and PHB is updating the data based on HDS feedback. In the coming months PHB will continue to configure the Multi-Family module. The initial Loan Servicing data conversion by HDS and validation by PHB will be completed. The Bureau will continue manual cleanup and entry of Asset Management data files into the system.

Portland Housing Bureau - FY 2012-13 Fall BMP

Service Improvement Plan Update

#	Description	Status Update
3	Establish and achieve equity targets for how the community utilizes PHB-supported housing programs and participates in the economic opportunities PHB's investments create. PHB will set and exceed clear, measurable targets for utilization of PHB-supported programs by subpopulations. PHB will also set measurable targets for contractor and sub-contractor participation. The bureau is currently developing strategies to set and achieve performance targets in the upcoming year with its Equity and Diversity Council, the PHAC, and community partners. The achievement of this goal will be measured by comparing utilization and participation data over FY 2011-12 to established targets and current year data that is published and tracked in the bureau's production report.	Targets for utilization of PHB-supported programs for FY 2012-13 contracts are being developed utilizing 2011-12 program outcomes data, compared with rates of poverty, disaggregated by race/ethnicity. PHB contract managers use the data comparison showing disparate access for some communities in discussions with subrecipient contractors to establish strategies to improve access, as a contract deliverable. Progress will be measured through review of outcomes data with contractors quarterly. PHB is reviewing data on housing developments funded from 2008-2011 with housing industry group Oregon Opportunity Network, and works collaboratively to develop a framework for scoring 2012 proposals that specifies broader equity outcomes desired from PHB investments (i.e., beyond MWESB construction contracting utilization). The framework addresses equity in: the sponsoring organization; the development being proposed; the fair housing access and successful outcomes of residents; and the ongoing operation of the project; and creates a "menu" of ways an org can respond to PHB's Equity Agenda. The framework will be used for PHB's Fall 2012 Notice of Funding Availability (NOFA), where sponsors will compete for \$25M in housing development funding. Responses in the equity section of the scoring will make up 25% of the score, and must meet a threshold score to be considered.

Portland Housing Bureau

Performance Measures

Performance Measure	Type	FY 2010-11 Year-End Actuals	FY 2011-12 Year-End Actuals	FY 2012-13 Revised Budget	FY 2013-14 Performance No Dec Pkg	FY 2013-14 Performance With Dec Pkg
HC_0037 - Number of Households receiving homebuyer education or counseling	WORKLOAD	1,384	1,919	1,385	0	0
HC_0038 - Number of households receiving homebuyer education/counseling and purchasing homes	EFFECTIVE	282	345	285	0	0
HC_0049 - Number of households served in emergency shelters	WORKLOAD	1,635	2,294	1,640	0	0
HC_0050 - Percent of exits from shelter into stable housing	EFFECTIVE	31%	38%	30%	0%	0%
HC_0053 - Number of households served in interim housing	WORKLOAD	338	369	300	0	0
HC_0054 - Percent of households exited from interim housing into longterm assisted housing with support services	EFFECTIVE	61%	64%	61%	0%	0%
HC_0055 - Average length of stay in transitional housing (in days)	EFFICIENCY	254	265	255	0	0
HC_0057 - Number of households receiving rent assistance and eviction prevention	WORKLOAD	1,373	2,130	1,475	0	0
HC_0061 - Number of households receiving placement rent assistance	WORKLOAD	1,713	1,938	1,825	0	0
HC_0062 - Percent of households receiving placement assistance retaining longterm assisted housing with supportive services at 6 mos	EFFECTIVE	86%	96%	85%	0%	0%
HC_0063 - Percent of households receiving placement assistance retaining longterm assisted housing with supportive services at 12 mos	EFFECTIVE	76%	93%	75%	0%	0%
HC_0064 - Number of households residing in longterm assisted housing with supportive services	WORKLOAD	728	381	1,165	0	0
HC_0065 - Percent of households exited into longterm assisted housing with supportive services	EFFECTIVE	71%	35%	71%	0%	0%
HC_0069 - Vacancy Rate of Units Built 0 to 60% MFI	EFFECTIVE	5%	5%	5%	0%	0%
HC_0070 - Rental units built affordable for 0 to 60% MFI	WORKLOAD	92	125	100	0	0
HC_0072 - Rental units built affordable for 61+ to 100% MFI	WORKLOAD	5	0	5	0	0
HC_0074 - Homeownership units built	WORKLOAD	142	147	140	0	0
HC_0076 - Number of owner occupied home repair loans	WORKLOAD	41	37	35	0	0
HC_0081 - Rental Rehab Units 0 to 60% MFI	WORKLOAD	181	203	180	0	0
HC_0082 - Number of Sub-recipient Contracts Processed	WORKLOAD	93	92	90	0	0
HC_0083 - Admin Costs As a % Of Bureau Level Budget	EFFICIENCY	7%	8%	8%	0%	0%
HC_0084 - # of Users Trained And Supported In PHB Data Systems	WORKLOAD	859	900	900	0	0
HC_0085 - % PHB Data Users Providing Accurate & Timely Data	EFFECTIVE	85%	91%	90%	0%	0%
HC_0086 - # of Housing Assets Monitored	WORKLOAD	315	315	315	0	0
HC_0088 - Number of homeownership units assisted by limited tax exemptions	WORKLOAD	137	107	135	0	0
HC_0089 - Number of Units assisted by SDC waivers	WORKLOAD	143	104	145	0	0
HC_0090 - Average investment per household for elderly/disabled receiving small home repairs	EFFICIENCY	\$1,136	\$1,130	\$1,140	\$0	\$0
HC_0091 - Investment per affordable housing unit	EFFICIENCY	\$27,078	\$41,000	\$30,000	\$0	\$0
HC_0092 - Expiring Section 8 rental units preserved affordable for 0-60 MFI	EFFECTIVE	156	144	150	0	0
HC_0093 - Investment per expiring Section 8 housing unit preserved	EFFICIENCY	\$21,250	\$19,926	\$25,000	\$0	\$0
HC_0094 - Investment per affordable unit rehabilitated	EFFICIENCY	\$21,518	\$20,000	\$25,000	\$0	\$0

Portland Housing Bureau

Performance Measures

Performance Measure	Type	FY 2010-11 Year-End Actuals	FY 2011-12 Year-End Actuals	FY 2012-13 Revised Budget	FY 2013-14 Performance No Dec Pkg	FY 2013-14 Performance With Dec Pkg
HC_0095 - Average length of rent assistance, eviction prevention in days	EFFECTIVE	121	181	121	0	0
HC_0096 - Investment per household for owner occupied home repairs	EFFICIENCY	\$13,292	\$13,466	\$13,000	\$0	\$0
HC_0097 - Number of households attending homebuyer fairs	WORKLOAD	810	964	810	0	0
HC_0098 - Number of elderly/disabled households receiving small scale home repairs	WORKLOAD	1,510	1,500	1,500	0	0

Performance Measure Variance Descriptions

HC_0037 & HC_0038 - Agencies conducting homebuyer education and counseling transitioned to a new data-tracking system. This has resulted in improved data quality, which has revealed that prior counts were understated.

HC_0049, HC_0057 & HC_0061 - PHB underestimated FY 2011/12 projections of clients served.

HC_0064 & HC_0065 - Federally-required changes in tracking database and methodology have increased counts of clients served.

HC_0070 - Construction pipeline for 0 to 60% MFI projects stronger than anticipated.

Portland Housing Bureau - FY 2012-13 Fall BMP

General Fund Encumbrance Carryover Request

Vendor Name	Purchase Order	Encumbrance Carried Forward	Amounts Accrued Back	Net Available To Request	Requested Amount
American Red Cross	22032402	46,680	-	46,680	46,680
Ball Janik LLP	22071686	4,205		4,205	1,705
	22072561	4,800		4,800	2,400
Human Solutions Inc	22077572	83,814	(25,362)	58,451	58,451
Salvation Army	22078754	128,675	(65,703)	62,972	62,972
Cascadia Behavioral Healthcare	22078756	125,363	(73,243)	52,121	52,121
Home Forward	22083972	359,267	(238,306)	120,961	113,190
Multnomah County*	22081933	8,333	(2,684)	5,648	5,648
Other GF Encumbrances	Multiple	663,460	(559,346)	104,114	-
Total		1,424,597	(964,644)	459,952	343,167

** Although amendment to contract funds with Multnomah County was executed in May 2012, the purchase order was not encumbered until early July 2012.*