

Fiscal Year 2016-17 Budget Development



PORTLAND HOUSING BUREAU

Dan Saltzman, Commissioner
Kurt Creager, Director

2016-17 Request Budget Summary

- **Total 2016-17 Request Budget: \$151.5 M**
 - Adjusted General Fund Ongoing Base Budget: **\$18.7 M**
 - Adjusted General Fund One-time Base Budget: **\$5 M**
 - General Fund Ongoing Decision Packages: **\$0 M**
 - General Fund Ongoing One-time Decision Packages: **\$17.6 M**
 - Housing Investment Fund: **\$20 M**
 - Federal Funds: **\$23.3 M**
 - Tax Increment Financing Funds: **\$69.3 M**

Budget Guidance to Housing Bureau

- **Increase of \$10 million** of general fund to the base budget to address the Housing Emergency - ***\$5 million in one-time and \$5 million in on-going***
- Examine adjusted base budget for any changes needed due to the Housing Emergency and the current housing market – *equivalent to a **zero-based budget approach***
- Submit decision packages for any services needed above the adjusted-base budget for the Housing Emergency

Zero-based Budgeting Drivers

- **Homeless Services**
 - Service alignment needed with *A Home for Everyone* Effort
- **Rental Housing Development**
 - Resources needed for a 2016 NOFA
 - Increased programming needed in East Portland
- **Homeownership Programs**
 - Programming needed city-wide (*outside of urban renewal areas*)
 - Increased programming needed in East Portland

Zero-based Budgeting Results

- **Homeless Services**

- Shift **\$1.5 M** from County pass-through to permanent housing placements
- Replace **\$1M** of HOME with on-going general fund for rent assistance
- Add all **\$5 M** of the one-time general fund for homeless services
 - Continue **\$1.5 M** for county pass-through services
 - Continue **\$500 K** for veteran's rent assistance
 - Continue **\$750 K** for women's winter shelter year-round
 - Continue **\$300 K** for landlord recruitment
 - Continue **\$1.2 M** for intensive street engagement
 - Add **\$87.5 K** for expanded veteran's assistance
 - Add **\$577 K** for safety off the streets

Zero-based Budgeting Results

- **Rental Housing Development**

- Shift **\$1.5 M** of Fed Funds and TIF from homeownership to rental development
- Shift **\$1 M** of HOME from rent assistance to rental development
- Add **\$1.5 M** of on-going general fund for a rental rehab program in East Portland

- **Homeownership Programs**

- Add **\$1.8 M** of on-going general fund for city-wide homeownership programming
- Add **\$500 K** of on-going general fund for home repair in East Portland

General Fund Decision Package Drivers

- **Homeless Services**

- Service alignment needed with *A Home for Everyone* Effort
- Increased services needed to respond to the *A Home for Everyone* Effort

- **Rental Housing Development**

- Permanent supportive housing development needed to support and align with *A Home for Everyone* Effort

General Fund Decision Package Results

- **Homeless Services**

- Add **\$200 K** for expanded veteran's assistance
- Add **\$1.9 M** for safety off the streets
- Add **\$4.5 M** for permanent housing placements and rapid re-housing
- Add **\$1.1 M** for homelessness prevention and diversion

- **Rental Housing Development**

- Add **\$10 M** for permanent supportive housing development

Request Budget 2016-17: Housing Access & Retention

- **Shelter and Emergency Services: \$8.5 M**
 - Staffing and operation of year-round and winter emergency housing programs for men, women and youth, including facility-based transitional housing, youth funds passed through to Multnomah County
- **Housing Access and Stabilization: \$2 M**
 - Programs funded in this category include benefits acquisition, 211 Info, Street Roots, and tenant education
- **Homeless Rapid Rehousing: \$9.3 M**
 - Short-term rent assistance to prevent homelessness, as well as housing placement services and short-term rent assistance to help move people from the streets and shelters to stable homes
- **Supportive Housing: \$7.5 M**
 - Limited-term rent assistance (up to 24 mos.) and services primarily for chronically homeless individuals and families with disabilities

Request Budget 2016-17: Housing Investment Production & Preservation

- **Preservation and Asset Management: \$24.3 M**
 - Loan products provide financial support to developers who purchase existing rental homes and agree to rent them to people earning 60% of area median family income or less
- **Fair Housing: \$585 K**
 - Programs improve public's understanding of Fair Housing law and increase utilization of legal advocacy by historically underserved populations.
- **New Affordable Rental Homes: \$74.6 M**
 - Loan products provide financial support to developers who build new rental homes and agree to rent them to people earning 60% of area median family income or less
- **Housing Development & Finance Support: \$4.6 M**
 - Investments that complement new construction, preservation and rehabilitation.

Request Budget 2016-17: Homeowner Access & Retention

- **Healthy Homes: \$850 K**
 - Remediation of environmental health hazards in homes that may impact occupant health (lead hazards and structural safety issues).
- **Home Retention Services: \$4.4 M**
 - Foreclosure prevention counseling, home repair grants, and home repair loans
- **Homebuyer Financial Services: \$5.6 M**
 - Homebuyer education and counseling services, and homeownership financial assistance
- **Tax Exemption and Fee Waiver Programs: \$604K**
 - Administration of limited tax exemption programs for single and multi-family residences, system development charge waivers, and Mortgage Credit Certificate program

Request Budget 2016-17: Administration and Pass-through

- Administration and Support: **\$6.5 M**
- Economic Opportunity: **\$2.1 M**

Next Steps for PHAC

- **Provide guidance for the drafting of a budget letter:**
 - Identify areas of support
 - Identify areas of concern
 - Identify any other issues to be highlighted

Fiscal Year 2016-17 Budget Development



PORTLAND HOUSING BUREAU

Dan Saltzman, Commissioner
Kurt Creager, Director