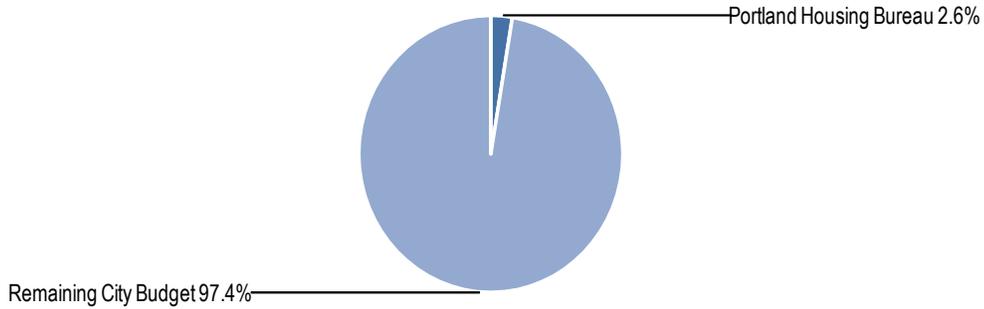


# Portland Housing Bureau

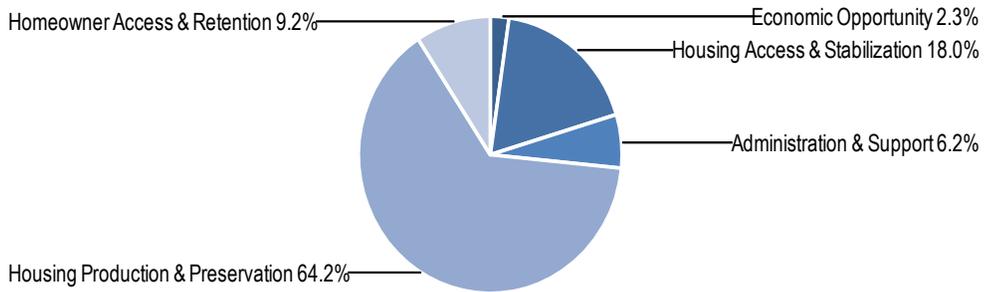
Community Development Service Area

Dan Saltzman, Commissioner-in-Charge  
Director Position Is Vacant

**Percent of City Budget**



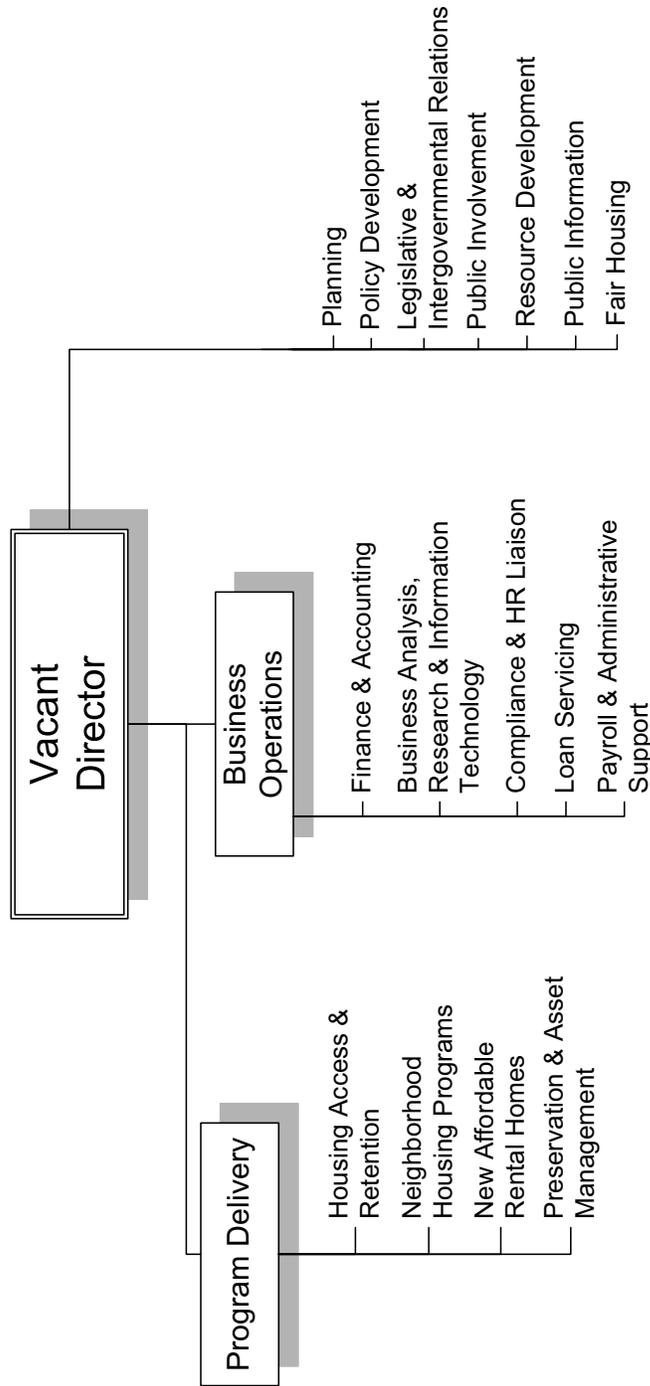
**Bureau Programs**



**Bureau Overview**

Requirements	Revised FY 2014-15	Adopted FY 2015-16	Change from Prior Year	Percent Change
Operating	67,588,011	96,697,921	29,109,910	43.07
Capital	0	0	0	0.00
<b>Total Requirements</b>	<b>67,588,011</b>	<b>96,697,921</b>	<b>29,109,910</b>	<b>43.07</b>
Authorized Positions	56.92	56.92	0.00	0.00

# Portland Housing Bureau



## **Bureau Summary**

### **Bureau Mission**

The mission of the Portland Housing Bureau (PHB) is to solve the unmet housing needs of the people of Portland. The bureau accomplishes its mission by building and preserving quality, affordable housing; supporting programs that help low-income Portlanders find, rent, buy, retain and repair their homes; bringing together our partners and leading them to assess the city's housing needs, choose sustainable solutions to efficiently meet them, and identify how to pay for them; and reaching out to communities of color to ensure their participation in the economic opportunities that quality housing investments create.

### **Bureau Overview**

The Portland Housing Bureau is responsible for several sources of public funds for investments in quality, affordable housing. Program investments span the continuum of housing services and include programs to prevent and end homelessness, develop rental housing for low-income individuals and families, and provide targeted homeownership and home retention programs. Funds come from three major sources: tax increment financing (TIF) that directs at least 30% of all tax increment financing expenditures to affordable housing under City policy; City General Fund; and federal funds.

The Housing Bureau's federal funding comes from the U.S. Department of Housing and Urban Development (HUD) in the form of both entitlement grants (predominantly the Community Development Block Grant and HOME) and competitive grant funds. The bureau deploys these resources in alignment with its 2011-2013 Strategic Plan as loans and grants for capital construction of new or rehabilitated housing, and for the delivery of homeless services that support the needs of Portland's most vulnerable residents.

The Portland Housing Advisory Commission advises both the bureau and City Council on strategic priorities, alignment opportunities, and trade-offs inherent in the expenditure of public funds. Although the commission does not have an explicit decision-making role, the commission helped shape the bureau's Strategic Plan and also serves as the bureau's budget advisory committee.

In addition to making programmatic investments, the bureau leads local policy and planning efforts to improve alignment with state and local government partners working to prevent homelessness and support economic stability. The Portland Housing Bureau has proactively engaged with partners to critically review data, streamline its systems, and find efficiencies. As part of federal planning and reporting requirements, the Portland Housing Bureau works closely with its jurisdictional partners to perform joint federal funding oversight, Fair Housing analysis and policy recommendations, and community needs and priorities hearings. As part of its work with Multnomah County, the bureau seeks to align its priorities and maximize funding leverage.

The bureau aspires to deliver cost-effective, sustainable strategies to meet the housing needs of vulnerable and low-income Portlanders. In modeling good government practices, the bureau engages the communities it serves and makes data-driven decisions that result in cost-effective investments with maximum public benefits. Some examples of these processes include A Home for Everyone: A United Community Plan to End Homelessness in Multnomah County, and the bureau's Equity Agenda.

Equity is woven throughout bureau policy and operations. The bureau's equity agenda recognizes and responds to the historic and institutional barriers to accessible housing, homeownership, and economic stability experienced by communities of color. The Portland Housing Bureau seeks to place a greater reliance on community-validated data to understand unmet needs, and to intentionally hold itself and partners accountable for removing barriers and serving members of minority communities equitably.

## Strategic Direction

The Portland Housing Bureau continues to implement its Strategic Plan. The Strategic Plan focuses on four core goals:

- ◆ Meet Portland's need for quality, affordable homes for its residents;
- ◆ Ensure equitable access to housing;
- ◆ Develop, leverage, and allocate housing funds to meet needs, sustain assets, and strengthen the housing industry; and
- ◆ Build a strong, dynamic Housing Bureau that provides the highest level of leadership and service to customers, stakeholders, employees, and the community.

Through its strategic planning work, the bureau has adopted and aligned its budget with four priorities for investments:

- ◆ **Priority One:** Provide more rental housing for the most vulnerable families.
- ◆ **Priority Two:** Move people quickly from homelessness to permanent housing while preventing families on the brink from losing their homes.
- ◆ **Priority Three:** Help Portlanders from communities of color buy a home or keep the home they already own.
- ◆ **Priority Four:** Maintain a community safety net that provides short-term shelter, and information and referral services that help low-income Portlanders facing homelessness or housing crisis.

In addition to the strategic priorities above, in the coming fiscal year the bureau will implement several key strategies to further its goals and priorities:

- ◆ The development and publishing of an annual State of Housing in Portland report that assesses households, housing stock, and access to affordable housing for Portland residents, to be used to inform budget and programming decisions;
- ◆ The continued development of strategies to leverage private units and private market development to increase the supply of quality, affordable housing units;
- ◆ Reexamine the City's density bonus and transfer scheme, making modifications to better incentivize affordable housing development in high opportunity neighborhoods; and

- ◆ The creation and implementation of new policy and programming in north/northeast Portland to mitigate involuntary displacement and gentrification.

## Summary of Budget Decisions

### Add Packages

#### **North/Northeast Portland Ownership Retention Program**

This package includes \$850,000 one-time General Fund to fund loans and grants for home repairs for homeowners in north/northeast Portland. The Homeownership Retention program will target N/NE Portland households whose homes are located outside the Interstate Corridor URA. Funds for this program would be used in two ways: 1) zero percent interest loans of up to \$40,000 per home to provide critical home repairs for low-income homeowners up to 80% of median family income; or, 2) grants of up to \$5,000 per home to provide home repairs to seniors and people with disabilities up to 50% median family income. The bureau expects to be able to reach at least 50 homeowners at a cost of \$850,000.

#### **Equity and Complete Neighborhoods: Opportunity Fund**

This package includes \$2,500,000 in one-time General Fund to attract additional investment to match the City's investment in citywide affordable housing development. Development funds will all be leveraged with private and public capital resources, including tax credits, grants, bonds, and lending.

#### **Home for Everyone Coordinating Board**

This package includes \$47,296 in one-time General Fund will support the A Home for Everyone executive committee priority for a limited-term Initiative Director position. This investment is matched by support from Multnomah County.

#### **Veterans Rent Assistance**

This package provides \$500,000 in one-time General Fund to allow for the full implementation of the A Home for Everyone work plan to end Veterans' homelessness by supporting an estimated 173 housing placements. In addition to leveraging federal Veterans Affairs Supportive Housing vouchers, new resources will be available for rent assistance and housing placements for homeless Veteran households that are ineligible for U.S. Department of Veterans Affairs services. This package may positively impact the retention rate of households placed in permanent housing at 12 months, one of the bureau's key performance measures.

#### **Maintain Women's Winter Shelter Year-round**

This packages provides \$750,000 in one-time General Fund to maintain winter shelter capacity year-round as part of the action plan for A Home for Everyone initiative. These resources add to the \$272,000 base budget in PHB's FY 2015-16 Requested Budget. The resources will allow two women's shelters to extend 115 spaces of emergency shelter beyond the winter season, and provide resources for additional placement staffing and supportive services.

#### **Landlord Recruitment and Retention**

This package provides \$300,000 in one-time General Fund will create a flexible landlord incentive program as part of the action plan for A Home for Everyone initiative. The funding for the program will support three full-time staff and \$100,000 incentive funding to facilitate the recruitment and retention of landlords that rent to tenants with Section 8 vouchers and locally funded rent subsidies.

### **Intensive Street Engagement and Clean-Up Initiative**

\$1,025,000 in one-time General Fund will support an initiative targeting homeless populations camping in public spaces. The initiative will fund services provided by community-based organizations. Mobile trash pick-up will account for approximately \$101,306 to fund a full-time two-person crew, as well as materials and supplies. The remaining \$923,694 will support a collaboration between police and social service providers. This collaboration proposes to serve 50 households through three housing placement staff (\$195,000), housing subsidies (\$500,000), and additional support services (\$228,694).

### **Budget Note**

#### **Rental Inspection Fee**

Council directs the Portland Housing Bureau and the Bureau of Development Services to work together to develop recommendations regarding the feasibility of a rental inspection fee to support the current Enhanced Rental Inspections Program, including an enhanced model of rental inspections and increased landlord and tenant education and outreach. The bureaus will present a recommendation to Council for consideration by January, 2016.

## Administration & Support

<b>Description</b>	<p>The Administration &amp; Support program is comprised of the Director's Office and the Business Operations division.</p> <p><b>Director's Office</b></p> <p>The Director's Office includes policy, planning, public information, resource development, legislative and intergovernmental affairs, and executive level support. The director has six direct reports: the Assistant Housing Director responsible for Housing Programs; the Business Operations Manager; two management analysts leading policy, equity and legislative efforts; the Public Information Officer; and an executive assistant.</p> <p><b>Business Operations Division</b></p> <p>The Business Operations division includes Finance &amp; Accounting, Loan Servicing, Human Resources, Information Technology, Data Analysis &amp; Research, Compliance, and Administrative Support. These functions ensure that the service delivery teams have adequate information and support to carry out their functions in the most efficient and effective means possible.</p>
<b>Goals</b>	<p>The goals of the Director's Office include:</p> <ul style="list-style-type: none"><li>◆ Providing long-range vision and overall direction for Portland's affordable housing investments;</li><li>◆ Ensuring the bureau advances goals, strategies, and investment priorities from the Strategic Plan, with a focus on advancing the bureau's equity agenda;</li><li>◆ Working collaboratively with a wide range of partners to solve the unmet housing needs of the people of Portland;</li><li>◆ Ensuring that future policy and implementation decisions of the bureau improve housing access and economic opportunities for traditionally under-served populations; and</li><li>◆ Providing effective internal and external communications.</li></ul> <p>The goals of the Business Operations division include:</p> <ul style="list-style-type: none"><li>◆ Ensuring that administrative functions are delivered consistently, reliably, and effectively;</li><li>◆ Providing strong financial and accounting services;</li><li>◆ Delivering excellence in compliance;</li><li>◆ Supporting the bureau's equity goals through internal business practices, quality data, contract goals, and publications on the website;</li><li>◆ Strengthening data collection, data analysis, and data reporting through maximizing the use of all information technology systems;</li><li>◆ Ensuring timely, confidential, and supportive human resource services; and</li><li>◆ Informing the bureau on current housing needs, market and equity data to direct policies and practices.</li></ul>

# Portland Housing Bureau

## Community Development Service Area

### Performance

Performance goals for the Administration & Support program are focused on improving customer service relationships, using a data-driven approach to bureau policy and decision making, and managing administrative costs. The administrative costs metric below shows variability from year to year. This is because, although PHB's administrative costs remain relatively stable, there is significant variability in overall bureau expenditures from year to year due predominantly to the limited predictability of affordable housing project development cycles.

### Changes to Services and Activities

The Director's Office and Business Operations will collaborate with bureau program delivery teams on the second phase of the State of Housing Report.

FTE & Financials	Actual FY 2012-13	Actual FY 2013-14	Revised FY 2014-15	Proposed FY 2015-16	Adopted FY 2015-16
FTE	35.53	30.11	30.20	29.66	30.09
<b>Expenditures</b>					
Administration & Support	1,131,723	945,461	673,576	576,567	616,295
Asset Management	426,678	30	0	0	0
Business Services	3,604,053	3,610,637	4,895,850	4,509,268	4,590,477
Director's Office	227,488	280,723	694,117	682,793	682,793
Planning & Policy	738,464	724,731	0	0	0
<b>Total Expenditures</b>	<b>6,128,406</b>	<b>5,561,582</b>	<b>6,263,543</b>	<b>5,768,628</b>	<b>5,889,565</b>

Performance	Actual FY 2012-13	Actual FY 2013-14	Yr End Est. FY 2014-15	Base FY 2015-16	Target FY 2015-16
<b>Key Performance Measure</b>					
Percentage utilization of minority contracts in housing construction (contract \$ awarded)	NA	15%	15%	15%	15%
<b>Effectiveness</b>					
Percentage utilization of minority, women, and emerging small business contracts in housing construction (contract \$ awarded)	NA	20%	20%	30%	30%
<b>Efficiency</b>					
Administrative costs as a percentage of bureau level budget	9%	14%	10%	6%	6%

## Economic Opportunity

<b>Description</b>	City Council transferred the Economic Opportunity Initiative (EOI) to the Portland Development Commission (PDC) in July 2009. As part of the initiative, PHB passes Community Development Block Grant (CDBG) funds to PDC to support programs and services in three categories: adult workforce, youth workforce, and microenterprise. General Fund resources are budgeted directly in the PDC allocation.
<b>Goals</b>	The City has invested in youth and adult workforce development, and microenterprise services since 2004 through EOI. PDC administers the microenterprise component and contracts with seven community agencies to provide services. Worksystems, Inc. administers the adult and youth workforce components and contracts with thirteen community agencies to provide services. The goals of this program are to raise the incomes of very low-income Portland residents through workforce and microenterprise development, focusing on reaching participants who often face multiple barriers to employment, including but not limited to: homelessness, limited English proficiency, criminal histories, drug and alcohol addictions, and lack of educational credentials and basic job preparation skills.
<b>Performance</b>	Refer to PDC's FY 2015-16 budget for narrative describing program performance.
<b>Changes to Activities and Services</b>	The CDBG allocation to programs is comparable to prior years, with the reduction from FY 2013-14 to FY 2014-15 resulting from the carryover of prior-year unspent resources in that year, and a 10% reduction in the overall City's CDBG allocation being applied to the programs.

FTE & Financials	Actual FY 2012-13	Actual FY 2013-14	Revised FY 2014-15	Proposed FY 2015-16	Adopted FY 2015-16
FTE	0.05	0.06	0.09	0.09	0.09
<b>Expenditures</b>					
Economic Opportunity	635,406	5,667	7,896	11,760	11,760
Microenterprise Growth	301,918	563,734	503,174	0	0
Workforce Development	749,612	1,843,377	1,782,926	2,181,100	2,141,840
<b>Total Expenditures</b>	<b>1,686,936</b>	<b>2,412,778</b>	<b>2,293,996</b>	<b>2,192,860</b>	<b>2,153,600</b>

## **Housing Access & Retention**

### **Description**

The bureau's Housing Access & Retention team (HART) creates housing stability for thousands of households per year by investing in programs and coordinating community initiatives. Last year, with City and other funds, HART helped more than 12,000 families and individuals by preventing or ending their homelessness, supporting their transition to greater housing stability, and enabling them to secure permanent homes. This included children and their parents, unaccompanied youth, Veterans, and disabled men and women.

The HART annual budget is comprised of City General Fund, as well as federal grants from the U.S. Department of Housing and Urban Development (HUD). They include: Continuum of Care (CoC), Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnerships Program (HOME), and Housing Opportunities for Persons with AIDS (HOPWA). Funds are contracted to 16 nonprofit and public agencies to provide a comprehensive range of services that meet the needs of people experiencing homelessness or housing instability from street outreach to permanent housing placement. Services fall into four categories:

- ◆ Housing access
- ◆ Homeless rapid re-housing
- ◆ Supportive housing
- ◆ Shelter and emergency services

Supportive housing, housing placement and street outreach, short-term rent assistance, benefits acquisition, and housing retention services are examples of strategies proven to help people experiencing homelessness achieve housing stability and self-sufficiency. Bureau partners are contractually obligated to ensure equitable outcomes for clients from communities of color. Contractors are experts at serving people with barriers to housing such as mental health issues, criminal convictions, health challenges, and multiple episodes of homelessness.

HART increases influence in the broader community through:

- ◆ Innovative planning and partnership building with stakeholders to respond to changing community needs and trends;
- ◆ Coordination with jurisdictional partners to promote systems change and improve policies and practices to quickly end people's homelessness; and
- ◆ Data review, program evaluation, grant reporting, and analysis.

### **Goals**

HART is fully aligned with the priorities and goals of *A Home for Everyone*, the community's plan to end homelessness for Portland/Multnomah County, adopted by City Council and the Multnomah County Commission in March 2013.

This plan created a governing body, the Home for Everyone Coordinating Board, which is responding to current challenges, seizing new opportunities, and incorporating what has been learned from past efforts. That Coordinating Board and its Executive Committee, with leadership from local jurisdictions, developed a comprehensive action plan in spring 2015 and has begun implementation. The action plan recommends investments in the most effective strategies to reduce homelessness by 50% by 2017, in addition to ensuring that no families, women, or adults with disabilities are unsheltered by the January 2017 homeless street count.

**Performance**

HART continues to measure the performance of its contracts by requiring that providers report performance data disaggregated by demographic. Contract monitoring through an equity lens aims to improve services to populations overrepresented in homeless statistics. HART performance measures and other metrics, as recorded through the Homeless Management Information System and the 2013 and 2015 Point-in-Time Counts, indicate demand for homeless services. Program efficiencies in moving clients from shelter to housing were gained in the past year, with the average length of stay in emergency shelter decreasing from 59 days to 23.9 days. However, given the challenging rental market, PHB expects that this rate will rise in FY 2015-16. All programs continue to demonstrate effectiveness, with 78% of households receiving short-term rent assistance retaining their housing at 12 months. Also, the number of individuals who have been homeless for a year or less decreased slightly from 790 individuals (2013 Point-in-Time Count) to 779 individuals during 2015 Point-in-Time Count, showing that programs have been able to provide services quickly by at least maintaining consistent placement of homeless households in permanent housing, as targeted.

In FY 2015-16, HART performance will be measured through six key indicators:

1. Total number of homeless households placed in permanent housing
2. Retention rate of households placed in permanent housing at 6 and 12 months
3. Number of households prevented from becoming homeless (through provision of rent assistance & housing services)
4. Average length of time spent in homeless shelter (All populations)
5. Number of individuals who have been homeless for a year or less.
6. Percentage of households moved from homelessness into housing that subsequently return to homelessness

**Changes to Activities and Services**

In 2013, leadership from the City of Portland, City of Gresham, Multnomah County, and Home Forward created a renewed plan for ending homelessness in our community. This plan is called *A Home for Everyone: A United Community Plan to End Homelessness in Multnomah County*. The plan chartered a new coordinating board to provide shared oversight of our community's work to end homelessness. The board is led by an executive committee, comprised of elected officials from Portland, Gresham and Multnomah County, as well as leadership from Home Forward and Meyer Memorial Trust. In FY 2015-16, at least 2.25 FTE PHB staff, 1.0 FTE fully funded by a HUD planning grant, will continue supporting the work of the Executive Committee and Coordinating Board.

PHB staff will implement a community plan to coordinate access to services for adults experiencing homelessness. Over the next 12-18 months, the goal is to integrate access among family, youth, adult, and Domestic Violence services. PHB staff will also continue leading a community-wide stakeholder group, Operation 424, which includes the US Department of Veterans Affairs, Multnomah County, Home Forward, nonprofits, local businesses, and advocates to house all homeless Veterans before the end of 2015.

# Portland Housing Bureau

## Community Development Service Area

From a budgetary perspective, there are two significant changes. First, this program's budget is increasing as compared to FY 2012-13. The primary contributors to this are the \$1.7 million Operation HOME funding expended in FY 2013-14 and FY 2014-15 and the \$2.6 million awarded via decision package for FY 2015-16. Second, in order to simplify contract management and service delivery by sub-recipients, the bureau has replaced CDBG resources in the homeless services area with HOME and General Fund resources shifted from the affordable housing development and homeownership budgets.

FTE & Financials	Actual FY 2012-13	Actual FY 2013-14	Revised FY 2014-15	Proposed FY 2015-16	Adopted FY 2015-16
FTE	3.12	3.79	4.18	4.19	4.19
<b>Expenditures</b>					
Homeless Rapid Re-housing	2,576,359	2,435,491	3,815,503	4,080,887	5,575,979
Homeless Services	0	0	0	1,229,989	0
Housing Access	1,005,775	669,739	682,539	693,286	693,286
Housing Access & Stabilization	256	239	150,000	0	0
Shelter & Emergency Services	5,120,716	4,466,107	4,879,583	4,916,377	4,916,365
Supportive Housing	5,252,996	6,246,458	6,660,421	5,746,473	5,845,420
<b>Total Expenditures</b>	<b>13,956,102</b>	<b>13,818,034</b>	<b>16,188,046</b>	<b>16,667,012</b>	<b>17,031,050</b>
Performance	Actual FY 2012-13	Actual FY 2013-14	Yr End Est. FY 2014-15	Base FY 2015-16	Target FY 2015-16
<b>Key Performance Measure</b>					
Retention rate of households placed in permanent housing at 12 months	76%	77%	70%	70%	70%
Percentage of households moved from homelessness into housing that subsequently return to homelessness	NA	6%	3%	5%	5%
<b>Effectiveness</b>					
Average length of time (days) spent in homeless shelter (All populations)	NA	24	38	35	35
<b>Workload</b>					
Total number of homeless households placed in permanent housing	NA	2,022	2,200	2,200	2,430
Number of households prevented from becoming homeless	NA	2,616	2,600	2,600	2,600
Number of individuals who have been homeless for a year or less	NA	790	790	779	779

## Housing Investment & Portfolio Preservation

<b>Description</b>	<p>The Housing Investment &amp; Portfolio Preservation (HIPP) team is responsible for investments in the development and preservation of affordable housing and the management of those investments. Funding sources for investment activities include Tax Increment Financing (TIF), Housing Investment Fund (HIF), Community Development Block Grant (CDBG), and HOME.</p> <p>The bureau typically uses competitive solicitations to allocate new project funding. In addition to providing long-term affordability for low-income Portlanders, the bureau funds advanced economic development goals by supporting living wage jobs, and minority- and women-owned businesses.</p> <p>Housing developers are required to develop, implement, and report on their efforts to provide minority, women, women, and emerging small business (MWESB) contracting opportunities and must comply with federal and local low-income workforce utilization goals. Overall, in FY 2013-14, bureau partners achieved a 30% MWESB participation rate and a 15% minority participation rate on a total of 12 PHB-funded projects. Over \$61 million dollars were expended, with most projects either meeting or exceeding Social Equity Program goals and/or requirements.</p> <p>HIPP also monitors the City's prior investments in an affordable housing portfolio of nearly 13,000 units through basic compliance monitoring as well as risk analysis. As needed, HIPP also restructures existing investments with partners to help maintain and stabilize properties in the affordable housing portfolio.</p>
<b>Goals</b>	<p>This team has four major goals:</p> <ul style="list-style-type: none"><li>◆ Strategic investment of public resources to create and maintain a Citywide portfolio of affordable housing.</li><li>◆ Prudent structuring of investments through negotiation underwriting and closing in partnership with the City Attorneys office and, as necessary, the Office of Management and Finance.</li><li>◆ Control, oversight, and disbursement of bureau funds before, during, and after project construction.</li><li>◆ Proactive management of bureau investments using analytical tools to guide informed lending decisions, including early assessment of risk.</li></ul>
<b>Performance</b>	<p>An increasingly tight rental housing market has led to an 11% year-over-year increase in rents which in turn has spurred significant higher-end rental development throughout Portland. Rents for newly constructed units in the central city generally range from \$2 - \$3/square foot, or approximately \$1,000 - \$2,000/month, for a one-bedroom apartment. These rents are affordable to households earning approximately 80% to 150% (and above) of area median family income. HIPP performance metrics show the opening of 279 newly affordable units and the rehabilitation and preservation of 288 affordable housing units. All PHB-sponsored rental units are affordable to families with incomes at or below 60%. Fifty-four percent of these units are located in high opportunity areas. (PHB defines high opportunity areas as those with access to transportation, family wage jobs via transit, childhood education, employment density, healthy eating, and active living.)</p>

A rolling three-year-average of unit production shows that the bureau consistently produces several hundred units each year. PHB investment per unit continues to vary depending on the type of affordable housing being developed and the amount of leverage achieved. Analysis of the bureau's housing portfolio indicates that vacancy rates for the portfolio have remained consistently low at 3%. Tenant incomes are currently at an average of \$15,000 per year.

### Changes to Activities and Services

For FY 2015-16, the HIPP team has realigned the way it will track spending on activities. In past years, the bureau's development activities have been organized into three main categories: new construction, acquisition/rehabilitation, and preservation. For this fiscal year, HIPP will categorize its work in two ways: projects or units that are new to the portfolio (regardless of whether they're new construction or acquisition/rehabilitation), and projects or units that are already in PHB's portfolio. This system has two main advantages: it brings the focus to the costs associated with maintaining the portfolio, which has not been thoroughly captured in past years; and, it complements the City's increasing emphasis on infrastructure maintenance and repair.

HIPP will work to implement the Creating Rental Homes and Land Acquisition strategies detailed in the N/NE Neighborhood Housing Strategy, which will include an increased emphasis on contracting with minority- and women-owned firms, and employment of minorities and women on PHB projects. Community outreach and partnering with community-based organizations will also be a key part of this work. PHB expects the first of the N/NE Neighborhood Housing Strategy projects to be implemented will be a mixed-use affordable housing development located on PHB-owned property on NE Martin Luther King, Jr. Blvd, between Cook and Ivy streets. The bureau is making up to \$4.5 million in Interstate Corridor Urban Renewal Area funds available to assist in the development, which is expected to bring 45-70 affordable family-sized units to the site, plus ground-floor commercial space.

PHB also plans to release a notice of funding availability in fall 2015, with project selection expected by the first calendar quarter of 2016. The notice of funding availability will likely advertise both local (Tax Increment Financing) and federal funds (HOME and Community Development Block Grant). Other activities planned for FY 2015-16 include specific processes for properties in the River District and North Macadam URAs, and specific processes using General Fund one-time and Interstate URA resources. Included in these processes are projects to develop family-sized units on Block 26 in the River District, with a number targeted to households earning at or below 30% median family income, as well as a partnership with PDC to develop a minimum of 200 affordable units on Parcel 3 in the North Macadam URA, at least 90 of which will be affordable to households earning 30% median family income or less.

The FY 2015-16 HIPP budget also includes Fair Housing Act resources from the U.S. Department of Housing and Urban Development, which will be focused on helping the City and its jurisdictional partners better understand the changes in barriers to housing choice, ranging from discrimination in housing transactions to the disparate impacts on particular communities that result from local housing policies. The Fair Housing Advocacy Committee will oversee this process, called the Analysis of Impediments to Fair Housing, and the Portland Housing Bureau's Fair Housing funding subrecipients will partner in creating the necessary community outreach and engagement to inform this analysis from the consumer/

tenant perspective. The Fair Housing budget will also continue to support direct advocacy for renters outside of litigation, as well as current programming in legal aid, help lines, referral services, and coordination of housing providers to improve housing choice. This budget also continues funding for a program piloted in FY 2014-15 with the Community Alliance of Tenants non-profit service provider. This \$75,000 will support homelessness prevention efforts by ensuring housing stability for renters with special needs or from vulnerable populations which may be experiencing housing issues that do not require an attorney.

Finally, new General Fund one-time resources of \$2,500,000 have been added to increase or preserve affordable housing, and mitigate displacement, by making ready funds available for opportunities to purchase or build units outside of the bureaus annual funding cycle.

FTE & Financials	Actual FY 2012-13	Actual FY 2013-14	Revised FY 2014-15	Proposed FY 2015-16	Adopted FY 2015-16
FTE	7.41	13.41	13.49	13.89	13.90
<b>Expenditures</b>					
Affordable Housing Restru	0	12,434	10,000	0	0
Fair Housing	(160)	0	0	490,556	491,852
Housing Development Support	735,173	424,332	952,847	903,000	1,833,530
Housing Production & Preservation	945	0	0	0	0
New Construction	23,352,750	5,352,914	13,191,044	0	0
NewAffordableRentalHomes	0	0	0	42,374,171	39,727,992
Preservation	7,763,477	1,997,565	1,427,084	0	0
Preservation & Asset Mgmt	0	0	0	20,848,164	18,626,192
Rehabilitation	6,664,567	2,880,686	15,932,062	0	0
<b>Total Expenditures</b>	<b>38,516,752</b>	<b>10,667,931</b>	<b>31,513,037</b>	<b>64,615,891</b>	<b>60,679,566</b>
<b>Performance</b>					
	Actual FY 2012-13	Actual FY 2013-14	Yr End Est. FY 2014-15	Base FY 2015-16	Target FY 2015-16
<b>Key Performance Measure</b>					
Housing units opened that are newly affordable	131	279	122	251	251
<b>Effectiveness</b>					
Vacancy rate of units built 0% to 60% median family income	5%	3%	3%	3%	3%
Rolling three year average of total units opened and preserved	NA	367	322	403	403
Percentage of housing units opened or preserved in high opportunity areas	41%	54%	45%	50%	50%
<b>Efficiency</b>					
Average investment per rental housing unit	NA	\$31,000	\$35,000	\$35,000	\$35,000

## **Homeowner Access & Retention**

### **Description**

The Homeowner Access & Retention program (HARP) invests in services to help families from communities of color access homeownership opportunities. The program also serves to prevent displacement of long-time community residents by helping current homeowners retain their homes. Support for low-income, first-time homebuyers includes education and counseling as well as financial assistance provided for down payments and closing costs. HARP helps current homeowners retain their homes by funding foreclosure prevention education and counseling.

Funding for home repair grants and loans also helps current low-income homeowners maintain their homes. Programs to improve the condition of existing housing address the impact that housing conditions can have on health. These healthy homes programs include administration of federal funds to reduce lead-based paint hazards in homes with young children. HARP also administers programs that provide incentives for the development of new homeownership opportunities for low- and moderate-income households, including property tax and system development charge exemptions.

### **Goals**

The goals of the Homeowner Access & Retention program include:

- ◆ Increasing the number of new homebuyers from communities of color.
- ◆ Enabling homeownership by providing down payment assistance and closing costs, education, and counseling.
- ◆ Stabilizing vulnerable homeowners by providing foreclosure prevention services.
- ◆ Providing home repair services to current homeowners so they can retain their homes.

### **Performance**

HARP performance measures show an increased demand for services, with the number of households receiving homebuyer education or counseling growing to 2,100 households. Of households receiving services, 27% purchased homes during the year. The program's other workload measures have remained constant or shown slight increases. These increases are primarily driven by program capacity and program output rather than an indication of demand for services.

### **Changes to Services and Activities**

In alignment with the bureau's Strategic Plan, HARP will focus on successfully achieving PHB's equity goals through continued partnerships with culturally-specific organizations, but also by developing minority contracting goals for all construction-related funding. The program will target geographically flexible resources for homeownership and home repair to maximize the opportunities of homeownership and to prevent displacement in communities at risk. HARP will continue to align all available homeownership and home repair resources to fully maximize the effectiveness of limited public resources, anticipating that every dollar invested in homeownership will leverage \$5 in private lending.

HARP will work to implement the homeownership and home retention strategies detailed in the N/N Neighborhood Housing Strategy, which will include an increased emphasis on community outreach, partnering with community-based programs and organizations, and homeownership development. This work will be accomplished with additional Interstate URA resources of \$1.8 million and a one-time General Fund allocation of \$850,000.

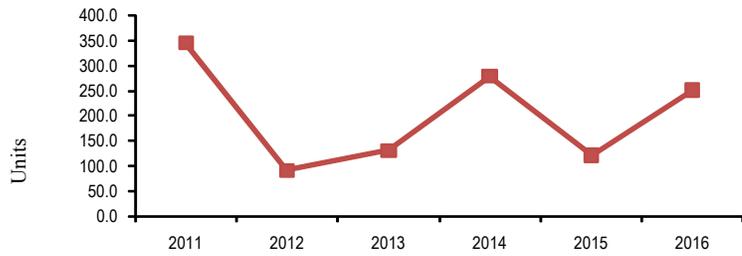
**Portland Housing Bureau**  
Community Development Service Area

FTE & Financials	Actual FY 2012-13	Actual FY 2013-14	Revised FY 2014-15	Proposed FY 2015-16	Adopted FY 2015-16
FTE	8.79	8.79	8.96	9.09	8.65
<b>Expenditures</b>					
Healthy Homes	1,684,658	1,043,993	889,500	1,000,000	1,000,000
Homebuyer & Foreclosure Education/Counseling	720,440	672,001	696,462	0	0
Homebuyer Financial Svcs	1,498,889	2,539,829	2,719,495	2,221,198	2,976,847
Homeowner Access & Retention	(108)	0	0	0	0
Homeowner Retention Svcs	2,073,887	1,366,957	2,307,718	4,076,298	3,719,290
Homeownership Development	289,023	1,380	30,000	500,000	500,012
Tax Exemption & Fee Waiver	222,943	335,245	438,479	526,103	520,423
<b>Total Expenditures</b>	<b>6,489,732</b>	<b>5,959,405</b>	<b>7,081,654</b>	<b>8,323,599</b>	<b>8,716,572</b>
<b>Performance</b>					
	Actual FY 2012-13	Actual FY 2013-14	Yr End Est. FY 2014-15	Base FY 2015-16	Target FY 2015-16
<b>Key Performance Measure</b>					
Percentage of households receiving homebuyer education or counseling and subsequently purchasing a home	NA	27%	27%	27%	27%
Percentage of households receiving home repairs and retaining their homes 12 months after services	NA	80%	80%	80%	80%
Number of households receiving indirect assistance through foregone revenue (mortgage credit certificate, limited tax exemption, and system development charge exemption)	NA	327	330	330	330
<b>Workload</b>					
Number of households receiving homebuyer education or counseling	2,194	2,061	2,100	2,100	2,100
Number of households receiving home repairs	NA	667	650	730	850

## Performance Measures

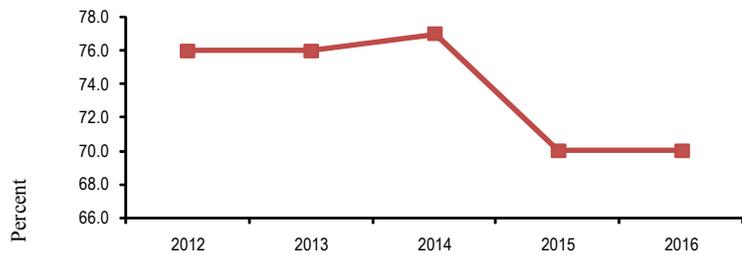
### Housing Units Opened that are Newly Affordable

HIPP performance metrics show the opening of 279 newly affordable units, and the rehabilitation and preservation of 288 affordable housing units. In FY 2015-16 PHB anticipates opening an additional 251 newly affordable units and rehabilitating and preserving 121 units. All PHB-sponsored rental units are affordable to families with incomes at or below 60% median family income.



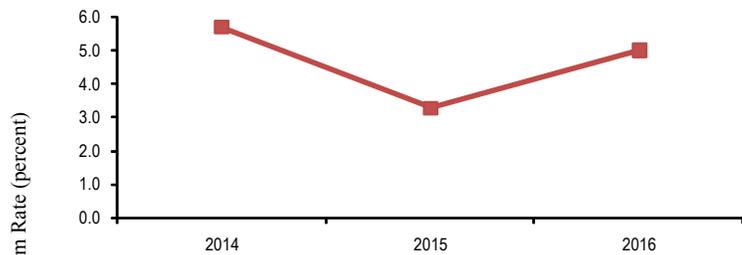
### Retention Rate of Homeless Households Placed in Housing at 12 months

A goal of the bureau and the broader community is to ensure that the homeless households placed in permanent housing retain their housing and do not return to homelessness. PHB requires funded providers to contact households at 6 and 12 months after placement, and retention targets are 80% for 6 months and 70% for 12 months. A higher number indicates more people are staying in housing. Retention rates for prior fiscal years have consistently exceeded the target for 12 months.



### Percentage of Households Moved from Homelessness into Housing that Return to Homelessness

For formerly homeless individuals and families who have been placed in permanent housing, the goal is to provide supportive services so that they do not return to homelessness. The target recidivism rate has been set as not more than 5%. FY 2014-15 data for the full HUD Continuum of Care demonstrates that PHB is meeting the target rate of 5%. Note that this measure has been revised to reflect households that exit homelessness to permanent housing and return to homelessness within 2 years.



	Actual FY 2012-13	Actual FY 2013-14	Revised FY 2014-15	Proposed FY 2015-16	Adopted FY 2015-16
<b>Resources</b>					
<b>External Revenues</b>					
Charges for Services	679,509	350,337	558,479	508,500	511,437
Intergovernmental	47,956,109	26,789,294	43,877,444	71,824,601	73,495,104
Bond & Note	150,000	0	3,515,000	0	0
Miscellaneous	8,599,014	8,183,211	4,929,782	3,166,636	3,105,341
<b>Total External Revenues</b>	<b>57,384,632</b>	<b>35,322,842</b>	<b>52,880,705</b>	<b>75,499,737</b>	<b>77,111,882</b>
<b>Internal Revenues</b>					
General Fund Discretionary	10,954,303	10,793,770	13,167,939	15,580,253	15,580,253
Fund Transfers - Revenue	532,214	55,012	1,070,000	2,525,334	2,524,554
Interagency Revenue	68,771	76,891	79,662	81,715	87,895
<b>Total Internal Revenues</b>	<b>11,555,288</b>	<b>10,925,673</b>	<b>14,317,601</b>	<b>18,187,302</b>	<b>18,192,702</b>
Beginning Fund Balance	6,865,216	4,690,343	389,705	6,102,238	1,393,337
<b>Total Resources</b>	<b>\$75,805,136</b>	<b>\$50,938,858</b>	<b>\$67,588,011</b>	<b>\$99,789,277</b>	<b>\$96,697,921</b>
<b>Requirements</b>					
<b>Bureau Expenditures</b>					
Personnel Services	5,457,679	5,495,241	6,194,682	6,401,734	6,460,632
External Materials and Services	60,146,222	31,900,148	55,985,354	89,702,599	86,546,064
Internal Materials and Services	1,174,027	1,024,341	1,160,240	1,463,657	1,463,657
<b>Total Bureau Expenditures</b>	<b>66,777,928</b>	<b>38,419,730</b>	<b>63,340,276</b>	<b>97,567,990</b>	<b>94,470,353</b>
<b>Fund Expenditures</b>					
Debt Service	2,948,642	1,430,346	1,362,705	1,373,414	1,373,414
Contingency	0	0	1,260,543	93,358	91,500
Fund Transfers - Expense	1,388,223	1,087,481	624,487	754,515	762,654
<b>Total Fund Expenditures</b>	<b>4,336,865</b>	<b>2,517,827</b>	<b>3,247,735</b>	<b>2,221,287</b>	<b>2,227,568</b>
Ending Fund Balance	4,690,343	10,001,301	1,000,000	0	0
<b>Total Requirements</b>	<b>\$75,805,136</b>	<b>\$50,938,858</b>	<b>\$67,588,011</b>	<b>\$99,789,277</b>	<b>\$96,697,921</b>
<b>Programs</b>					
Administration & Support	6,128,406	5,561,582	6,263,543	5,768,628	5,889,565
Economic Opportunity	1,686,936	2,412,778	2,293,996	2,192,860	2,153,600
Homeowner Access & Retention	6,489,732	5,959,405	7,081,654	8,323,599	8,716,572
Housing Access & Stabilization	13,956,102	13,818,034	16,188,046	16,667,012	17,031,050
Housing Production & Preservation	38,516,752	10,667,931	31,513,037	64,615,891	60,679,566
<b>Total Programs</b>	<b>66,777,928</b>	<b>\$38,419,730</b>	<b>\$63,340,276</b>	<b>\$97,567,990</b>	<b>\$94,470,353</b>

Class	Title	Salary Range		Revised FY 2014-15		Proposed FY 2015-16		Adopted FY 2015-16	
		Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30000061	Accounting Technician	33,738	48,443	1.00	36,186	1.00	40,500	1.00	40,500
30000441	Business Operations Manager	80,413	107,099	1.00	94,188	1.00	97,398	1.00	97,398
30000569	Financial Analyst, Principal	80,413	107,099	1.00	106,764	1.00	107,044	1.00	107,044
30000568	Financial Analyst, Sr	67,850	90,605	1.00	89,360	1.00	90,600	1.00	90,600
30001592	Housing Administrative Specialist, Sr	52,707	69,805	3.00	164,832	3.00	170,321	3.00	170,321
30001591	Housing Business Systems Analyst, Asst	56,618	75,005	1.00	66,954	1.00	69,678	1.00	69,678
30001361	Housing Construction Coordinator	59,426	78,770	2.00	145,872	2.00	148,142	2.00	148,142
30001362	Housing Construction Coordinator, Sr	65,582	86,923	3.00	239,436	3.00	244,956	3.00	244,956
30000417	Housing Director	109,886	157,310	1.00	133,812	1.00	137,925	1.00	137,925
30001260	Housing Director, Assistant	92,976	125,986	1.00	101,462	1.00	105,623	1.00	105,623
30001587	Housing Financial Analyst	62,442	82,722	3.00	227,904	3.00	230,436	3.00	230,436
30001588	Housing Financial Analyst, Assistant	56,618	75,005	1.00	63,876	1.00	66,066	1.00	66,066
30001367	Housing Lead Grant Program Coordinator	65,582	86,923	1.00	65,580	1.00	71,100	1.00	71,100
30001369	Housing Loan Compliance Analyst II	52,707	69,805	1.00	52,704	0.00	0	0.00	0
30001370	Housing Loan Compliance Analyst III	59,426	78,770	0.00	0	1.00	72,672	1.00	72,672
30001364	Housing Loan Coordinator	56,618	75,005	1.00	61,356	1.00	63,876	1.00	63,876
30001365	Housing Loan Coordinator, Sr	62,442	82,722	2.00	147,708	2.00	150,172	2.00	150,172
30001596	Housing Management Assistant	56,618	75,005	1.00	64,971	1.00	67,629	1.00	67,629
30001363	Housing Portfolio Finance Coordinator	68,994	91,416	4.00	322,254	4.00	330,948	4.00	330,948
30001595	Housing Program Coordinator	65,582	86,923	8.92	733,857	8.92	744,702	8.92	744,702
30001593	Housing Program Specialist	59,426	78,770	4.00	259,711	4.00	269,708	4.00	269,708
30001594	Housing Program Specialist, Assistant	56,618	75,005	3.00	208,233	3.00	212,970	3.00	212,970
30000453	Management Analyst, Principal	80,413	107,099	1.00	80,412	1.00	82,612	1.00	82,612
30000452	Management Analyst, Sr	67,850	90,605	2.00	158,448	2.00	160,152	2.00	160,152
30000012	Office Support Specialist II	33,738	48,443	1.00	48,444	1.00	48,444	1.00	48,444
30000464	Program Coordinator	64,605	86,154	2.00	168,912	2.00	172,014	2.00	172,014
30000465	Program Manager	67,850	90,605	2.00	172,140	2.00	174,930	2.00	174,930
30000466	Program Manager, Sr	80,413	107,099	1.00	90,600	1.00	94,320	1.00	94,320
30000495	Public Information Officer	67,850	90,605	1.00	69,996	1.00	72,386	1.00	72,386
<b>TOTAL FULL-TIME POSITIONS</b>				<b>54.92</b>	<b>4,175,972</b>	<b>54.92</b>	<b>4,297,324</b>	<b>54.92</b>	<b>4,297,324</b>
<b>TOTAL PART-TIME POSITIONS</b>				<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
30000451	Management Analyst	61,506	81,994	1.00	72,000	1.00	72,000	1.00	72,000
30000464	Program Coordinator	64,605	86,154	1.00	68,525	1.00	71,331	1.00	71,331
<b>TOTAL LIMITED TERM POSITIONS</b>				<b>2.00</b>	<b>140,525</b>	<b>2.00</b>	<b>143,331</b>	<b>2.00</b>	<b>143,331</b>
<b>GRAND TOTAL</b>				<b>56.92</b>	<b>4,316,497</b>	<b>56.92</b>	<b>4,440,655</b>	<b>56.92</b>	<b>4,440,655</b>

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Appropriations Level (CAL) requirements.

Action	Amount			FTE	Decision
	Ongoing	One-Time	Total Package		
FY 2015-16	12,107,968	79,488,481	91,596,449	56.92	FY 2015-16 Current Appropriation Level
<b>CAL Adjustments</b>					
	0	0	0	0.00	None
<b>Mayor's Proposed Budget Decisions</b>					
	0	850,000	850,000	0.00	Preventing displacement - home retention
	0	47,296	47,296	0.00	A Home for Everyone coordinating board
	0	500,000	500,000	0.00	Veteran's rental assistance
	0	2,500,000	2,500,000	0.00	Housing Investment Fund
	0	750,000	750,000	0.00	Women's winter shelter year-round
	0	300,000	300,000	0.00	Landlord recruitment & retention
	0	1,024,989	1,024,989	0.00	Intensive street engagement
<b>Approved Budget Additions and Reductions</b>					
	0	6,180	6,180	0.00	General Fund adjustments in staff allocations
	0	1,062,234	1,062,234	0.00	Housing Investment Fund adjustments
	0	410,688	410,688	0.00	Grants Fund adjustments to grant revenues
	0	(232,366)	(232,366)	0.00	CDBG adjustments to grant revenues
	0	1,780,549	1,780,549	0.00	HOME Fund adjustments
	0	(6,018,156)	(6,018,156)	0.00	TIF Reimbursement Fund adjustment
<b>Adopted Budget Additions and Reductions</b>					
	0	220,000	220,000	0.00	General Fund adjustments in staff allocations
	0	(7,246)	(7,246)	0.00	Housing Investment Fund adjustments
	0	78,561	78,561	0.00	Grants Fund adjustment
	0	901,302	901,302	0.00	CDBG Fund adjustments
	0	(1,299,383)	(1,299,383)	0.00	TIF Reimbursement Fund adjustment
	<b>0</b>	<b>2,873,904</b>	<b>2,873,904</b>	<b>0.00</b>	<b>Total FY 2015-16 Decision Packages</b>
			<b>94,470,353</b>	<b>56.92</b>	<b>Total Adopted Budget</b>