

Housing Authority of Portland Board of Commissioners Meeting



The \$2.5 million rehabilitation of Slavin Court in Southwest Portland is part of the Public Housing Preservation Initiative. Work includes site improvements, new windows, roofing, siding, and extensive interior repairs and upgrades. The project is scheduled to be complete in January 2009.

Housing Authority of Portland
Board of Commissioners Meeting
Multnomah County Building
501 SE Hawthorne Blvd.
(located at the east end of the Hawthorne bridge)
Portland, Oregon
September 16, 2008, 6:15 PM



HOUSING AUTHORITY OF PORTLAND

INDEX FOR ELECTRONICALLY DISTRIBUTED BOARD OF COMMISSIONERS BOARD MEETING PACKET FOR SEPTEMBER 16, 2008

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PUBLIC NOTICE:

THE HOUSING AUTHORITY OF PORTLAND
BOARD OF COMMISSIONERS

will meet on

Tuesday, September 16, 2008

At 6:15 pm

At the Multnomah County Building – Commission Room
501 SE Hawthorne Blvd, Portland

TO: COMMUNITY PARTNERS

FROM: STEVE RUDMAN

DATE: September 9, 2008

The Board of Commissioners of the Housing Authority of Portland will meet on Tuesday, September 16, 2008 at the Multnomah County Building – Commission Room 501 SE Hawthorne Blvd, Portland at 4:00 P.M. The commission meeting is open to the public.

The meeting site is accessible, and persons with disabilities may call 503-802-8501 or 503-802-8554 (TTY) for accommodations (e.g. assisted listening devices, sign language, and/or oral interpreter) by 12:00 pm (noon), Friday, September 12, 2008.

CONSENT CALENDAR MINUTES



**HOUSING AUTHORITY OF PORTLAND
BOARD OF COMMISSIONERS MEETING
Multnomah County Building – Board Room
501 SE Hawthorne Blvd
Portland, OR
September 16, 2008 6:15 PM**

INTRODUCTION AND WELCOME

PUBLIC COMMENT

General comments not pertaining to specific resolutions. Any public comment regarding a specific resolution will be heard when the resolution is considered.

MEETING MINUTES (Consent Calendar/Minutes TAB)

Topic
Minutes of August 19, 2008 Board of Commissioners Meeting

REPORTS / RESOLUTIONS

09-08	TOPIC	Presenter/POC	Phone #
Report	Executive Director's Report (Exec Director TAB)	Steve Rudman	503.802.8455
Public Hearing	Moving to Work 10-Year Agreement	Shelley Marchesi Todd Salvo Katie Such	503.802.8427 503.802.8535 503.802.8505
01	Authorize Moving to Work 10-Year Agreement	Shelley Marchesi Todd Salvo Katie Such	503.802.8427 503.802.8535 503.802.8505
02	Authorization to Ratify Trades Labor Agreement	Brenda Carpenter Melissa Richardson	503.802.8502 503.802.8529
03	Authorizing the approval of the FY 2008 Financial Audited Financial Statements; Auditors' OMB A-133 Compliance Report and Auditors' Management Letter to the Board	Todd Salvo Peter Beyer	503.802.8535 503.802.8538
Report	FY 2008 Financials Compared to Budget	Todd Salvo Julie Satterwhite	503.802.8535 503.802.8354
Report	Changes to the Section 8 Administrative Plan	Katie Such Jill Riddle	503.802.8505 503.802.8565
04	Authorize Proposed Uses of Fungible Funds	Katie Such Jill Riddle	503.802.8505 503.802.8565
Report	The Clegg Study	Steve Rudman	503.802.8423

ADJOURN

EXECUTIVE SESSION (if needed)

The Board of Commissioners of the Housing Authority of Portland may meet in Executive Session pursuant to ORS 192.660(2). Only representatives of the news media and designated staff are allowed to attend. News media and all other attendees are specifically directed not to disclose information that is the subject of the session. No final decision will be made in the session.

The **next regular meeting** of the Board of Commissioners is scheduled for **October 21, 2008 at 6:15 PM** and it will take place at the Multnomah County Building, 501 SE Hawthorne Blvd., Portland.



**HOUSING AUTHORITY OF PORTLAND
BOARD OF COMMISSIONERS MEETING MINUTES
August 19, 2008
Housing Authority of Portland
135 SW Ash Street, Portland OR**

COMMISSIONERS PRESENT:

Chair Jeff Bachrach; Vice-Chair Lee Moore; Treasurer Harriet Cormack; and Commissioners Gretchen Kafoury, Shelli Romero, and Gavin Thayer

STAFF PRESENT:

Steve Rudman, Catherine Such, Shelley Marchesi, Todd Salvo, Peter Beyer, Betty Dominguez, Julie Livingston, Julie Satterwhite, Michael Havlik, Veronica Sherman-King, Celia Strauss, Robert Dell

Chair Bachrach called the meeting to order at 6:19 p.m. and welcomed HAP's newest present Commissioner, Shelli Romero.

MEETING MINUTES:

Chair Bachrach called for a motion to adopt the minutes of the regular July 15, 2008, Board of Commissioners meeting. Commissioner Kafoury moved to adopt the minutes and Treasurer Cormack seconded the motion.

The vote was as follows:

**Chair Bachrach – Aye
Vice-Chair Moore – not yet present
Treasurer Cormack – Aye
Commissioner Kafoury – Aye
Commissioner Romero – Aye
Commissioner Thayer – Aye**

REPORTS AND RESOLUTIONS:

EXECUTIVE DIRECTOR'S REPORT

Executive Director Steve Rudman began his report with notes of HAP's national night out events on August 5 (pictures of which were on the cover of the meeting materials). Two thousand attended an event at McCoy Park, Mayor Tom Potter attended an event at Humboldt Gardens, and Portland Police Chief Rosie Sizer visited Hollywood East.

Rudman then introduced the topic of HAP's Moving-to-Work (MTW) agreement with HUD. Former HAP Executive Director Denny West had worked with Senator Mark Hatfield to create the MTW program. There are still only a relative few housing authorities using it, but it has helped HAP in a variety of ways (such as by bolstering the GOALS program and allowing changes in administrative procedures). March 2009 would conclude our tenth year as an MTW agency and our original agreement with HUD that allowed us to operate as one. Rather than simply renewing our agreement, HUD has sought to

standardize the MTW agreements it has with local housing authorities and to gain better assurance that the goals of the MTW program (increasing client self-sufficiency, agency administrative efficiency, and client housing choices) are being met.

Despite the potential for such a standardized agreement to neglect local concerns, most of HAP's concerns have been addressed. The draft agreement was included with the meeting materials, and included an attachment that is tailored to HAP. HUD's General Counsel has expressed some concern over HUD's underlying authority to extend the new agreements it is offering, but Rudman expected that any difficulties could be addressed by legislation.

Commissioner Kafoury asked if there would be any problem with HAP having the public hearing on the MTW agreement and the Board's authorization to accept the agreement in the same meeting in September. Rudman said there are no legal obstacles and that the Board could authorize him to accept the agreement with any conditions they wanted to add.

Rudman noted that Julie Livingston would present information on Resolution 08-08-01 (regarding authorizing an architecture and engineering contract for Hillsdale Terrace). Rudman also noted that invitations for the upcoming Humboldt Gardens opening ceremony on September 9 have been sent and that Portland City Commissioner Nick Fish plans to attend.

Treasurer Cormack asked about the dashboard report—whether use of Section 8 vouchers being at 100% is a cause for celebration. Chief Financial Officer Todd Salvo confirmed that the figures are correct and credits the positive reinforcements put in place by Jill Riddle's team. Chair Bachrach suggested scheduling time in a work session for any additional review of the dashboard report.

Rudman noted that HAP is getting surplus Section 8 subsidy from HUD, which MTW allows to be re-directed to other programs. Vice-Chair Moore asked whether the number of vouchers terminated being at 5% was a good number. Rudman said that it equated to 70 or 80 terminated vouchers per month, but includes those who simply leave the program, not just those who could not find a unit. Rudman confirmed with Deputy Executive Director Such that Section 8 updates would take up most of the September work session, so more details on these numbers can be presented then.

MOVING TO WORK 10-YEAR AGREEMENT

Shelley Marchesi, Todd Salvo, and Katie Such presented information on the MTW agreement. The agreement lets HAP take actions that normally regulated housing authorities cannot. The public hearing on the new agreement is scheduled for the September Board meeting. The new agreement was developed to meet HUD's desires that MTW agreements be standardized and have ten-year terms.

Attachment A of the draft agreement defines our subsidy calculations. Historically, we included increases in utility allowances (for tenants who directly pay utilities) in our subsidy calculations. HUD has presented a new interpretation of these allowances that remove them from any subsidy calculations. This results in HAP losing approximately

\$300,000, but we are still \$1.5 million better-off than non-MTW agencies. Additionally, legal counsel has confirmed that the same interpretation has been applied to other agencies, so it is clear that HUD does not want to bear the cost of utilities. A last resort is to ask HUD to phase in the reduction in subsidy over 2-3 years.

Commissioner Romero asked whether HAP has considered engaging our congressional delegation to try legislative means of keeping the utility allowance in the subsidy. Such said that HAP has not considered that particular avenue, but has discussed various other assertive means and concluded that we want to avoid negative repercussions. Vice-Chair Moore asked if utility costs could be shared with the tenant instead. Such said that HAP is analyzing shared metering. Commissioner Romero asked if we knew what amounts other agencies were losing because of the reinterpretation. Such noted that we do not have that information, but could present more in October.

Regarding the draft of the agreement, Attachment A contains a common set of authorizations. Agencies that previously had authorizations not included in the common set have an Attachment D to include them. Attachment C explicitly allows term limits.

Use of Section 8 and public housing funds for local purposes is still under negotiations. The standard authorization allows moving funds between Section 8 and public housing; HAP wants to be able to use it beyond those programs. Other agencies have used previous authorizations to do this. HAP has not, but it would be a good possibility to have and we have chosen to stand with our fellow agencies that want the authorization.

Chair Bachrach asked whether there is an argument that Attachment D already authorizes the cross-program fungibility. Public Affairs Director Shelley Marchesi explained that Attachment D only allows it within a voucher program. Vice-Chair Moore asked why information on the MTW agreement was being presented now, when the Board had previously heard and voted on an authorization. Such clarified that any previous authorization would have been to enter into the negotiations that have brought HAP to this point.

Also noted regarding the agreement was that agencies must use or lose the authority; that programs must be designed to increase client self-sufficiency, agency administrative efficiency, or client housing choices; that what qualifies as an MTW program would be anything that a non-MTW agency could not do; that rent policies support family self-sufficiency; that there would be more rigorous planning and reporting requirements; that MTW plans would be due not later than 75 days before the start of HAP's fiscal year; and that MTW reports would be due not later than 90 days after the end of HAP's fiscal year (instead of 60, as in the current agreement). Property management financial reporting has been somewhat contentious, as HUD had sought reporting that simulated a heavy regulatory overlay. HAP will have to report more detail, but it will not be as burdensome as it could have.

Regarding the public process, HAP had intended to have the public hearing in August, but HUD required that materials be available to the public for at least 30 days before the hearing, thus the hearing and the vote on the authorization will be during the same meeting. At a meeting with local stakeholders, Micky Ryan, housing advocate and Beth

Kaye, BHCD asked if there were any ways that they could support HAP, indicating a positive reaction. Looking ahead, the agreement does not have the tenant protection provisions that the HIP amendment would have, so concern over that may be voiced at the public hearing. HAP has heard concerns about term limits and has been framing any program it would create under that authority as term incentives rather than limits. The calls HAP has received since sending out notice of the new agreement simply wanted more information, and callers were happy to learn that there would likely be no changes to their programs and that they would not have to move. Callers have also been happy that the current MTW agreement has allowed HAP to review their income once every two years, rather than more frequently. All calls ended positively.

Vice-Chair Moore asked whether her presence at the stakeholders' meeting indicated that Micky Ryan is reinstating her involvement in local housing advocacy. Marchesi said that Ryan is more involved and that that HAP could benefit as a result.

RESOLUTION 08-08-01

Authorizes the Executive Director to execute a contract and task order with Michael Willis Architect for professional design services for the study of redevelopment potential of Hillsdale Terrace

Katie Such, Betty Dominguez, & Julie Livingston noted that the Commissioners have already been briefed on the history of the Hillsdale Terrace property. The property is an under-developed working-family site. This resolution would just authorize the signing of a contract with an architectural and engineering firm and the initial task order to study the option of full re-development through a HOPE VI grant and the option of simply performing some rehabilitation. Further work would require additional task orders. HAP received eight proposals for the work. The strength of previous performances, planned sub-consultants, and the target business participation plan persuaded the selection committee to choose Michael Willis Architects.

Vice Chair Moore asked if there had been any discussion about hiring a hydrologist. Livingston noted that HAP had already contracted with firms for survey and geotechnical services, but no hydrologist. Because the site is not on the flood plain, the plan is to wait and see if Phase 1 requires a hydrologist. If it does, the budget will accommodate a separate contract for one.

Chair Bachrach asked that the Board be given the information leading to the eventual decision to pursue HOPE VI funding or rehabilitation, and he warned that the Board materials indicate a bias for the HOPE VI approach and that the contractor could be biased simply because it would get more money from the HOPE VI option. Dominguez confirmed that HAP is contemplating other plans with other means of financing and is aware of potential bias. Chair Bachrach noted that the list of tasks for the architectural and engineering firm for Phase 1 was preliminary. He expected that they would be reduced as the project's schedule becomes set, and he desired a briefing on the ultimate tasks assigned to the firm for this phase. Livingston noted that some details await John Keating's completion of other projects and re-focusing on Hillsdale Terrace, so he could help get the Board that information in late fall or early winter. Commissioner Romero requested that the information be presented before any public process is begun.

Chair Bachrach called for a motion to adopt. Commissioner Kafoury moved to adopt and Commissioner Romero seconded the motion.

The vote was as follows:

Chair Bachrach – Aye
Vice-Chair Moore – Aye
Treasurer Cormack – Aye
Commissioner Kafoury – Aye
Commissioner Romero – Aye
Commissioner Thayer – Aye

ADJOURN

There being no further business, Chair Bachrach adjourned the meeting at 7:10 p.m.

EXECUTIVE SESSION:

The Board of Commissioners of the Housing Authority of Portland did not meet in Executive Session pursuant to ORS 192.660(2)(c).

Attached to the Official Minutes of the Housing Authority of Portland are all Resolutions adopted at this meeting, together with copies of all memoranda and material submitted to the Commissioners and considered by them when adopting the foregoing Resolutions. A taped recording of the proceedings is also kept on file.

Celia M. Strauss
Recorder, on behalf of
Steven D. Rudman, Secretary

ADOPTED: September 16, 2008

HOUSING AUTHORITY OF PORTLAND

ATTEST:

Jeff Bachrach, Chair

Steve Rudman, Secretary

EXECUTIVE DIRECTOR'S REPORT

M E M O R A N D U M



DATE: September 9, 2008
TO: Board of Commissioners
FROM: Steve Rudman
SUBJECT: September Executive Director's Report

September's board business includes the 10-year Moving to Work (MTW) agreement, the new labor contract with our building trades unions, and HAP's annual audit and fiscal year 2008 results. In addition, we will be seeking your approval to earmark additional Section 8 funding for MTW initiatives, and presenting several administrative changes we wish to make to our Section 8 program.

Authorization to Sign the 10-Year MTW Agreement

This month we will ask you to give me authorization to enter into the new restated agreement once we have successfully concluded our discussions with the U.S. Department of Housing and Urban Development. At this juncture, we expect those discussions – which now hinge on whether we can use federal Section 8 and public housing funding for local purposes – to result in a favorable outcome.

We also will hold a public hearing next Tuesday night. We don't expect a large turn out. We mailed letters to all of our 10,000-plus public housing and Section 8 households explaining our wish to enter into the new agreement and describing the flexibility and innovation that MTW authority gives us. The letter generated about 100 inquiries. While a few people indicated they might attend the board meeting for more information, the great majority were satisfied by the conversations they had with staff. We also held a stakeholder meeting, which only six of our partners attended. This tells me that there is general understanding of the benefits MTW brings to the agency, our clients, and by extension, our community.

Building Trades Labor Agreement

We are very pleased to bring forward this agreement for your consideration. It represents months of hard work by everyone involved in the negotiations. It also is a reflection of the fact that the funding environment for public housing has experienced a sea change over the last decade. With proration levels hovering near 80 percent and continued pressure on domestic spending, it is increasingly difficult to see a healthy financial future for this program.

In a nutshell, the agreement moves the agency to fewer labor classes, pay ranges that more closely mirror the market, and employee health care premiums tied to the cost of the care. In return, we have committed to cost of living increases for our employees over the term of the contract, incentives for tenure, and grandfathered wage rates for employees in their current jobs. We also have strengthened our training and promotion system in order to broaden advancement opportunities.

The changes this year were significant, and I very much appreciate that our trades employees, by their 48 -10 vote to approve the contract, recognize that we must be more cost competitive with the private property management market. That said, I want to recognize our employees for the quality of the work they do. It's certainly true that the work that results from their commitment to our mission and concern for our clients often surpasses what you might more typically find in the private market.

Thanks are due to Brenda Carpenter, Melissa Richardson, and their colleagues in Human Resources; our Real Estate Operations management; our employee trade representatives; and the members of the union bargaining team who worked long and hard to reach an agreement that helps us address funding challenges beyond our control.

Fiscal Year 2008 Audit and Year End Results

The audit for the fiscal year has ended. This past March 31 marked the first audit that was performed with the stricter examination of our internal operating controls now required for public agencies. I'm pleased to report that we passed this more rigorous test. There were no findings that rose to the level that is considered material. Our auditors, TKW, will provide their full audit report at this month's board meeting.

Credit for these audit results goes to our Chief Financial Officer Todd Salvo and our Controller Peter Beyer. They have done an excellent job over the past few years improving our accounting processes and internal controls and building the overall strength of the Finance and Accounting team.

Our financial results for the year show positive operating income of just under \$1 million and continuing growth in assets from the final stages of investments in New Columbia, along with ongoing investments in Humboldt Gardens. We

ended the year with assets of \$334.6 million. That number jumps to more than \$590 million if you include the tax credit properties in which we hold an interest. Our financial position remains in good stead with cash, cash equivalents, and term investments increasing from the prior year, and we drew less from operating reserves than we had projected would be necessary at the outset of the year. Looking forward, we remain committed to managing expenses within funding constraints while pursuing our agenda with vigor.

Rent Assistance Administrative Changes

Jill Riddle, our director of Rent Assistance, has had an action-packed 15 months with HAP, making program improvements, reorganizing her operations to provide better service for landlords and clients, and stepping up marketing efforts for the program. With all of that, she also found time to review the administrative rules that guide our program.

Because it's been some time since the rules were reviewed in their entirety, Jill has identified a number of areas in which our practice no longer matches written policy. Using a leading industry guide for Section 8 programs, she and her team have rewritten our administrative manual to bring our practices and policies into alignment, address issues, and adopt industry standards. Many of the changes are small in nature, while others will have a wider reaching impact. An example of the latter is a requirement that landlords with project-based Section 8 units lease them within 120 days of vacancy. This will help us keep these valuable vouchers in continual use and improve our lease up rates for this part of the program.

At this month's board meeting, Jill will discuss the changes that have the most impact or that we believe are of the most interest from a policy perspective. We also are discussing the changes with community partners, including those who use our project-based vouchers. We'll bring the final recommended changes back to you for approval at the October meeting.

Preserving Additional Section 8 Funding

This year I am pleased to report that the Section 8 program is running at full utilization (we are slightly over leased in the tenant-based program to balance underutilization in the project-based program). However, our cost per voucher is less than our per voucher funding, so we anticipate ending the year with \$1.5 million in funding that, as an MTW agency, we can use for other purposes.

It is important that we identify the use for this funding this month, so that we can preserve the level of our Section 8 funding when HUD re-benchmarks our funding for 2009. We plan to use nearly a third of the funding to establish a mitigation fund that will help us in our efforts to encourage more landlords to accept Section 8 voucher holders. In addition, there are other MTW initiatives that we would like to support that are outlined in the background memo in your board materials. We plan on discussing the allocation between these different

priorities with you after we've had a chance to brief you on the progress we are making with the Public Housing Preservation Initiative. As a result, this resolution calls for the funds to be assigned to a MTW Special Initiatives fund and with the exception of the landlord mitigation fund, stops short of recommending specific funding levels for the different alternatives.

Upcoming Events

The next board work session is on Thursday, October 9, and the next board meeting is on Tuesday, October 21.

STAFF REPORTS



Statement of Revenues, Expenses, and Changes in Net Assets
Comparison of Budget and Actual
Property Code HAP5All Board Grouping
For the period of F08 - March 2008

	YTD Actual	YTD Budget	\$ Variance	% Variance	Annual Budget
Operating Revenues					
Dwelling Rental	\$ 11,179,330	\$ 11,025,090	\$ 154,240	1.4%	\$ 11,025,090
Non-dwelling Rental	1,108,841	1,164,474	(55,632)	-4.8%	1,164,474
Total Rental Revenues	12,288,172	12,189,563	98,608	0.8%	12,189,563
HUD Subsidies -Housing Assistance	59,778,096	55,375,744	4,402,352	8.0%	55,375,744
HUD Subsidies -Public Housing	8,039,795	7,735,510	304,285	3.9%	7,735,510
HUD Grants	4,615,365	4,525,390	89,975	2.0%	4,525,390
Development Fee Revenue, Net	4,964,637	4,262,927	701,710	16.5%	4,262,927
State, Local & Other Grants	1,883,898	1,576,667	307,231	19.5%	1,576,667
Other Revenue	3,620,012	2,789,889	830,123	29.8%	2,789,889
Total Operating Revenues	95,189,974	88,455,689	6,734,284	7.6%	88,455,689
Operating Expenses					
PH Subsidy Transfer	803,130	657,129	(146,001)	-22.2%	657,129
Housing Assistance Payments	54,447,288	50,701,865	(3,745,423)	-7.4%	50,701,865
Administrative Personnel Expense	12,276,546	11,560,562	(715,984)	-6.2%	11,560,562
Other Admin Expenses	5,647,769	4,920,018	(727,751)	-14.8%	4,920,018
Fees/overhead charged	-	-	-	0.0%	-
Tenant Svcs Personnel Expense	1,362,429	1,626,587	264,158	16.2%	1,626,587
Other Tenant Svcs Expenses	1,773,471	1,838,108	64,637	3.5%	1,838,108
Maintenance Personnel Expense	3,702,747	3,952,602	249,855	6.3%	3,952,602
Other Maintenance Expenses	4,063,796	3,423,061	(640,736)	-18.7%	3,423,061
Utilities	3,932,705	3,493,948	(438,757)	-12.6%	3,493,948
Depreciation	4,596,684	4,442,372	(154,312)	-3.5%	4,442,372
General	1,435,633	884,230	(551,403)	-62.4%	884,230
Impairment Charge	-	-	-	0.0%	-
Total Operating Expenses	94,042,198	87,500,481	(6,541,717)	-7.5%	87,500,481
Operating Income (Loss)	1,147,775	955,208	192,567	20.2%	955,208
Other Income (Expense)					
Investment Income	788,299	567,622	220,677	38.9%	567,622
Interest Expense	(4,004,761)	(4,001,034)	(3,727)	0.1%	(4,001,034)
Chg in Derivative Contract Value	(488,171)	-	(488,171)	0.0%	-
Amortization	(96,372)	(44,990)	(51,382)	114.2%	(44,990)
Investment in Partnership Valuation Charge	-	-	-	0.0%	-
Gain (Loss) on Sale of Assets	3,970,223	2,227,145	1,743,078	78.3%	2,227,145
Net Other Income (Expense)	169,217	(1,251,258)	1,420,475	-113.5%	(1,251,258)
Capital Contributions					
HUD Nonoperating Contributions	6,960,528	5,653,766	1,306,762	23.1%	5,653,766
Other Nonoperating Contributions	3,106,618	-	3,106,618	0.0%	-
Nonoperating contributions made	-	-	-	0.0%	-
Net Capital Contributions	10,067,147	5,653,766	4,413,381	78.1%	5,653,766
INCREASE (DECREASE) IN NET ASSETS	\$ 11,384,139	5,357,717	\$ 6,026,423	112.5%	5,357,717

PERFORMANCE SUMMARY

- The twelve months ending March 31, 2008 produced \$1.1 million in operating income, favorable to budget by \$0.2 million
- Total Net assets increased by \$11.3 million, favorable to budget by \$6.0 million



**Operating Revenue
For the period of F08 - March 2008**

	YTD Actual	YTD Budget	\$ Variance	% Variance	Annual Budget
Operating Revenues					
Dwelling Rental	\$ 11,179,330	\$ 11,025,090	\$ 154,240	1.40%	\$ 11,025,090
Non-dwelling Rental	1,108,841	1,164,474	(55,632)	-4.78%	1,164,474
Total Rental Revenues	12,288,172	12,189,563	98,608	0.81%	12,189,563
HUD Subsidies -Housing Assistance	59,778,096	55,375,744	4,402,352	7.95%	55,375,744
HUD Subsidies -Public Housing	8,039,795	7,735,510	304,285	3.93%	7,735,510
HUD Grants	4,615,365	4,525,390	89,975	1.99%	4,525,390
Development Fee Revenue, Net	4,964,637	4,262,927	701,710	16.46%	4,262,927
State, Local & Other Grants	1,883,898	1,576,667	307,231	19.49%	1,576,667
Other Revenue	3,620,012	2,789,889	830,123	29.75%	2,789,889
Total Operating Revenues	\$ 95,189,974	\$ 88,455,689	\$ 6,734,284	7.61%	\$ 88,455,689

REVENUE ANALYSIS

- Total Revenues of \$95.2 million were \$6.7 million favorable to budget for the Fiscal Year 2008
- Housing Assistance Subsidy of \$59.8 million was \$4.4 million over budget due to higher per voucher levels of funding from HUD than originally planned
 - Actual HUD funding for calendar year 2007 was \$544 per voucher versus \$509 originally budgeted
 - Included in FY08 revenue is \$0.6 million of subsidy received but not spent. Recent guidance requires that we record these funds as revenue, rather than our previous practice of recording the funds as unearned revenue
- Public Housing Subsidy was \$0.3 million favorable to budget due to HUD funding for calendar 2007 applicable to January – March (FY07) that was paid in FY 2008
- Development Fee Revenue of \$5.0 million was \$0.7 million favorable to budget due the Morrison development. The budget assumed most of the fee would be earned in FY 2007, however delays resulted in earning more of the fee in FY 2008
- State, Local & Other Grants of \$1.9 million was \$0.3 million favorable to budget due to the receipt of \$0.2 million for Schools & Family Housing
- Other Revenue of \$3.6 million was \$0.8 million above budget, largely due to higher than expected portability revenue for Section 8 of \$0.6 million



Operating Expense
For the period of F08 - March 2008

	YTD Actual	YTD Budget	\$ Variance	% Variance	Annual Budget
Operating Expenses					
PH Subsidy Transfer	\$ 803,130	\$ 657,129	\$ (146,001)	-22.22%	\$ 657,129
Housing Assistance Payments	54,447,288	50,701,865	(3,745,423)	-7.39%	50,701,865
Administrative Personnel Expense	12,276,546	11,560,562	(715,984)	-6.19%	11,560,562
Other Admin Expenses	5,647,769	4,920,018	(727,751)	-14.79%	4,920,018
Fees/overhead charged	-	-	-	0.00%	-
Tenant Svcs Personnel Expense	1,362,429	1,626,587	264,158	16.24%	1,626,587
Other Tenant Svcs Expenses	1,773,471	1,838,108	64,637	3.52%	1,838,108
Maintenance Personnel Expense	3,702,747	3,952,602	249,855	6.32%	3,952,602
Other Maintenance Expenses	4,063,796	3,423,061	(640,736)	-18.72%	3,423,061
Utilities	3,932,705	3,493,948	(438,757)	-12.56%	3,493,948
Depreciation	4,596,684	4,442,372	(154,312)	-3.47%	4,442,372
General	1,435,633	884,230	(551,403)	-62.36%	884,230
Impairment Charge	-	-	-	0.00%	-
Total Operating Expenses	94,042,198	87,500,481	(6,541,717)	-7.48%	87,500,481
Operating Income (Loss)	1,147,775	955,208	192,567	20.16%	955,208

EXPENSE ANALYSIS

- Operating Expense of \$94 million was over budget by \$6.5 million resulting from:
 - Housing Assistance Payments in excess of budget by \$3.7 million due to the higher per voucher payments made to landlords. Increased HUD funding allowed for the reduction in participant contributions to rent to 30% from 35% and commensurate increase in voucher payments
 - Administrative Personnel Expense was \$0.7 million unfavorable. This was partially offset by favorable personnel expenses in tenant services and maintenance resulting in a net unfavorable variance for total personnel expense of \$0.2 million
 - Severance charges resulted in a \$0.2 million unfavorable variance as severance was not budgeted in 2008
 - Other Administrative Expenses was \$0.7 million unfavorable driven by
 - Public Housing expenses associated the Siemans Utility Study and Courtesy Patrols at Maple Mallory
 - Development activities including Development Fee expense for the Morrison, unbudgeted Investor Service fee for New Columbia Community Campus, Home Buyer Education Fees, and other Professional Services
 - PH Preservation activities driven by consultants used for the HUD Disposition Application and Appraisals of the properties in preparation for sale
 - Tenant Service Expenses in total were \$0.3 million less than budget due to lower than expected enrollment in ETAP as well as lower contract expense with Portland Community College associated with the GOALS program. These lower expenses are matched by reduced grant revenue in Resident Services
 - Other Maintenance Expenses were unfavorable by \$0.6 million due to increasing focus on maintenance needs in Public Housing and Affordable Housing properties
 - Utilities were \$0.4 million unfavorable to budget due to higher than expected utility rates
 - General Expenses were \$0.6 million unfavorable to budget driven largely by the recording of a \$0.4 million provision for bad debt associated with amounts owed to the Authority by landlords who received voucher payments after the departure of tenants



Other Income/Expense
For the period of F08 - March 2008

	YTD Actual	YTD Budget	\$ Variance	% Variance	Annual Budget
Other Income (Expense)					
Investment Income	\$ 788,299	\$ 567,622	\$ 220,677	38.88%	\$ 567,622
Interest Expense	(4,004,761)	(4,001,034)	(3,727)	0.09%	(4,001,034)
Chg in Derivative Contract Value	(488,171)	-	(488,171)	0.00%	-
Amortization	(96,372)	(44,990)	(51,382)	114.21%	(44,990)
Investment in Partnership Valuation Charge	-	-	-	0.00%	-
Gain (Loss) on Sale of Assets	3,970,223	2,227,145	1,743,078	78.27%	2,227,145
Net Other Income (Expense)	169,217	(1,251,258)	1,420,475	-113.52%	(1,251,258)
Capital Contributions					
HUD Nonoperating Contributions	6,960,528	5,653,766	1,306,762	23.11%	5,653,766
Other Nonoperating Contributions	3,106,618	-	3,106,618	0.00%	-
Nonoperating contributions made	-	-	-	0.00%	-
Net Capital Contributions	10,067,147	5,653,766	4,413,381	78.06%	5,653,766
INCREASE (DECREASE) IN NET ASSETS	\$ 11,384,139	\$ 5,357,717	\$ 6,026,423	112.48%	\$ 5,357,717

OTHER INCOME/(EXPENSE) ANALYSIS

- Other Income (expense) was \$.2 million, and favorable to budget by \$1.4 million
 - Investment Income of \$0.8 million was favorable to budget by \$0.2 million. This was due to higher than anticipated reserve balances earning interest
 - Unbudgeted Changes in Derivative Contract Values of \$0.5 million was due to non-cash valuation changes in interest rate swaps for Trouton & Cecelia
 - Gain on Sale of Assets of \$3.9 million, favorable to budget by \$1.7 million, resulted from the sale of La Tourelle and Chatauqua House (SNH) affordable properties and 29 public housing units (19 Humboldt Gardens and 4 AAD and 6 Scattered Sites)
- Capital Contributions of \$10 million were \$4.4 million over budget
 - HUD Nonoperating Contributions of \$6.9 million consist of \$3.6 million in HOPE VI funds for Humboldt and \$3.3 million from the public housing capital fund
 - Other Non-operating Contributions of \$3.1 million include funds for Sellwood Center (\$0.8 million), Ruth Haefner (\$0.2 million) and Humboldt Gardens (\$1.5 million) and from Transition Projects for the Clark Center Annex (\$0.6 million). CDGB, BHCD, and PDC were the sources of the contributions



Statement of Net Assets

	March 31, 2008	March 31, 2007	Incr (Decr)
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 10,905,476	\$ 12,006,123	\$ (1,100,647)
Investments	3,318,173	0	3,318,173
Accounts Receivable, Net	5,376,384	9,273,298	(3,896,913)
Prepaid Expenses	702,769	541,957	160,812
Inventories	0	0	-
Current Portion of Notes Receivable-Partnerships	19,422,702	919,521	18,503,181
	39,725,505	22,740,899	16,984,606
Restricted Assets			
Family Self-Sufficiency Funds -A	1,336,955	1,125,117	211,838
Tenant Security Deposits -A	812,331	811,707	624
Construction Funds Escrow	10,798	17,722	(6,924)
Residual Receipts Reserve	139,907	444,888	(304,981)
Funds held in Trust	2,691,900	3,084,845	(392,946)
Debt Amortization Fund	2,795,518	3,152,647	(357,128)
	7,787,409	8,636,927	(849,518)
Noncurrent Assets			
Due from Partnerships	14,897,472	12,536,693	2,360,779
Notes Receivable	56,431,720	47,609,052	8,822,668
Notes Receivable -Partnerships	79,236,743	80,996,310	(1,759,567)
Notes Receivable -Conduit Financing	5,140,000	5,200,000	(60,000)
Deferred Charges, Net	1,978,429	3,270,601	(1,292,172)
Investment in Partnerships	3,401,670	3,406,260	(4,590)
Land, Structures, Equipment, Net	114,929,270	117,831,694	(2,902,424)
	276,015,305	270,850,610	5,164,695
TOTAL ASSETS	\$ 323,528,218	\$ 302,228,435	\$ 21,299,783

CHANGE IN ASSETS

- Total Assets of \$323.5 million increased \$21.3 million from March 31, 2007
- Current Assets increased \$17 million to \$39.7 million
 - This increase was primarily due to an increase in Notes Receivable – Partnerships of \$18.5 million due to reclassifying the Trouton bonds to current status anticipating pay down of construction financing
 - Investments increased \$3.3 million due to movement of funds from amounts invested in LGIP reported as Cash Equivalents to term investments maturing within one year
 - The decrease in Accounts Receivable of \$3.9 million is due to the collection of amounts from HUD HOPE VI grants
- Restricted Assets decreased \$0.8 million to \$7.8 million
- Noncurrent Assets increased \$5.2 million to \$276.0 million
 - The financing of Humboldt Gardens continued as amounts due from partnerships increased \$2.4 million
 - Notes Receivable increased \$8.8 million due to HOPE VI funds loaned to Humboldt Gardens (\$6.0 million); and New Columbia financing activity for Cecelia and Trouton (\$2.8 million)
 - Notes Receivable – Partnerships declined by \$1.8 million due to the reclass of Trouton Notes to current offset by new notes receivable related to the agency funding of the Humboldt Gardens from a bond issuance
 - Land, Structures and Equipment declined \$2.9 million in resulting from sale of La Tourelle, Chatauqua, scattered sites, and normal depreciation of fixed assets



Statement of Net Assets

	March 31, 2008	March 31, 2007	Incr (Decr)
Liabilities			
Current Liabilities			
Accounts Payable	\$2,995,718	\$ 3,888,022	\$ (892,304)
Accrued Interest Payable	624,372	693,433	(69,060)
Other Accrued Liabilities	3,384,510	2,874,201	510,309
Deferred Revenue	969,451	183,579	785,872
Tenant Security Deposits -L	851,094	886,806	(35,712)
Family Self-Sufficiency Funds -L	1,387,825	1,117,309	270,516
Line of Credit	0	2,239,883	(2,239,883)
Current Portion of Bonds Payable -Partnerships	19,422,702	919,521	18,503,181
Current Portion of Notes & Bonds Payable	3,469,627	1,832,502	1,637,125
	33,105,300	14,635,254	18,470,046
Noncurrent Liabilities			
Notes Payable	33,567,812	35,870,474	(2,302,662)
Bonds Payable	20,859,359	25,535,277	(4,675,918)
Bonds Payable -Partnerships	79,236,743	80,996,310	(1,759,567)
Bonds Payable -Conduit Financing	5,140,000	5,200,000	(60,000)
Other Liabilities	243,746	0	243,746
	139,047,660	147,602,061	(8,554,401)
Net Assets (Deficit)	151,375,259	139,991,120	11,384,139
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ 323,528,218	\$ 302,228,435	\$ 21,299,783

CHANGE IN LIABILITIES & NET ASSETS

- Current Liabilities increased \$18.5 million to \$33.1 million
 - Pay down of \$0.9 million in Accounts Payable and a \$2.2 million decline in the amount outstanding on HAP's line of credit resulted primarily from the collection of HOPE VI fund previously recorded in Accounts Receivable
 - Increase in Deferred Revenue of \$0.8 million due to receipt of grants not yet earned or utilized for program purposes. These revenues will be booked to operating income in the future as funds are utilized
 - Increase in the current portion of Bonds Payable – Partnerships due to the reclassification of the Trouton bonds to current status and the reclass of notes payable associated with Ash Creek
- Noncurrent Liabilities of \$139 million declined \$8.6 million due to debt retirement from the sale of LaTourelle and the early pay off of a portion of the bonds for Pine Square/University Place. Other non current liability activity included the issuance of bonds payable for Humboldt Garden construction which was offset by the reclassification of the Trouton bonds to current status
- Net Assets increased \$11.4 million to \$151.4 million

Purchasing Department		MONTHLY CONTRACT REPORT		Contracts Approved 7/1/08 -- 8/31/08	
Contractor	Contract Amount	Description	Department	Execution Date	Expiration Date
<i>PROFESSIONAL SERVICES</i>					
Bank of America	NTE \$10,000 (note: see description regarding interest earnings →)	General Banking Services. Contract with offsetting interest earnings of much larger amount which is less predictable due to variations in interest rates right now.	Finance & Accounting	7/1/2008	5/31/2011
Multnomah Tree Experts	\$90,000	On call arborist services.	Development & Community Revitalization	7/17/2008	7/1/2011
Quality Roof	\$7,325	Roof replacement for 4-plex, 6310 NE Hoyt.	Real Estate Operations	7/30/2008	10/15/2008
URS Corporation	\$1,960	Prepare fair cost estimate for Phase 1 A&E Hillsdale Terrace.	Development & Community Revitalization	9/4/2008	7/1/2008
Hispanic Chamber of Commerce	\$5,000	Work with HAP and R&H Construction representatives. Provides outreach and pre-bid activities to support achievement of established aspirational goal of 20% target business utilization on University Place Project.	Development & Community Revitalization	8/18/2008	11/30/2008
<i>PUBLIC IMPROVEMENTS/CONSTRUCTION</i>					
RichArt Family, Inc.	\$924,844	Dahlke Manor modernization construction.	Development & Community Revitalization	6/30/2008	12/19/2009
GreenLife Construction	\$7,156	New Market West 5th Floor Office Remodel	Development & Community Revitalization	6/24/2008	6/22/2008
Walsh Construction	\$112,525	CM/GC for the Resource Access Center (RAC)	Development & Community Revitalization	6/5/2008	12/31/2010
Glumac	\$5,000	Low voltage engineering for security systems an misc. locations.	Development & Community Revitalization	7/15/2008	12/31/2008
Cadence Contract Flooring	\$3,186	New Market West 5th Floor Office Remodel carpet w/install.	Development & Community Revitalization	7/10/2008	9/30/2008
RichArt Family, Inc.	\$709,917	Cambridge Court Apartments Renovation	Development & Community Revitalization	6/1/2008	11/11/2008
R & H Construction	\$58,950	CM/GC for University Place.	Development & Community Revitalization	8/22/2008	11/30/2008
<i>INTERGOVERNMENTAL AGREEMENT - REVENUE</i>					
Multnomah County	NTE \$1,188,888 for 3-year term	Rent assistance services.	Short-term Rent Assistance Program	7/29/2008	6/30/2011
City of Gresham	\$9,397 Annually	Rent assistance services.	Short-term Rent Assistance Program	7/29/2008	6/30/2009
City of Portland	In process	Rent assistance services.	Short-term Rent Assistance Program	In process	6/30/2009

Contractor	Contract Amount	Description	Department	Execution Date	Expiration Date
Portland Community College	\$100,000 transfer of services agreement	Evening Trades Apprenticeship Preparation Program (ETAP) transfer agreement from CAWS to Portland Community College	Development & Community Revitalization	7/30/2008	6/30/2010
Human Solutions	\$86,031 in-kind services annually.	Bridges to Housing (B2H) program. Provides services and linkage with permanent rent subsidy for homeless families. Services for Powellhurst Woods, Townhouse Terrace, Demar Downs, Harold Lee Village, Hunter's Run and Humboldt Gardens.	Resident Services Department	7/30/2008	6/30/2010
<i>GOODS / SUPPLIES</i>					
Pacific Office Furnishings	\$3,327	Furnishings for lobby at Humboldt Gardens	Development & Community Revitalization	7/18/2008	10/1/2008
IKON Office Solutions	\$1,400	New Market West, networking/scanner copier for third floor. \$175 per month for 48 months. Payments begin August 2008.	Real Estate Operations	7/15/2008	10/15/2008
IKON Office Solutions	\$4,040	New Market West, networking/scanner color copier for fifth floor. \$505 per month for 48 months. Payments begin August 2008.	Development & Community Revitalization	7/18/2008	7/31/2012
<i>SERVICES</i>					
Agencies: 19 Short-term Rent Assistance agencies.	\$1,520,216 annual total	Short-term Rent Assistance Program	Rent Assistance	7/1/2008	6/30/2009
<i>AMENDMENTS TO EXISTING CONTRACTS</i>					
GreenLife Construction, Inc.	(\$-880)	Add \$384 interior window install and delete \$1,264 carpet and rubber base; new contract amount \$6,276.	Development & Community Revitalization	7/3/2008	6/22/2008
RichArt Family, Inc.	\$12,378	CO #2 Interior door substitute; repair wall surfaces; install floor covering; install hot water heaters in Units 13-18.	Development & Community Revitalization	7/17/2008	1/29/2009

M E M O R A N D U M



DATE: August 28, 2008
TO: Board of Commissioners
FROM: Jill Riddle, Katie Such
SUBJECT: Proposed Changes: Housing Choice Voucher/Mod Rehab
Administrative Plan

Purpose of presentation:

- Brief background of HUD's required administrative plan
- Discussion of proposed major changes to the plan
- Grid with existing policies and proposed changes attached
- Additional briefing materials provided as background only
- *Formal board approval required: anticipated for 9/4 Work Session, 9/16 Board meeting*

Background:

HUD requires each public housing authority ("PHA") to administer the Section 8 Housing Choice Voucher program through an administrative plan that lays out detail for individual policies and procedures. Revising HAP's administrative plan has been a major initiative for senior level staff for the past several months: a revision and update of the entire plan has never been undertaken, the last revision brought to the board was prior to waiting list changes which occurred in November of 2006.

The revisions to the Administrative Plan are necessary for several reasons: first, we have historically had significant turnover within the Rent Assistance department, and it is important to have detailed policies and procedures as part of training. In some cases our practices deviated from our policies; written policies and procedures ensure consistency and fair and equal treatment. Third, some of our practices, while in compliance with HUD, were not written into the administrative plan; HUD and Legal Aid both have copies of our plan which they refer to regularly to ensure we are consistently following the procedures therein. For all of these reasons, it was necessary to revise the plan, and we did so by using a template provided by Nan McKay, a significant industry trainer. Please note that these policies apply only to the Housing Choice Voucher and Moderate Rehab (project-based Section 8) programs, not Shelter-Plus Care.

Discussion of proposed major changes:

As you will see, there are multiple proposed changes. Many of these changes are necessary to ensure participants are treated fairly and given equal opportunity for successful participation. Some of the changes are consistent with our current practice but were not included in the last administrative plan. Some changes fall into both categories. This section highlights only significant changes, please note that those areas considered significant have also been highlighted in the attached chart.

Absence from assisted unit. (Chapter 3) Current policy states that if a sole member of an assisted household is absent for more than four months, they are terminated from the program and lose their voucher. The proposed policy would allow the sole member to be absent for up to 180 consecutive days before their voucher would be lost. This change is being recommended because we are consistently seeing elderly and disabled participants who are losing their vouchers before they are released from the hospital or a rehabilitation center. An absence of four months is often not enough time for a recovery in a medical situation.

Treatment of income and expenses of household members temporarily confined for medical reasons: (Chapter 6) This proposed policy will require HAP to count both the income and medical expenses of ***temporarily*** absent household members when calculating bedroom size and rent. The current policy allows this to be conducted on a case by case basis sometimes counting the member's income and expenses and sometimes choosing not to.

Payment to owner when a vacancy is unforeseen or unexpected (such as death or a skip) and the owner has not received proper notice of intent to vacate: (Chapter 10) The current policy when this situation arises is to pay the owner through the end of the month in which the person vacated the unit. The proposed policy would allow payment through the end of the month after the move out month to compensate the owner for lack of a notice period.

Interim changes for adding children to a household: (Chapter 11) The current policy states that HAP will not add children to the household until the next annual recertification. Now that we only require biennial re-certifications, children need to be added to the household immediately to ensure bedroom sizes and deductions are correct and duly benefit the household.

Termination of assistance for identity theft: (Chapter 12) Currently, families are not allowed on the program for identity theft but they are not terminated if this occurs during participation. The recommended policy would allow termination of a participant if they are convicted of identity theft.

Repayment agreements: (Chapter 16) Some families may unintentionally receive more assistance than entitled: examples of this include failure to report an adult child's income. In most instances, fraud is not intended. There are several changes to the plan that allow families to repay HAP for those additional benefits rather than being terminated.

Zero income reviews (11-II.C): HAP will now conduct in-office interviews every three months for families reporting zero income, rather than allowing the review by mail. We anticipate this may cut down on instances of fraud.

Termination of tenancy by participating owner for participants receiving zero rent assistance in the Moderate rehabilitation program: (Chapter 12) Owners are currently allowing tenants who have no housing assistance payment and have substantially increased their income to reside indefinitely in assisted units meant for extremely low income households. The recommended policy would require the owner to terminate tenancy once a tenant has received zero rent assistance for 180 calendar days. This is being recommended in order to ensure that another low income applicant can be served.

Participants receiving zero assistance (12-I.B): This proposed change would lengthen the period of time a voucher is retained by a family who has increased their income such that they are no longer receiving rental assistance. Currently, there is only a sixty day window before assistance permanently terminates. This change would allow the family to remain on the program for 180 days with zero subsidy. Assistance would be allowed to re-start a maximum of two times during the family's participation in the program if the family circumstances change before the expiration of the 180 day period. This adjustment in policy would give a family additional time to stabilize and adjust to paying full rent before permanently losing their voucher.

Exception to payment standards: We propose that exceptions be allowed to the payment standard if needed as a reasonable accommodation for a family that includes a person with disabilities. One example of when this may be necessary would be that it is often more expensive to find a wheelchair accessible unit, in this situation the established payment standard is often inadequate.

Household eligibility for Project-based Voucher assistance: (PHA Policy MTW) Currently the eligibility criteria for the PBV assistance and the tenant based assistance are the same. The recommended policy changes would allow HAP to use its MTW authority to provide greater access to the PBV program for applicants with greater barriers. The screening and eligibility criteria will vary based upon the capacity of the service provider and the specific population agreed to be served at the project.

Project-based Voucher subsidy standards: (Chapter 16) Currently large bedroom units are being left vacant for extended periods of time due to a lack of large enough households on the property waiting list to meet the two person per

bedroom requirement. The new recommended policy would allow a Project-based voucher unit to be filled with a smaller family size under the following conditions: The property would be required to submit a written request for exception to the PHA. The PHA would evaluate the requests on a case-by-case basis. The PHA would consider approval based upon the outcome of an audit showing that the owner has taken appropriate steps to market large units and is maintaining the waiting list in accordance with HUD regulations and PHA requirements. Families that are selected from the waiting list based on these criteria and approved to move into vacant PBV units will be deemed qualified for that unit size as long as at a minimum the decrease does not result in fewer than one person per bedroom.

Reduction in Project-based Voucher contract units due to vacancies:
(Chapter 17) This policy/practice has not been previously addressed but due to ongoing vacancy issues we are encouraging its adoption. The proposed policy would allow the PHA to give notice to an owner who consistently has vacancies for over 120 days. HAP would send the owner notice informing them that the number of units under contract with a Project-based Voucher would be reduced by the number of vacant units consistently in excess of 120 days.

Summary of Proposed Revisions to the Section 8 Administrative Plan

Chapter	Issue	HUD Regulations/References	Current Policy/Practice	New Policy
3-I.J	Guest total maximum stay in the assisted unit	24 CFR 5.100	A guest can remain in the assisted unit no longer than 14 consecutive days.	A guest can remain in the assisted unit no longer than 14 consecutive days or a total of 90 cumulative calendar days during any 12-month period.
3-I.L, 6-I.B	Sole member of household absent from the assisted unit for medical reasons	24 CFR 982.312	Sole member of household may not be absent from the assisted unit for more than 4 months.	Sole member of household may be absent from the assisted unit for up to 180 consecutive days.
3-I.M	Live-in aide	24 CFR 5.403, Notice PIH 2008-20 (HA)	Currently the PHA allows an additional bedroom for rotating caregivers.	Added clarification that the PHA may not approve an unidentified live-in aide, and that occasional, intermittent, multiple or rotating caregivers do not meet the definition of a live-in aide. Therefore, regardless of whether these caregivers spend the night, an additional bedroom will not be approved.
3-II.C	SSN disclosure, documentation, verification and certification requirements	24 CFR 5.216, 24 CFR 5.218	The requirements are applicable for every family member age 6 or older.	The requirements are applicable for all family members regardless of age.
3-III.C	Repayment agreement enabling applicant to pay debt owed to PHA for applicants working with an agency	24 CFR 982.552	The PHA may enter into a repayment agreement with the family applying for assistance and the agency. The PHA will not require the family to pay the debt in full as a condition for program eligibility.	The PHA will not enter into a repayment agreement with an applicant. If the debt is not paid in full, the PHA will deny assistance.
3-III.G, 12-II.E	Certification of domestic violence	Pub.L.109-162, Pub.L.109-271	The PHA requires certification by the victim, police or court record, or statement from professional from whom the victim has sought assistance.	The PHA will require certification by the victim and one of the following: police or court record; or a statement from professional from whom the victim has sought assistance.

Chapter	Issue	HUD Regulations/References	Current Policy/Practice	New Policy
4-I.B	Waiting list applications submitted by agencies on behalf of their clients	24 CFR 982.206	Agencies may submit applications within a 30-day period.	Agencies may submit applications within the determined application period that applies to all applicants.
4-I.D	Placement on waiting list	HCV GB, p. 4-13	The PHA will randomly order all applications after the application deadline has passed, then select the first 3000 applications to be placed on the waiting list.	The PHA will randomly order all applications after the application deadline has passed, then select an adequate number of applications to maintain full utilization of available HCV assistance for a period of two years to be placed on the waiting list.
4-II.F	Removal from waiting list for failure to respond	24 CFR 982.204	If a family is removed from the waiting list for failure to respond, the family may request an informal review.	If a family is removed from the waiting list for failure to respond, there is no opportunity for an informal review. A PHA supervisor may reinstate the family if s/he determines the lack of response was due to a disability, a PHA error, or to circumstances beyond the family's control. The family must contact the PHA in writing within 6 months from the application date to be eligible for the PHA's consideration to reinstate.
5-II.E	Voucher extensions	24 CFR 982.303	The PHA will approve extensions up to a total of 120 days. The PHA may approve a longer extension if necessary as a reasonable accommodation for a person with disabilities.	The PHA will approve extensions up to a total of 180 days if necessary as a reasonable accommodation for a person with disabilities. The PHA will approve extensions up to a total of 120 days if necessary due to reasons beyond the family's control, as determined by the PHA.
5-II.E	Notice of expiration of voucher term	PHA Policy	The PHA currently does not send a notice of voucher expiration. The expiration date is listed on the voucher.	Within 15 business days after the expiration of voucher term or any extension, the PHA will notify the family in writing that the voucher term has expired and that the family must reapply in order to be placed on the waiting list.

Chapter	Issue	HUD Regulations/References	Current Policy/Practice	New Policy
6-I.B	Income and medical expenses of members temporarily confined for medical reasons	HCV GB, p. 5-22	The PHA will include or exclude both income and expenses, whichever benefits the family. Generally an individual is considered temporarily absent if he or she is expected to be absent from the assisted unit for 180 consecutive days or less.	The PHA will include both income and expenses of temporarily absent member.
8-I.B	Additional local HQS requirements	24 CFR 982.401	The PHA currently uses Local Code (Title 29) to supplement HQS, but specifics are not listed in current policy.	Added specific language from Title 29 to supplement HQS to clarify often vague HQS regulations, for example: requirements for smoke detectors, emergency exits, basic utilities, garbage collection.
8-II.C	Missed annual inspections	24 CFR 982.405	If a family misses the first scheduled inspection, family has to call the PHA to reschedule.	If a family misses the first scheduled inspection, the PHA will automatically reschedule one time.
8-III.D	Rent reasonableness methodology	24 CFR 982.507	The PHA uses a unit-to-unit comparison, by which the rent for a unit proposed for HCV assistance is directly compared to the rents for one or more unassisted units selected as comparables within the same market area. When comparable units differ from the proposed unit, the PHA adjusts the rental value of comparable units to determine reasonable rent.	The rent for a unit proposed for HCV assistance will be compared to the average market rent of similar unassisted units. To determine reasonable rent, the PHA will make adjustments to the average market rent to account for the features of the proposed unit that may impact market rent value, such as unit size, condition, location, amenities.
10-I.C	Briefing for participant families moving from one assisted unit to another	PHA Policy	Family is required to attend a scheduled group briefing.	Group briefing is not required. Family is required to attend a one-on-one moving meeting with case manager.

Chapter	Issue	HUD Regulations/References	Current Policy/Practice	New Policy
10-I.C, 13-II.E	Payment to owner when a vacancy is unforeseen or unexpected (such as death or skip) and the owner has not received proper notice	PHA Policy (MTW)	The PHA will pay the owner through the end of the move-out month.	If a vacancy is unforeseen or unexpected (such as death or skip) and no notice was given to the owner, the PHA will pay the owner through the end of the month after the move-out month.
10-I.C	Overlap of assistance for participant families moving from one assisted unit to another	24 CFR 982.311	The PHA will not allow an overlap of the last housing assistance payment for the old unit and the first assistance payment for the new unit.	The PHA will allow an overlap of the last housing assistance payment for the old unit and the first assistance payment for the new unit in the same month.
11-I.E	Regular reexaminations - increases in family share of the rent	24 CFR 982.516	The family will be notified at least 30 days in advance, even if the family caused a delay in processing and did not meet HUD-required effective dates.	If the family causes a delay in processing the regular reexamination, increases in the family share of the rent will be applied effective on the date of the regular reexamination per HUD requirement. The family forfeits the right to the 30-day notice.
11-I.E	Regular reexaminations - decreases in family share of the rent	24 CFR 982.516	A decrease in family share of the rent will be effective on the date of the regular reexamination, even if the family caused a delay in processing and did not meet HUD-required effective dates.	If the family causes a delay in processing the regular reexamination, decreases in the family share of the rent will be applied effective in the date of the regular reexamination or on the first day of the month following completion of the reexamination processing, whichever is later.
11-II.B	Interim reexaminations for adding children	24 CFR 982.516	The PHA will not conduct interim reexaminations to add children, will add children at the next regular review.	The PHA will conduct interim reexaminations to add children.
11-II.C	Zero-Income reviews	24 CFR 982.516	The PHA is not currently conducting zero-income reviews. The practice has been to conduct a zero-income review by mail every 3 months as long as the family continues to report that they have no income and to conduct an interim reexamination if there is a change in income.	If the family has reported zero income, the PHA will conduct a zero-income in-office interview every 3 months as long as the family continues to report that they have no income. If there is a change in income, the PHA will conduct an interim reexamination.

Chapter	Issue	HUD Regulations/References	Current Policy/Practice	New Policy
11-II.C	Interim increases in earned income for FSS participants	24 CFR 982.516	The PHA will conduct an interim reexamination if the increase in earned income is at least \$50/mo.	The PHA will conduct an interim reexamination if the increase in earned income is at least \$100/mo.
11-II.C	Interim reexaminations during the search period of the voucher	24 CFR 982.516	The PHA will not conduct interim reexaminations during the search period of the voucher.	The PHA will conduct interim reexaminations for income increases during the search period of the voucher if the overall lease-up success rate is below 75% and the family reports an increase in regular, ongoing and sustainable income that will increase the likelihood of successful leasing.
12-I.B	Participants receiving zero subsidy	24 CFR 982.455	Family remains on the program for 60 days, assistance will restart if circumstances change before the expiration of the 60-day period (PHA policy - MTW).	Family remains on the program for 180 days with zero subsidy. Assistance will restart a maximum of two times during the family's participation in the program if circumstances change before the expiration of the 180-day period.
12-I.E	Termination of assistance for identity theft	PHA Policy (MTW)	The PHA will not terminate assistance if a family member has engaged in the crime of identity theft.	The PHA will terminate assistance if a family member engaged in the crime of identity theft while assisted.
12-III.B	Termination of tenancy by owner for participants receiving zero subsidy in modrehab program	PHA Policy based upon original HUD contracts	Owner may choose to terminate tenancy for participants receiving zero subsidy.	The owner must terminate tenancy 180 calendar days after the last housing assistance payment to the owner in order to ensure that another low-income applicant can be served.

Chapter	Issue	HUD Regulations/References	Current Policy/Practice	New Policy
16-II.B	Unit-by-unit exceptions to payment standards	24 CFR 982.503	Not addressed in current policy.	Unit-by-unit exceptions to the PHA's payment standards generally are not permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. In order to approve an exception, the PHA must determine that: there is a shortage of affordable units that would be appropriate for the family; the family's TTP would otherwise exceed 70 percent of adjusted monthly income; and the rent for the unit is reasonable.
16-III.C	Informal hearing officer	24 CFR 982.555	Current practice, not addressed in current policy.	Clarified that a program supervisor, other than the person who made or approved the determination in question or their subordinate, will conduct informal hearings for reasons other than program termination, such as: a determination of family's annual or adjusted income, a determination of the appropriate utility allowance for tenant-paid utilities, a determination of the family's voucher size under the PHA's subsidy standards.
16-IV.B	Policy on repayment of owner debts to PHA	HCV GB p. 22-13	Not addressed in current policy, decisions are made on a case-by-case basis.	Clarified that the PHA will not offer to enter into repayment agreement with owner.

Chapter	Issue	HUD Regulations/ References	Current Policy/Practice	New Policy
16-IV.B	Policy on repayment of family debts to PHA as a result of error and/or fraud by the family.	HCV GB p. 22-13	Family has up to 18 months to repay debt to PHA regardless of the amount owed.	Specified repayment terms based on amount of debt: (1) Amounts under \$500 must be repaid within 30 days, the PHA will not offer to enter into a repayment agreement; (2) Amounts between \$500 and \$999 must be repaid within 90 days; (3) Amounts between \$1,000 and \$4,999 must be repaid within 6 months; (4) Amounts over \$4,999 will be referred to HUD Office of Inspector General (OIG) for prosecution, the PHA will not offer to enter into a repayment agreement.
17-II.B	Owner termination of tenancy for project-based voucher (PBV) and moderate rehabilitation units	24 CFR 983.257	Not addressed in current policy.	The owner must terminate tenancy in the following cases: (1) 180 calendar days after the last housing assistance payment to the owner in order to ensure that another low-income applicant can be served; (2) if the family is absent from the unit for more than 60 consecutive days and PHA terminated family's assistance; (3) if PHA terminated family's assistance for any reason; (4) if a PBV unit is a floating unit and assistance is not attached to a specific unit, the owner may choose not to terminate tenancy. Whether the owner chooses to terminate tenancy or not, the total number of awarded units must be filled with eligible program participants in good standing with the PHA.

Chapter	Issue	HUD Regulations/References	Current Policy/Practice	New Policy
17-III.D	Regular inspections of PBV units	24 CFR 983.103	At least annually the PHA will conduct a building inspection of all assisted units and common areas.	At least annually the PHA will inspect a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and premises are maintained in accordance with HQS. If more than 20 percent of annual sample of inspected contract units in the building fails the initial inspection, the PHA will reinspect 100 percent of contract units in the building.
17-VI.B	Family eligibility for PBV assistance	PHA Policy (MTW)	Eligibility criteria are the same as for the tenant-based HCV program.	The PHA will use its MTW authority in a manner that will provide greater access to the PBV program to low-income families with barriers. Screening and eligibility criteria may be different from the requirements for the tenant-based voucher program. The PHA will determine an applicant family's eligibility for the PBV program based on the capacity of the service provider and specific population agreed to be served.

Chapter	Issue	HUD Regulations/ References	Current Policy/Practice	New Policy
17-VI.D	PBV subsidy standards	PHA Policy (MTW)	The owner must use the PHA's subsidy standards for tenant-based assistance to select applicants from the waiting list to fill vacant PBV units of appropriate sizes.	<p>If there are no families on the owner's waiting list that are eligible for vacant PBV units based on the PHA's subsidy standards, the owner may request PHA approval to select the next largest sized family on the waiting list that meets the following criteria: (1) the unit will not be overcrowded based on HQS space standards and (2) there is a minimum of one family member per bedroom (unless an additional bedroom is requested by the family as a reasonable accommodation and is approved by the PHA in writing).</p> <p>The PHA will evaluate the requests on a case-by-case basis. In deciding whether to grant approval, the PHA will consider an audit outcome showing that the owner has taken appropriate steps to market large units and is maintaining the waiting list in accordance with HUD regulations and PHA requirements.</p> <p>Families that are selected from the waiting list based on these criteria and approved to move into vacant PBV units will be deemed qualified for that unit size.</p>
17-VI.F	Reduction in PBV contract units due to vacancies	24 CFR 983.254	Not addressed in current policy.	<p>If any contract units have been vacant for 120 days, the PHA may give notice to the owner that the HAP contract can be amended to reduce the number of contract units that have been vacant for this period. The PHA will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of the PHA's notice.</p>

Chapter	Issue	HUD Regulations/ References	Current Policy/Practice	New Policy
17-IX.C	Calculating tenant rent and PBV subsidy amount	PHA Policy (MTW)	For families that moved into an assisted PBV unit before 7/1/06 and have not had a decrease in voucher size after 7/1/06, the PHA uses project-based calculation method. In all other cases, the PHA uses tenant-based calculation method.	The PHA will use the standard HCV calculation method to determine the tenant rent and the PHA subsidy amount. For families currently residing in PBV units using different calculation methods, those methods will convert to the standard HCV calculation at the time of the next regular recertification.

DASHBOARD REPORT

Housing Authority of Portland - Dashboard Report For July of 2008

Property Performance Measures

Occupancy	Number of Properties	Physical Units	Rentable Units	Vacant Units	Occupancy Percentage	Unit Mix						
						Studio/SRO	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5+ Bdrm	Total
Public Housing	44	2,163	2,128	102	95.2%	510	839	352	407	20	0	2,128
Public Housing Mixed Financed Owned *	1	40	40	0	100.0%	0	15	15	10	0	0	40
Public Housing Mixed Finance Tax Credit *	4	296	296	0	100.0%	0	93	89	62	45	7	296
Total Public Housing	49	2,499	2,464	102	95.9%	510	947	456	479	65	7	2,464
Affordable Owned with PBA subsidy	9	861	861	42	95.1%	72	229	104	91	0	0	496
Affordable Owned without PBA subsidy	6	496	496	15	97.0%	12	262	444	125	18	0	861
Total Affordable Owned Housing	15	1,357	1,357	57	95.8%	84	491	548	216	18	0	1,357
Tax Credit Partnerships	17	2,302	2,302	111	95.2%	890	597	446	211	141	17	2,302
Total Affordable Housing	32	3,659	3,659	168	95.4%	974	1,088	994	427	159	17	3,659
Eliminate Duplicated PH Properties/Units	-5	-336	-336	0		0	-108	-104	-72	-45	-7	-336
Combined Total PH and AH	76	5,822	5,787	270	95.3%	1,484	1,927	1,346	834	179	17	5,787
Special Needs (Master Leased)	36	422	422									
Total with Special Needs	112	6,244	6,209									

* property/unit counts also included in Affordable Housing Count

Financial	Per Unit Per Month						Fiscal YTD ending 3/31/2008				as of 3/31/2008	
	Property Revenue	Subsidy Revenue	Total Revenue	Operating Expense w/o HMF	HAP Management Fees (HMF)	NOI	# of Properties/units Positive Net Operating Income (NOI)		# of Properties/units Negative Net Operating Income (NOI)		# of Properties meeting Debt Coverage Ratio (DCR)	# of Properties not meeting DCR
							Properties	Units	Properties	Units		
Twelve months ending 3/31/2008												
Public Housing	\$191.27	\$262.53	\$453.80	\$367.65	\$59.28	\$26.87	25	1,642	19	557		
Affordable Owned	\$494.26	\$175.06	\$669.33	\$376.30	\$51.96	\$241.07	14	1,281	2	156	6	6
Tax Credit Partnerships	\$525.64	\$31.01	\$556.65	\$329.54	\$13.89	\$213.21	19	2,162	0		12	5

Public Housing Demographics

Public Housing Residents	Households				% Family Type (head of household)				Race % (head of household)					Ethnicity % (hoh)	
	# of Households	% of Households	Average Family Size	Average Unit Size	Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Black African American	White	Native American	Asian	Hawaiian/Pacific Island	Hispanic/Latino	Non Hispanic/Latino
0 to 10% MFI	482	20.8%	2.3	1.8	10.0%	10.8%	0.8%	5.3%	5.5%	14.0%	0.7%	0.5%	0.4%	4.4%	16.4%
11 to 20%	999	43.1%	1.6	1.4	33.7%	9.4%	11.8%	23.0%	8.7%	31.3%	1.5%	2.1%	0.2%	3.2%	39.8%
21 to 30%	494	21.3%	1.9	1.6	14.7%	6.6%	6.3%	9.3%	4.1%	15.5%	0.8%	0.8%	0.3%	2.9%	18.4%
31 to 50%	262	11.3%	2.4	1.9	5.4%	5.9%	2.1%	3.2%	2.6%	7.7%	0.4%	0.5%	0.1%	1.6%	9.7%
51 to 80%	71	3.1%	3.2	2.3	1.1%	2.0%	0.3%	0.6%	1.4%	1.5%	0.0%	0.2%	0.0%	0.6%	2.5%
Over 80%	14	0.6%	2.3	1.8	0.4%	0.2%	0.2%	0.1%	0.2%	0.4%	0.0%	0.0%	0.0%	0.1%	0.5%
All	2,322	100.1%	1.9	1.6	65.3%	34.8%	21.5%	41.4%	22.5%	70.4%	3.4%	4.1%	1.0%	12.8%	87.3%

Waiting List

0 to 10% MFI	1,695	53.4%	2.3	8.5		1.4%	19.8%	19.2%	29.3%	3.4%	1.1%	0.9%	6.0%	45.8%
11 to 20%	870	27.4%	2.5	1.9		1.4%	11.7%	9.7%	15.0%	1.6%	0.8%	0.5%	2.2%	24.7%
21 to 30%	350	11.0%	2.6	1.9		0.8%	3.8%	3.9%	6.2%	0.4%	0.5%	0.1%	1.3%	9.4%
31 to 50%	217	6.8%	2.6	2.1		0.5%	1.8%	2.3%	3.7%	0.3%	0.2%	0.1%	0.8%	5.9%
51 to 80%	39	1.2%	3.2	2.5		0.1%	0.2%	0.5%	0.6%	0.1%	0.0%	0.1%	0.1%	1.1%
Over 80%	4	0.1%	4.3	3.3		0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%
All	3,175	100.0%	2.4	5.4		4.1%	37.3%	35.7%	55.0%	5.8%	2.6%	1.7%	10.4%	87.0%

Other Activity

	#s, days, hrs
Public Housing	
Names pulled from Wait List	152
Denials	20
New rentals	39
Vacates	35
Evictions	1
# of work orders received	1,179
# of work orders completed	1,134
Average days to respond	8.4
# of work orders emergency	9
Average response hrs (emergency)	8

Housing Authority of Portland - Dashboard Report For July of 2008

Rent Assistance Performance Measures

Utilization and Activity

	Current Month Status						Current Month Activity				Calendar Year To Date				
	Vouchers Available	Vouchers Paid	Utilization Percentage	Average Voucher Cost	HUD Subsidy Over(Under) Utilized	Remaining Waiting List Size	Waiting List Names Pulled	New Vouchers Leased	Vouchers Terminated	Voucher Inspections Completed	Utilization Percentage	Average Voucher Cost	HUD Subsidy Over(Under) Utilized	New Vouchers Leased	Vouchers Terminated
Tenant Based Vouchers	6,608	6,808	103%	\$550	\$3,021	642	403	105	36	782	102%	\$557	\$440,064	770	335
Project Based Vouchers	1,036	930	90%	\$459	-\$166,296			19	20	123	90%	\$460	-\$1,529,726	134	103
SRO/Mod Vouchers	562	522	93%	\$346				11	24	62	93%	\$348	\$47,172	87	110
All Vouchers	8,206	8,260	101%	\$527	-\$163,275			135	80	967	100%	\$532	-\$1,042,491	991	548

Demographics

	Households				% Family Type (head of household)				Race % (head of household)					Ethnicity % (hoh)	
	# of Households	% of Households	Average Family Size	Average Unit Size	Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Black	White	Native American	Asian	Hawaiian/Pacific Island	Hispanic	Non Hispanic
Tenant Based Voucher Participants															
0 to 10% MFI	1,155	17.3%	2.3	2.1	7.1%	10.2%	0.2%	0.9%	8.5%	8.0%	0.7%	0.5%	0.1%	1.0%	16.3%
11 to 20%	2,682	40.2%	2.0	1.9	24.8%	15.4%	7.9%	18.0%	13.0%	24.2%	1.1%	2.6%	0.1%	2.1%	38.0%
21 to 30%	1,489	22.3%	2.5	2.2	11.4%	10.9%	5.9%	7.4%	6.7%	13.8%	0.5%	1.5%	0.1%	1.3%	21.1%
31 to 50%	1,178	17.7%	3.0	2.5	5.4%	12.3%	2.3%	3.5%	6.8%	9.6%	0.5%	1.0%	0.2%	1.0%	16.6%
51 to 80%	159	2.4%	3.4	2.9	0.5%	1.9%	0.2%	0.4%	1.1%	1.0%	0.0%	0.3%	0.0%	0.1%	2.3%
Over 80%	10	0.1%	4.3	3.3	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
All	6,673	100.0%	2.4	2.1	49.3%	50.7%	16.6%	30.2%	36.2%	56.6%	2.8%	5.9%	0.5%	5.5%	94.5%

Waiting List

	# of Households	% of Households	Average Family Size	Average Unit Size	Adults no Children	Family with Children	Elderly	Disabled Not Elderly	Black	White	Native American	Asian	Hawaiian/Pacific Island	Hispanic	Non Hispanic
0 to 10% MFI	289	45.0%	1.8				1.2%	15.6%	16.7%	23.8%	3.6%	1.1%	0.6%	2.3%	37.2%
11 to 20%	156	24.3%	2.1				2.6%	11.2%	7.2%	13.2%	1.2%	1.9%	0.5%	2.2%	19.8%
21 to 30%	101	15.7%	2.0				1.9%	5.5%	5.5%	8.6%	0.5%	0.8%	0.0%	1.7%	11.5%
31 to 50%	91	14.2%	2.3				1.4%	3.0%	3.9%	9.2%	0.5%	0.3%	0.0%	2.2%	10.6%
51 to 80%	5	0.8%	1.8				0.2%	0.2%	0.3%	0.3%	0.0%	0.0%	0.2%	0.5%	0.3%
Over 80%															
All	642	100.0%	2.0				7.3%	35.4%	33.5%	55.1%	5.8%	4.0%	1.2%	8.9%	79.4%

Short Term Rent Assistance

	# of Households Participating	\$ Amount of Assistance Provided	Average Cost per Household
Shelter Plus Care	405	\$200,495	\$495
Short Term Rent Assistance	188	\$88,655	\$472

Resident Services

Resident Programs

	Housing Program Served	Households Served/ Participants	Monthly Funding Amount	Average Funds per Participant					
Congregate Housing Services	Public Housing	100	\$77,855	\$779					
Resident Services Coordination		# HH Stabilized	# HH Transitioned	# Mental/Physical Health Stabilized					
	Public Housing	6	0	6					
Community Supportive Services		# HH Enrolled	# in Self Sufficiency	# In GOALS					
	Public Housing	77	36	3					
	Section 8	28	15	1					
GOALS Program		# of Participants	Escrow \$ Held	New Enrollees	# of Graduates	Escrow \$ Disbursed	Terminations or Exits	Escrow \$ Forfeited	Avg Annual Earned Income Increase Over Last Year
	Public Housing	74	\$150,999	1	1	\$0	0	\$0	\$1,678
	Section 8	275	\$978,944	1	5	\$13,055	0	\$0	\$893

Agency Financial Summary

Twelve months ending 3/31/2008	Fiscal Year to Date	Prior YTD	Increase (Decrease)
Subsidy Revenue	\$67,817,891	\$61,986,852	\$5,831,039
Grant Revenue	\$6,499,263	\$8,827,172	(\$2,327,909)
Property Related Income	\$13,233,928	\$14,203,490	(\$969,562)
Development Fee Revenue	\$4,964,637	\$3,735,203	\$1,229,433
Other Revenue	\$2,674,256	\$1,894,113	\$780,142
Total Revenue	\$95,189,974	\$90,646,830	\$4,543,144
Housing Assistance Payments	\$54,447,288	\$50,934,381	\$3,512,907
Operating Expense	\$34,998,226	\$33,096,831	\$1,901,395
Depreciation	\$4,596,684	\$4,493,517	\$103,167
Total Expense	\$94,042,198	\$88,524,730	\$5,517,469
Operating Income	\$1,147,775	\$2,122,100	(\$974,325)
Other Income(Expense)	\$169,217	-\$741,417	\$910,634
Capital Contributions	\$10,067,147	\$12,841,166	(\$2,774,019)
Increase(Decrease) Net Assets	\$11,384,139	\$14,221,849	(\$2,837,710)
Total Assets	\$323,528,218	\$302,228,435	\$21,299,783
Liquidity Reserves	\$12,733,522	\$10,056,279	\$2,677,243

Development/Community Revitalization

New Development / Revitalization	Units	Construction Start	Construction End	Current Phase	Total Cost	Cost Per Unit
Humboldt Gardens	130	Apr-07	Jul-08	Complete	\$40,484,042	\$191,842
Pine Square	142	tbd	tbd	Predevelopment	\$6,400,000	
Rockwood Station	195	tbd	tbd	Predevelopment	\$26,000	
University Place	50	Apr-09	Apr-10	Predevelopment	\$7,960,000	\$159,000
Multnomah Village Lots	0	tbd	tbd	Concept	tbd	
The Grove Hotel	70	Feb-08	Aug-08	Construction	\$3,800,000	
The Resource Center (Access Center)	0	tbd	tbd	Predevelopment	tbd	
Hillsdale Terrace	0	tbd	tbd	Concept	tbd	
Capital Improvement						
Slavin Court Renovation	24	Apr-08	Jan-09	Construction	\$1,999,101	\$71,373
Cambridge Court	20	May-08	Nov-08	Construction	\$1,322,000	\$42,073
Dahlke Manor	115	Jul-08	Nov-08	Construction	\$1,161,712	\$8,197
Martha Washington	80	tbd	tbd	Concept	\$16,000,000	\$207,500
The Jeffrey	tbd	tbd	tbd	Concept	tbd	tbd
Pending Sales						
PH Scattered Sites	8				\$1,963,800	

RESOLUTIONS



MEMORANDUM

**SUBJECT: RESOLUTION 08-09-01
GRANTING THE EXECUTIVE DIRECTOR AUTHORITY TO EXECUTE THE
10-YEAR RESTATED MOVING TO WORK AGREEMENT WITH THE U.S.
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WHEN
DISCUSSIONS ARE COMPLETE AND THE AGENCY IS ASSURED THE
ABILITY TO USE FUNDING FOR LOCAL PURPOSES**

TO: BOARD OF COMMISSIONERS

**FROM: Steven D. Rudman 503.802.8455 stever@hapdx.org
Contact: Catherine Such 503.802.8505 catherines@hapdx.org**

DATE: September 9, 2008

BACKGROUND:

The Housing Authority of Portland (HAP) is one of a few housing authorities nationwide that operates with Moving to Work (MTW) authority. MTW is a demonstration program that was created by Congress in 1996 to grant housing authorities the flexibility to change provisions in the 1937 Housing Act in order to develop programs that better meet local needs. After 10 years in the program, HAP has increased its housing assistance, developed a strong and innovative self-sufficiency program, and made changes to its rent policies that benefit clients and the agency.

HAP's current MTW agreement ends on March 31, 2009. The U.S. Department of Housing and Urban Development (HUD), which administers MTW, has offered all MTW agencies the opportunity to enter into a new standard agreement that extends their MTW status until 2018. HAP is interested in continuing the progress it has made as an MTW agency and is nearing the end of its negotiations with HUD on the new agreement. For the most part, the new agreement provides the benefits of the current agreement, with one major exception: the ability to use Section 8 and Section 9 (public housing) funding for local programs is still under discussion within HUD. The MTW office at HUD supports this flexibility is advocating within HUD for its continuation.

RECOMMENDATION:

Staff recommends approval of Resolution 08-09-01.



RESOLUTION 08-09-01

GRANTING THE EXECUTIVE DIRECTOR AUTHORITY TO EXECUTE THE 10-YEAR RESTATED MOVING TO WORK AGREEMENT WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WHEN DISCUSSIONS ARE COMPLETE AND THE AGENCY IS ASSURED THE ABILITY TO USE FUNDING FOR LOCAL PURPOSES

WHEREAS, in 1999, HAP became one of the first housing authorities in the nation to participate in the Moving to Work Congressional demonstration program; and

WHEREAS, the MTW program grants housing authorities the ability to use federal funding in pursuit of increasing housing choices, promoting self-sufficiency, and increasing efficiency, and HAP has broad flexibility to design local programs and alter certain regulations in pursuit of these goals,

WHEREAS, HAP has used its MTW authority for a project-based Section 8 program that has helped non-profit developers provide additional housing, for expanding its family self-sufficiency program, and for redesigning certain rent policies to benefit both clients and the agency;

WHEREAS, HAP wishes to continue and expand these innovations;

WHEREAS, HAP proposes to continue this work under the restated Moving to Work agreement that extends MTW benefits until 2018.

NOW THEREFORE, BE IT RESOLVED that the HAP Board of Commissioners authorizes the Executive Director to enter into the 10-year restated MTW agreement when the agency and HUD successfully conclude discussions around the use of MTW funds for local purposes.

Adopted: September 16, 2008

HOUSING AUTHORITY OF PORTLAND

Jeff Bachrach, Chair

Attest:

Steven D. Rudman, Secretary



MEMORANDUM

**SUBJECT: RESOLUTION 08-09-02
RATIFYING THE LABOR AGREEMENT BETWEEN THE HOUSING
AUTHORITY OF PORTLAND (HAP) AND THE BUILDING TRADES
COUNCIL**

TO: BOARD OF COMMISSIONERS

**FROM: Steven D. Rudman 503.802.8455 stever@hapdx.org
Contact: Brenda K. Carpenter 503.802.8502 brendac@hapdx.org
Melissa Richardson 503.802.8529 melissar@hapdx.org**

DATE: September 9, 2008

ISSUE:

Resolution 08-09-02. Ratification of the labor agreement between HAP and the Building Trades Council.

BACKGROUND:

In August of 2003, HAP and the Building Trades Council agreed to a five-year collective bargaining agreement effective April 1, 2003 through March 31, 2008. The five-year agreement, longer than is typical at HAP, helped ensure stable labor relations during Public Housing's transition to site based management. HAP's collective bargaining agreement with the Building Trades Council expired on March 31, 2008.

Bargaining with the Building Trades Council started in early 2008 with representatives from HAP management and the trades unions that comprise the Building Trades Council. Bargaining was conducted over several sessions between February and June of 2008. On June 26, 2008, the parties reached a tentative agreement for a three year contract. The Building Trades have 66 members in the bargaining unit; the bargaining unit members ratified the agreement on August 21, 2008 by a vote of 46 to ten.

Key bargaining objectives and interests that were met include:

1. Maintain positive labor relations. HAP and the Building Trades Council representatives conducted negotiations in a spirit of mutual trust and respect. Both sides were able to articulate their interests and the atmosphere created at the table facilitated smooth, timely contract negotiations.
2. Improve operational efficiency. The bargaining teams were able to reach agreement on three new generalist job classifications: Maintenance Generalist I, Maintenance Generalist II and Maintenance Generalist III. Instituting these new classifications moved the total number of classifications in this bargaining unit from 18 to nine. The

new positions reflect broader job responsibilities allowing for increased flexibility in the work performed by the majority of Trades' employees.

3. Slow the growth of total compensation. The bargaining teams' recognition of the economic climate of the agency and the continued trend toward the loss of public housing revenue governed the economic discussions at the table. This coupled with extensive salary survey work prior to the start of the contract negotiations informed the wage agreement. The wage settlement reflects a significant shift in the way that Trades employees will be paid. Traditionally, the Trades have had a flat rate wage schedule meaning that every person in a particular job classification received the same rate of pay regardless of length of service in that classification. In addition, over time, several of the classifications had drifted above or below market rates.

Upon ratification of the contract, there will be two wage schedules: Schedule A and Schedule B (a summary of the wage schedules is attached for reference). Schedule A reflects the wage rates for current employees. Although this schedule maintains the flat rate wages, employees will receive increases to their base wages over the life of this contract that more accurately reflect market rates for their positions. Maintenance Generalist IIs, 10 employees total, will receive 1% increases to their base wages each year for the life of the contract. The Maintenance Generalist Is and IIIs will receive cost of living increases with a floor of 3% and a ceiling of 5%; the COLA increase for this year is 3.7%. The electricians and plumbers, three employees in all, will see their base wages increased to reflect their relatively low-to-market pay with COLA increases in the outlying years of the contract. Schedule B institutes ranges and steps for each classification, with the bottom step reflecting a significant decrease over current wage rates and the top salary capping at the pre-negotiation rate for each classification. Wage Schedule B will apply to employees hired after the ratification of the contract. With new employees being hired at a rate of pay on Schedule B and employees on Schedule A moving to Schedule B when promoted, we should see a significant slow down in the growth of total compensation. Last, to recognize commitment to the agency, longevity bonuses equal to 3% of base pay are granted for the first time and will be given to employees who reach 15, 18, 21, 24, 27, and 30 years of service with HAP. This item is not expected to cost the agency significantly since only a few Trades members will reach these milestones over the three years of the contract.

4. Health benefit plan cost containment. Trades employees first began paying a contribution toward their medical and dental insurance premiums five years ago. This contribution, a percentage of the year-to-year increase of the medical and dental insurance premiums for all Trades employees, resulted in Trades employees paying a monthly premium contribution of \$17.86 a month for all levels of coverage over the last plan year prior to negotiations.

Effective upon ratification of the contract, Trades employee premium contributions will be 5% of the actual cost of the medical and dental insurance premiums for all levels of coverage. This change is significant because it represents a commitment closer to that of AFSCME and non-represented employees toward the rising costs of healthcare insurance and ties the employees' premium contribution much more

directly to the actual cost of the medical and dental insurance premiums. As a result of paying a percentage of the cost of the benefits package versus a percentage of the increase in the costs, premium contributions for employees at all levels of coverage will move from \$17.86 to \$49.06 a month. In addition, HAP will continue to maintain its control over annual budgetary increases to address the rising cost of health insurance. Trades have also agreed to continue to participate in the labor management healthcare benefit committee. This committee has been very successful in cooperatively exploring ways to design and deliver effective health care plans while containing rapidly rising benefit costs. This committee also provides the forum to negotiate benefits on an annual basis since benefits are a mandatory subject of bargaining.

5. Recruit, train and maintain a motivated, qualified workforce. The Trades have had a training and advancement committee, now called the Hiring, Training and Promotions committee, in place since the early 1990's. This committee oversaw training and promotional opportunities for this employee group. Seniority based, access to promotional training opportunities was limited to only a small number of employees. Under the terms of the new bargaining agreement, HAP and the Building Trades Council have agreed to open training opportunities to all interested employees. In addition, HAP will partner with Portland Community College (PCC) to develop skill-based testing programs linked to the new generalist job descriptions. HAP will use skill based testing at both point of hire and promotion to widen access to promotional opportunities and ensure consistency across the job classifications.
6. Resolution of Trades' grievances. HAP was able to reach a Memorandum of Understanding, included in the bargaining agreement, resolving the grievances filed by the Trades on performing the maintenance work at New Columbia and Humboldt Gardens. Under the terms of the MOU, over the three years of the agreement and upon approval of HAP's tax credit partners, HAP will move the management and maintenance of Humboldt Gardens and the Plaza to the Public Housing team in HAP's Real Estate Operations department. In exchange, HAP and the Building Trades Council have agreed that the remainder of the properties in the affordable housing portfolio will continue to be managed and maintained by third party property management companies.
7. Rewriting contract language that was unclear and out-of-date. Building on the last full contract talks that occurred in 2003, a comprehensive review of the contract language was conducted and language has been rewritten for clarity and ease of interpretation.
8. Other contract items negotiated. In addition to the above, several other changes were made to the contract. Of note is that the agency is giving the day after Thanksgiving off as a new holiday. This was exchanged for the four hours given during the month of December to each Trades employee. This change, which was very well received, will eliminate the operational problems encountered trying to staff the agency during the day after Thanksgiving and will allow us to stop the well established practice of giving four hours off to each employee in December.

Trades Employee Wage Schedules Upon Ratification of the Contract

Schedule A

(Applicable to Current Trades Employees)

Current Classification Title	Classification Title as of 4/1/08	Wage as of 4/1/08
Commercial Building Janitor	Maintenance Generalist I	\$14.28
Grounds Maintenance Worker	Maintenance Generalist I	\$14.28
Residential Building Specialist	Maintenance Generalist I	\$15.92
Courier	Maintenance Generalist I	\$18.54 + \$1,432.33 bonus
Laborer	Maintenance Generalist II	\$20.02 + \$1,546.67 bonus
Truck Driver Helper	Maintenance Generalist II	\$20.35 + \$1,572.16 bonus
Maintenance Mechanic Technician	Maintenance Generalist II	\$21.45 + \$1,657.14 bonus
Recycle Truck Driver	Truck Driver	\$21.13
Maintenance Truck Driver	Truck Driver	\$21.13
Sanitation Truck Driver	Sanitation Truck Driver	\$22.36
Pest Control Mechanic	Maintenance Generalist III	\$24.32
Maintenance Mechanic	Maintenance Generalist III	\$24.32
Painter	Painter	\$24.32
Carpenter	Carpenter	\$24.32
Plumber	Plumber	\$26.92
Electrician	Electrician	\$26.92
Supervising Electrician	Supervising Electrician	\$33.63

Schedule B

(Applicable to Employees Hired After Ratification of the Contract)

Maintenance Generalist I	\$12.95	\$13.60	\$14.28	\$14.99	\$15.35
Maintenance Generalist II	\$17.60	\$18.12	\$18.67	\$19.23	\$19.82
Maintenance Generalist III	\$20.81	\$21.43	\$22.07	\$22.72	\$23.45
Painter & Carpenter	\$20.81	\$21.43	\$22.07	\$22.72	\$23.45
Truck Driver	\$20.38	\$20.99	\$21.62	\$22.27	
Sanitation Truck Driver	\$21.56	\$22.21	\$22.87	\$23.56	
Plumber	\$26.92	\$27.72	\$28.55	\$29.42	
Electrician	\$26.92	\$27.72	\$28.55	\$29.42	
Supervising Electrician	\$33.63	\$34.64	\$35.68	\$36.75	

RECOMMENDATION:

Staff recommends approval of Resolution 08-09-02 ratifying the agreement effective April 1, 2008 to March 31, 2011 between the Housing Authority of Portland and the Building Trades Council.



RESOLUTION 08-09-02

RESOLUTION 08-09-02 RATIFICATION OF THE LABOR AGREEMENT BETWEEN THE HOUSING AUTHORITY OF PORTLAND AND THE BUILDING TRADES COUNCIL

WHEREAS, it is the policy of the Housing Authority of Portland to recognize the right of its employees to enter into a collective bargaining agreement under the Public Employees Collective Bargaining Act to govern their wages, hours and working conditions; and

WHEREAS, the current labor agreement with the Building Trades Council expired on March 31, 2008; and

WHEREAS, the duly authorized representatives of the Housing Authority of Portland have met in negotiation meetings with representatives of the Building Trades Council; and

WHEREAS, the representatives of the Housing Authority of Portland and the Building Trades Council, tentatively agreed to a new three-year contract on all Articles of the contract, including but not limited to wages, and health care benefits, and ratified by members of the Building Trades Council; and

NOW THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of Portland to ratify the new contract effective April 1, 2008, that shall govern the employment relations with members of the Building Trades Council through March 31, 2011, and authorize the Executive Director to sign the labor agreement.

Adopted: September 16, 2008

HOUSING AUTHORITY OF PORTLAND

Jeff Bachrach, Chair

Attest:

Steven D. Rudman, Secretary



MEMORANDUM 08-09-03

**SUBJECT: MOTION TO APPROVE FY 2008 AUDITED FINANCIAL STATEMENTS;
AUDITORS' OMB A-133 COMPLIANCE REPORT AND AUDITORS'
REPORT TO THE AUDIT AND FINANCE COMMITTEE**

TO: BOARD OF COMMISSIONERS

**FROM: Steven D. Rudman 503-802-8455 stever@hapdx.org
Contact: Todd Salvo 503-802-8535 todds@hapdx.org**

DATE: September 9, 2008

AUDITED FINANCIAL STATEMENTS

Housing Authority of Portland
Financial Statement Commentary
For the year ended March 31, 2008

FINANCIAL HIGHLIGHTS

Continued favorable liquidity, positive operating results and growth in net assets are evident in the Authority's financial condition in 2008.

The Authority's financial position was influenced by ongoing development and financing primarily at the New Columbia and Humboldt Gardens HOPE VI redevelopment and the sale of several affordable housing properties during the year. Specifically:

- Total assets increased \$17.6 million from \$317.0 million at March 31, 2007 to \$334.6 million at March 31, 2008. This increase, reflected in notes receivable – partnerships, results from the Authority providing \$17.6 million in construction financing, sourced from the issuance of bonds for the Humboldt Gardens Limited Partnership. Increases in notes and accrued interest receivable from additional financing of New Columbia and Humboldt Gardens and an increase from deferred developer fees reflected in due from partnerships were offset by decreases in capital assets associated with the sale of La Tourelle affordable property and the sale of 29 single family public housing properties, 19 associated with the Humboldt Gardens redevelopment, 6 associated with the scattered site sales and 4 sold as part of the homeownership program.
- Total liabilities increased from \$177.0 million at March 31, 2007 to \$184.2 million at March 31, 2008 primarily due to the Authority's issuance of \$17.6 million of construction bonds to fund the financing of Humboldt Gardens. This increase was partially offset by the retirement of bonds associated with the sale of La Tourelle and the early pay off of a portion of the bonds for Pine Square/University Place

affordable properties, reduction in accounts payable, as well as the payoff of the Authority's line of credit.

- Total operating revenues increased \$5.2 million to \$95.4 million as HUD operating subsidies increased \$5.1 million.
- Total operating expenses of \$94.4 million increased \$5.7 million from the prior year, primarily due to higher housing assistance payments of \$3.9 million. A number of categories in administration expense also contributed to higher operating expense including development fee expense associated with a non-recurring payment to the developer of the Morrison (Civic Redevelopment Limited Partnership), personnel expense from annual compensation increases for existing staff, other professional services and consultant expense.
- Operating income for 2008 was \$1.0 million compared to \$1.5 million in 2007.
- Net assets grew \$10.4 million to \$150.4 million at March 31, 2008. This growth was primarily due to the \$7 million in capital contributions associated with HUD funding of ongoing HOPE VI projects at New Columbia and Humboldt Gardens and capital funds provided for public housing properties, along with capital contributions from other sources of \$3.4 million associated with Humboldt Gardens and other capital improvement projects.

The Auditors have issued an opinion that the Authority's basic financial statements present fairly the financial position of the Authority as of March 31, 2008.

AUDITORS' OMB CIRCULAR A-133 COMPLIANCE REPORT

The independent auditors conduct certain compliance tests and issue a report in accordance with Office of Management and Budget Circular A-133.

The independent auditors provided an opinion that the Authority was materially in compliance with the applicable requirements of each major federal program. The auditors did identify one instance of non-compliance that was reported as a finding in the management letter and also included in the A-133 report.

AUDITORS REPORT TO THE AUDIT AND FINANCE COMMITTEE

The auditors have issued a report that provides necessary communication on matters related to the conduct of the audit including a letter of recommendations. The recommendations provide two items that management agrees with.

MOTION TO APPROVE

The Audit Committee recommends acceptance and approval of the FY 2007 Audited Financial Statements; Independent Auditors' OMB Circular A-133 Compliance Report and Independent Auditors' Management Letter to the Board as presented.



MEMORANDUM

**SUBJECT: RESOLUTION 08-09-04
ESTABLISHES THE CREATION OF A MOVING TO WORK
SPECIAL INITIATIVES FUND WITH UNDERUTILIZED SUBSIDY
FROM SECTION 8 FUNDING FOR CALENDAR YEAR 2008**

TO: BOARD OF COMMISSIONERS

**FROM: Steven D. Rudman 503.802.8455 stever@hapdx.org
Contact: Catherine Such 503.802.8505 catherines@hapdx.org**

DATE: September 9, 2008

BACKGROUND:

HAP has fully utilized its allocation of Section 8 vouchers for the year, which is both great news and provides the community with a unique opportunity. As part of HAP's Moving to Work ("MTW") authority, we have the ability to move underutilized funds from one program to another, effectively rendering the money fungible. In the Section 8 program, for this calendar year,¹ there is \$1.5 million in underused subsidy. While we are fully utilizing the allocation of vouchers from HUD, the cost per voucher is lower than the subsidy awarded, by a projected \$1.5 million, which can be "funged" to other programs. After staff-level discussions, we recommend spending most of these funds in rental assistance, which both reflects the intent of the original subsidy, and allows us the opportunity to pursue programs and projects that support our resource allocation agenda under MTW of 20% spending on supportive housing and 20% on opportunity housing.

It is important to commit the money - funding has historically been based on the prior year's spending, so if the money is not fully spent, HAP's funding in rental assistance could be reduced when HUD calculates next year's voucher subsidy. To avoid this possibility, the \$1.5 million must be reported to HUD as utilized this year to ensure HAP is fully funded in the coming year. While there is ambiguity in HUD's practices regarding both the timing and the exact method of "rebenchmarking" next year's voucher subsidy (it has changed from year to year), the conservative approach is to commit all funds by the end of September as this is the month that HUD used as the cut-off for rebenchmarking last year.

¹ The fiscal year for HUD is a calendar year: this is always slightly challenging, as the Housing Authority's fiscal year ends 3/31.

Please note that HAP has used fungible money in the past: last year, we used underutilized funds from the S8 program to rehabilitate and significantly enhance security for Maple Mallory, a public housing property.

Creation of a MTW special projects fund:

Because the funds are available as a result of our MTW authority, staff recommends using them in a way that is consistent with our MTW agenda. We propose creating a MTW special projects fund to segregate the total \$1.5 million, and believe the designation of such a fund, segregation of the money, and a board resolution will satisfy HUD's requirements. As we design specific uses, we will provide the BOC with updates regarding the programs: we anticipate providing such updates between now and the end of the calendar year.

In addition to the creation of the fund, staff has considered several programmatic options, listed below.

Public housing: capital needs

As commissioners are aware, there are significant and ongoing needs in the public housing portfolio, both with respect to capital needs and ongoing funding. A full briefing on the Public Housing Preservation Initiative is planned for the October work session: we believe it is appropriate to use the fund for ongoing needs in the public housing portfolio.

Rental Assistance: recommended programs

There are several proposed program uses for the fund, including protections for landlords, an enhanced voucher program that provides for a continuum of housing, participant education for those with the highest barriers to successfully finding and retaining housing, and assistance for both rental assistance participants and public housing residents with application for social security funds. Descriptions follow:

Landlord mitigation fund - \$400,000. As you are aware, our turnback rate (the rate of voucher holders that cannot find housing) has increased as the rental market has tightened. This issue has drawn a great deal of attention from Commissioner Fish's office and HCDC. The Metro Multifamily Housing Association (an industry group for property owners) has suggested more landlords might accept Section 8 voucher holders if there was a mitigation fund for such things as damages, insurance deductibles, unpaid rent for skips, and other potential tenant-based risks. The fund will be likely be administered by HAP staff. It is our intention to evaluate whether the establishment of such a fund reduces the turnback rate.

Other rental assistance programs include:

Ready to Rent classes. Funding this program better prepares our participants to use their vouchers on the private market by providing classes that will cover such things as housekeeping, abiding by lease requirements, paying rent, etc. We intend this program specifically for high-barrier participants.

Social Security/disability assistance for residents. As you may know from the local media, it's tough to access the social security system locally. This significantly harms our residents and participants, and impacts HAP because residents and participants who might otherwise have income from social security, and thus be able to pay some rent, often have zero income. Central City Concern has a program called BEST (Benefit and Entitlement Specialist Team) with case managers who work with clients to access the system and properly complete paperwork. We have been in preliminary discussions with them about a .25 FTE devoted to our residents and participants.

Program-based vouchers. Funding this project would allow HAP to provide program based vouchers to service providers such as those working with clients seeking permanent supportive housing, at one end of the spectrum, and those working with clients to make them work-ready at the other end of the spectrum. Program-based vouchers, under our MTW authority, could also be "enhanced," which means part of the subsidy could be used to pay for services. This could be a terrific complement to the city and county's agenda, and there are other models (for example, King County) where such special vouchers have been used very successfully. We recommend establishing a pilot project. One potential model would be granting 15 – 20 vouchers in the first 12 months to one or two service providers, and then, depending on achievement of outcomes and utilization, either increase the amount of pilot program funding or hold a competitive process, similar to that in place for project-based vouchers, for other providers.

Opportunity Housing: recommended programs

Opportunity Housing Initiative. As you are aware, the Opportunity Housing Initiative ("OHI") is a significant part of HAP's MTW agenda, specifically encouraging family self-sufficiency² at properties owned by HAP. Staff is considering the following:

Pilot project: New Columbia. Humboldt Gardens has an OHI program, as does Fairview Woods. We have also discussed basing a pilot project at New Columbia, as well as exploring the possibility at other projects such as Rockwood. We are contemplating establishing a "strike point" with our site-based OHI programs: the strike point is the rent that a household must reach prior to triggering a savings account. This allows residents to be treated equally in accumulating savings, rather than providing a greater reward for households that move from zero income to some income (which determines the magnitude of savings over time). The strike point gets us closer to rewarding working families who were motivated to work in advance of entering an OHI program.

Youth program under OHI. Based on both successes and challenges in our GOALS for Kids program, we envision seeding savings accounts for youth as they participate in positive activities (such as volunteering, participating in programs

² This is also a significant goal of the original act of Congress that created the MTW program.

designed to promote academic achievement, college preparation, and career development). The timeframe for this funding will vary depending on specific uses and projects, but we anticipate three years.

Staff recommends adoption of Resolution 08-09-04.



RESOLUTION 08-09-04

RESOLUTION 08-09-04 ESTABLISHES THE CREATION OF A MOVING TO WORK SPECIAL INITIATIVES FUND WITH UNDERUTILIZED SUBSIDY FROM SECTION 8 FUNDING FOR CALENDAR YEAR 2008

WHEREAS, on March 14, 2008 the U.S. Department of Housing and Urban Development has issued HAP a notice of its funding amounts for the Section 8 program in CY 2008; and

WHEREAS, the new funding methodology adopted by HUD for CY 2008 has resulted in an increase in funding up to the total amount of \$51,370,127 an additional \$2,633,607 above prior funding projections; and

WHEREAS, the need for capital improvements and operational funding in the public housing portfolio continue; and

WHEREAS, HAP wishes to use these funds in a manner consistent with its Moving to Work 20/60/20 agenda; and

WHEREAS, HAP is committed to using funds in ways that will directly benefit program participants through the creation of a landlord mitigation fund, as well as other programs designed to increase successful participation in Section 8; and

WHEREAS, HAP wishes to ensure maximum funding in 2008 as HUD's re-benchmarking methodology is used to determine future funding levels;

NOW THEREFORE, BE IT RESOLVED that the HAP Board of Commissioners authorizes the Executive Director to establish a Special Projects fund in the amount of \$1,500,000.

Adopted: September 16, 2008

HOUSING AUTHORITY OF PORTLAND

Jeff Bachrach, Chair

Attest:

Steven D. Rudman, Secretary