

June 15, 2023

BCC Agenda Date/Item: _____

Housing Authority Board of Commissioners
 Clackamas County

Adoption of a Resolution adopting and appropriating funds for the Fiscal Year 2023-24 budget for the Housing Authority of Clackamas County. Budget is \$87,032,700, with appropriations totaling \$87,032,700. Funding is through rental incomes, Metro Bond Funds, Federal and State grants, and other revenue sources. No County General Funds are involved.

Previous Board Action/Review	6/13/23 – Briefed on issues 5/22/23 – Budget public meeting		
Performance Clackamas	1. Which indicator of success does this item affect? Building Trust through Good Government by increasing transparency regarding Housing Authority finances.		
Counsel Review	No	Procurement Review	No
Contact Person	Toni Karter	Contact Phone	503-650-3139

EXECUTIVE SUMMARY: The Housing Authority of Clackamas County (HACC), a component unit within the Housing and Community Development Division of the Health, Housing and Human Services Department, requests approval of Resolution 1976 for adoption of the Housing Authority of Clackamas County Budget for FY 2024 (July 1, 2023 – June 30, 2024).

The US Department of Housing and Urban Development (HUD) requires the Public Housing Operating Budget, Low Rent Public Housing Operating Budget, to be adopted via Board Resolution and Board certification. The Public Housing Budget must show distinct allocations to the four Public Housing Projects operated by the Housing Authority: Clackamas Heights, Oregon City View Manor, Hillside Park, and Scattered Sites. The Budget, Board Resolution 1976, and HUD form 52574 have been provided in this packet for Board review and approval and will be submitted to HUD as required if approved.

The HACC 2024 Agency-wide Budget meets the requirements outlined in HUD’s Financial Management Handbook for Public Housing Authorities. The Budget is organized by HACC’s functions:

- Low Rent Public Housing Operating Budget (referred to as LRPH in the budget document)
- Development
- Central Office (Administration)
- Section 8 Housing Choice Voucher Program (referred to as Vouchers in the budget document)
- Programmatic Grants (referred to as Grants in the budget document)
- Local Projects (affordable and special needs housing, not including low rent Public Housing)

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The proposed Budget for fiscal year 2024 (July 1, 2023-June 30, 2024) is \$87,032,700.

RECOMMENDATION: Staff recommends the Board approve Resolution 1976 for adopting the Housing Authority Budget for FY 2024 and authorize Chair Tootie Smith to sign all related documents and certifications required on behalf of the Housing Authority Board.

Respectfully submitted,

Rodney A. Cook

Rodney A. Cook
Director of Health, Housing, and Human Services

Attachments:

- Budget Report for FY 2024
- Resolution 1976
- Certification – HUD 52574

PHA Board Resolution
Approving Operating Budget

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing -
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
(exp. 06/30/2022)

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name:PHA Code:

PHA Fiscal Year Beginning:Board Resolution Number:

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- Operating Budget approved by Board resolution on:
- Operating Budget submitted to HUD, if applicable, on:
- Operating Budget revision approved by Board resolution on:
- Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name:	Signature:	Date:
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**BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF CLACKAMAS COUNTY, OREGON**

In the Matter of Approving the
Housing Authority's Fiscal Year 2024
Public Housing Operating
Budget by Project



Resolution No. 1976

Page 1 of 1

Whereas, the Housing Authority Board of Commissioners has reviewed the Public Housing Operating Budget by Project for Fiscal Year ending June 30, 2024; and

Whereas, they certify that all regulatory and statutory requirements have been met and that the Housing Authority has sufficient operating reserves to meet the working capital needs of its developments, that the budget expenditures are necessary in the efficient and economical operation of its housing for the purposes of serving low-income residents; and

Whereas, the budget indicates a source of funds adequate to cover all proposed expenditures; and

Whereas, the calculation of eligibility for federal funding is in accordance with the provisions of the regulations and that all proposed rental charges and expenditures will be consistent with provisions of the law; and

Whereas, the Housing Authority will comply with the wage requirements under 24 CFR 968.11 (e) or (f) or 24 CFR 905.120 (c) and (d); and

Whereas, the Housing Authority will comply with requirements for the reexamination of family income and composition;

NOW THEREFORE, BE IT RESOLVED that the Housing Authority of Clackamas County, Oregon Public Housing Operating Budget by Project is hereby approved for submittal to the U.S. Department of Housing and Urban Development.

Motion was made by _____ and seconded by _____

DATED this _____ day of _____ 2023

**BOARD OF COUNTY COMMISSIONERS OF THE
HOUSING AUTHORITY OF CLACKAMAS COUNTY, OREGON**

Chair

Recording Secretary

Housing Authority of Clackamas County



Fiscal Year 2023-2024

Budget Report

Description of Component Unit

The Housing Authority of Clackamas County (HACC) is a municipal corporation established under Oregon Revised Statutes Chapter (ORS) 456 to provide low-cost housing to individuals meeting criteria established by the U.S. Department of Housing and Urban Development (HUD) and now also serves Metro Supportive Housing Services (SHS) population and follows Metro Affordable Housing Bond requirements. HACC, under the criteria of the Government Accounting Standards Board (GASB), is considered a blended component unit of the Health Housing and Human Services Department of Clackamas County. The Housing authority governing Board is made up of all five Clackamas County Commissioners with the addition of a Resident Commissioner.

The Housing Authority provides and develops affordable and safe housing for our low-income neighbors in Clackamas County by administering HUD funded programs that include owning and managing a portfolio of Public Housing and additional affordable housing totaling approximately 1,021 units. The agency also administers the HUD funded Housing Choice Voucher program of over 2,000 vouchers and up to 1200 SHS funded rent assistance. The majority of the people we serve are extremely low income, disabled and elderly, and many of them were previously homeless. As the housing crisis continues to grow more of the people we serve are transitioning out of homelessness and have complex behavioral and physical health needs requiring housing aligned with appropriate services to ensure they remain housed and supported.

Revenue Summary

Total budgeted revenue for HACC operations is \$87,032,700 including Federal, Metro and local funds. Funds from the Metro Bond and Metro Supportive Housing Measure account for \$53,169,703 of budgeted revenue.

Approximately, forty percent (40%) of HACC's revenues are Federal funds through allocations from Congress through the U.S. Department of Housing and Urban Development (HUD) in the following form:

- Public Housing Operating Subsidy for the operations of public housing.
- Capital Fund Grant for major physical repairs of public housing.
- Rental Assistance Admin Fee for the administration of the voucher program; Housing Assistance Payment for pass through rent assistance to landlords.
- Grants for Family Self-Sufficiency and Resident Services.

Expenditure Summary

Total expenditures are estimated to be \$87,032,700. The Housing Authority continues to work diligently to identify and implement opportunities to reduce program delivery costs and streamline operations in program areas where expenditures exceed revenue. Unfortunately, Admin Fees are not fully funding the costs of operating the rental assistance program and the Operating Subsidy is well below what is needed to maintain Public Housing units. The Housing Authority uses unrestricted funds from other affordable housing and developer fees to supplement the administrative overhead of these programs allocated by the County as needed.

Significant Issues & Changes

The Metro Supportive Housing Measure will continue to support the Regional Long Term Rental Assistance program as HACC provides the community and with new opportunities for housing and supportive services. The Supportive Housing Services program will continue to be administered through H3S Administrative Office in FY2024

HUD funding will continue to have an impact on HACC's budget as funding sources and operations diversify.

This coming year will be impacted with more opportunities given HACC was granted Moving to Work (MTW) status by HUD. This MTW status will allow HACC to utilize funds in a less restricted way through waivers and allow alignment of programs to meet Clackamas County's unique housing objectives.

Locating Landlords with flexible screening criteria is one of the largest barriers our participants face in locating Housing. To try and remedy this obstacle, RLRA launched the Landlord Partnership incentive program this year. The Landlord Partnership program added customizable support for Landlords who agree to enter a partnership with RLRA to either

reserve units and/or reduce screening criteria for our program participants. Currently, we have secured partnerships to reserve up to 13 units for our participants.

Unfortunately, Admin Fees are not fully funding the costs of operating the rental assistance program and the Operating Subsidy is well below what is needed to maintain Public Housing units. The Housing Authority uses unrestricted funds from other affordable housing and developer fees to supplement the administrative overhead of these programs allocated by the County as needed.

The homelessness crisis in Clackamas County is continuing. HACC, as well as H3S, is working with communities that come together and respond in creative and unprecedented ways to expand, improve and simplify access to the range of services needed to address homelessness in the Clackamas County community. During our Development phases of Projects, HACC is collaborating with community-based organizations and partners as well as improving local economic growth by awarding contracts to a large percentage of M/W/ESB firms. There is collaboration with other County and Community Partners to try to address physical and behavioral health needs as people transition out of homelessness. With these actions in place HACC / H3S are meeting goals of achieving racial equity in Homelessness services and attempting to eliminate disparate rates of homelessness on the basis of race, ethnicity and other barriers or challenges our community are facing.

Summary of Revenue & Expenditures

	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Budget	FY 22-23 Budget	FY 23-24 Proposed Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Beginning Balance	-			-		-	0%
Prior Year Revenue						-	0%
Taxes	-			-		-	0%
Dwelling rent	2,662,491	2,611,629	2,034,452	2,457,520	2,861,904	(404,385)	16.5%
Operating subsidy	2,764,117	3,546,506	3,630,000	3,943,655	3,960,426	(16,771)	0.4%
Housing assistance payments	16,420,233	18,245,085	19,206,368	22,469,045	23,036,532	(567,487)	2.5%
Mgmt. fees	-	-			467,625	(467,625)	0%
Interest income	88,422	74,225	500	500	500	-	0%
County/PLP funds	-	-	150,000	-		-	0%
Grant revenue	3,039,452	4,132,605	1,735,327	1,752,947	2,248,811	(495,864)	28.3%
Metro Bond Funds	-	-	34,233,000	34,872,213	38,306,351	(3,434,138)	9.8%
Long Term Rental Assistance Prog (RLRA)	-	-	10,000,000	1,282,020	13,808,030	(12,526,010)	977.1%
Other/In-kind	1,566,492	10,465,267	3,715,830	3,113,074	2,342,522	770,552	-24.8%
Revenues	26,541,207	39,075,317	74,705,477	69,890,974	87,032,701	(17,141,727)	24.5%
Total Revenue	26,541,207	39,075,317	74,705,477	69,890,974	87,032,701	(17,141,727)	24.5%
Personnel Services	4,562,934	5,302,697	6,196,335	7,625,470	7,442,668	182,802	-2.4%
Materials & Services	4,203,931	6,182,578	4,244,695	3,257,495	3,010,316	247,180	-7.6%
Housing assistance payments	15,425,227	17,795,330	19,206,368	22,469,045	22,436,532	32,513	-0.1%
Capital Outlay	-	-	-	-	-	-	0%
Depreciation/Cap. Ex.	737,218	719,385	1,200,605	1,200,605	1,507,638	-	0%
Expenditures	24,929,310	29,999,990	30,848,002	34,552,615	34,397,153	462,496	-0.4%
Debt Service	-	-	13,700	13,100	13,100	-	0%
Long Term Rental Assistance Prog (RLRA)	-	-	9,254,403	453,045	13,925,914	(13,472,869)	2973.8%
Metro Bond	-	-	34,233,000	34,872,213	38,294,833	(3,422,620)	9.8%
Grant expense - Local	-	6,045	-	-	127,186	(127,186)	0%
Extraordinary expense	84,018	(18,488)	-	-	-	-	0%
Contingency	-	-	356,372		274,514	(274,514)	0%
Total Exp - Including Other Categories	25,013,328	29,987,547	74,705,477	69,890,973	87,032,700	(16,834,693)	24.5%
Net Change in Ending Balance	1,527,879	9,087,770	0	0	0	(307,033)	
Full Time Equiv Pos (FTE) Budgeted				61.00	67.00	6.00	9.8%

Performance Narrative Statement

The purpose of the Housing Authority of Clackamas County is to provide voucher, public housing, maintenance, and resident services to low-income individuals who receive, or who have qualified to receive, assistance from the Housing Authority so they can experience stable, affordable, and quality housing.

Business/ Program	Results Measure	FY 20-21 Actual	FY 21-22 Actual	FY22-23 Actual (As of 3/23)	FY 23 – 24 Target
Housing Authority	% of households maintain stable housing for at least 24 months	99%	99.5%	92%	90%
	By 2025, 1,500 Affordable Housing units will be developed Totals	1297	1307	1381	1508
	Pre-Developed	861	823	425	277
	Under Construction	200	248	473	275
	Completed Units	236	236	483	956



Housing Authority

Division Purpose Statement

The purpose of the Housing Authority of Clackamas County is to provide voucher, public housing, maintenance, affordable housing development and resident services to low-income individuals who receive, or who have qualified to receive, assistance from the Housing Authority so they can experience stable, affordable, and quality housing.

Housing Authority of Clackamas County	
Toni Karter - Interim Director	
FTE 67	
Total Request	\$ 87,032,700
General Fund - \$0	

HACC	
Toni Karter - Interim Division Director	
Total Request	
\$87,032,700	
Gen Fund	\$ -

Public Housing	
Total Request	
\$4,780,371	
Gen Fund	\$ -

Housing Vouchers	
Total Request	
\$23,805,309	
Gen Fund	\$ -

Development	
Total Request	
\$39,273,673	
Gen Fund	\$ -

Grants	
Total Request	
\$3,006,436	
Gen Fund	\$ -

Central Office	
Total Request	
\$1,798,408	
Gen Fund	\$ -

Local Projects	
Total Request	
\$442,590	
Gen Fund	\$ -

Regional Long Term Rental Assistance	
Total Request	
\$13,925,914	
Gen Fund	\$ -