

June 20, 2024

BCC Agenda Date/Item: _____

Housing Authority Board of Commissioners
 Clackamas County

Approval of Resolution 1990 and certification form for the adoption of the FY 2024-2025 Budget for the Housing Authority of Clackamas County. Budget value is \$107,792,548. Funding is through the US Department of Housing and Urban Development, State Funds, Metro Housing Bond and Supportive Housing Services Funds, Local Project funds, and other local funds. No County General Funds are involved.

Previous Board Action/Review	6/18/24 – Briefed at issues 5/28/24 – Budget presenting at a public hearing		
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	Yes	Procurement Review	No
Contact Person	Darren Chilton	Contact Phone	971-442-0817

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 1990 for adoption of the Housing Authority of Clackamas County Budget for FY 2025 (July 1, 2024 – June 30, 2025).

The US Department of Housing and Urban Development (HUD) requires that the Public Housing Operating Budget and Low Rent Public Housing Operating Budget 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 1990, and HUD form 52574 have been provided in this packet for Board review and approval and will be submitted to HUD as required.

The HACC 2025 Agency-wide Budget meets the requirements set forth 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 LRPB in the budget document)
- Development
- Central Office (Administration)
- Section 8 Housing Choice Voucher Program (referred 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)

The budget presentation materials were posted on the county budget website, the public hearing was advertised, and the public hearing was held on May 28, 2024. No public comments were

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received at the public hearing on May 28, 2024. Commissioners present were in full support of the proposed budget presented by staff. No changes have been made to the budget since the presentation.

Adoption of Resolution 1990 and the certification form will formalize the adoption of the budget for fiscal year 2025 (July 1, 2024-June 30, 2025) in the amount of \$107,792,548 and fulfill HUD requirements.

RECOMMENDATION: Staff recommend the Board approve Resolution 1988 for the adoption of the Housing Authority Budget for FY 2025 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

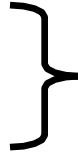
Rodney A. Cook
Director of Health Housing and Human Services

Attachments:

- Budget Report for FY 2025
- Resolution 1990
- Certification – HUD 52574

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

In the Matter of Approving the
Housing Authority’s Fiscal Year 2025
Public Housing Operating
Budget by Project



Resolution No. 1990
Page 1 of 2

Whereas, the Board of Commissioners of the Housing Authority of Clackamas County (the “Board”) has reviewed the Public Housing Operating Budget by Project for Fiscal Year ending June 30, 2025 as presented at the public hearing on May 28, 2024; and

Whereas, the Board certifies that all regulatory and statutory requirements have been met:

Whereas, the Housing Authority of Clackamas County has sufficient operating reserves to meet the working capital needs of its developments: and

Whereas, the proposed 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 Housing Authority of Clackamas County will comply with all applicable requirements set forth under 24 CFR Chapter IX including, but not limited to, 24 CFR Part 905; 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 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 in Exhibit A and Form 52574 Certification in Exhibit B, are 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 _____ 2024

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

Chair

Recording Secretary

Housing Authority of Clackamas County

Budget Presentation
Fiscal Year 2024-2025





Housing Authority of Clackamas County

Department Budget Summary by Fund

<i>Line of Business Name</i>	<i>Program Name</i>	FY24-25 Total Budget	FY24-25 General Fund Support in Budget*	% of Total	FY24- Total FTE
Housing Authority of Clackamas County (HACC)	Public Housing	4,228,431		0%	16.0
	Development	39,016,373		0%	5.0
	Central Office	461,260		0%	11.0
	Housing Vouchers	28,763,064		0%	15.0
	Grants	2,478,348		0%	2.0
	Local Projects	768,739		0%	2.0
	Regional Long Term Rental Assistance (SHS)	27,117,884		0%	20.0
	State Funded Long Term Rental Assistance	4,958,449		0%	-
TOTAL		107,792,548	-	0%	71.0
		<i>FY23-24 Budget (Amended)</i>	87,032,701	-	0%
		<i>\$ Increase (Decrease)</i>	20,759,847	-	3.0
		<i>% Increase (Decrease)</i>	24%	-	4%

FTE increases are in Long Term Rent Assistance program funded by new State Grant & increase in Supportive Housing Services funding

Occupancy Specialist 1.00

Inspector (LT) 1.00

Office Specialist 2 1.00

Housing Authority of Clackamas County

Summary of Revenue and Expense

	FY21-22 Budget*	FY22-23 Budget*	FY23-24 Amended Budget	FY23-24 Projected Year-End	FY24-25 Budget	\$ Change from FY23-24 Budget	% Change from FY23-24 Budget	3-Year Average	% Change from 3-Year Avg
Beginning Fund Balance	-	-	-	-	-	-	-	-	-
Federal, State, Local, All Other Gifts & Donations	68,954,695	64,319,880	81,360,150	81,360,150	104,024,824	22,664,674	28%	71,544,908	45%
Charges, Fees, License, Permits, Fines, Assessments	2,034,452	2,457,520	3,329,529	3,329,529	3,247,250	(82,279)	-2%	2,607,167	25%
All Other Revenue Resources	3,716,330	3,113,574	2,343,022	2,343,022	520,474	(1,822,548)	-78%	3,057,642	-83%
Operating Revenue	74,705,477	69,890,974	87,032,701	87,032,701	107,792,548	20,759,847	24%	77,209,717	40%
Total Revenue	74,705,477	69,890,974	87,032,701	87,032,701	107,792,548	20,759,847	24%	77,209,717	40%
Personnel Services	6,196,335	7,625,470	7,442,668	7,442,668	8,803,255	1,360,587	18%	7,088,158	24%
Materials and Services	4,244,695	3,257,495	3,010,316	3,010,316	7,131,265	4,120,949	137%	3,504,169	104%
Capital Outlay	1,200,605	1,200,605	1,507,638	1,507,638	1,471,890	(35,748)	-2%	1,302,949	13%
Operating Expenditure	11,641,635	12,083,570	11,960,622	11,960,622	17,406,410	5,445,788	46%	11,895,276	46%
Debt Service	13,700	13,100	13,100	13,100	55,620	-	0%	13,300	318%
Special Payments	62,693,771	57,794,304	74,784,465	74,784,465	89,273,881	14,489,416	19%	65,090,847	37%
Contingency	356,371	-	274,514	274,514	1,056,637	782,123	285%	210,295	402%
Total Expense	74,705,477	69,890,974	87,032,701	87,032,701	107,792,548	20,717,327	24%	77,209,717	40%
Revenues Less Expenses	-	-	-	-	-			77,209,717	

*Materials & Services/Special Payments: Large increase in Development and SHS Contracts, SHS Administrative Costs, Insurance, and legal fees increased, training for staff
HACC has been transitioning to a new accounting system that uses a different Chart of Accounts. We have not yet crosswalked actuals from HACC ledger to county Chart of Accounts.

Significant
Changes
from
FY23-24
Budget

Program	Changes
Moving to Work (MTW Status)	MTW allows HACCC to look at HUD Waivers to align housing policies and practices to uniquely fit Clackamas County housing objectives. HACCC has started a PILOT PROJECT where eligible households apply for down payment assistance to attempt to be in a position to become homeowners in the near future.
Long Term Rent Assistance (LTRA)	Clackamas County received new funding from the State for a new Long-Term Rent Assistance (LTRA) program and services that relate to the Governors State of Emergency due to Homelessness that HACCC will operate. The funding for the State program will be \$4,958,449.
Metro Bond Goals	HACCC anticipates fully obligating the Bond proceeds within the next 2 years. Metro Bond production goal of 812 units has been exceeded and 970 units are completed or in production.

Housing Authority of Clackamas County

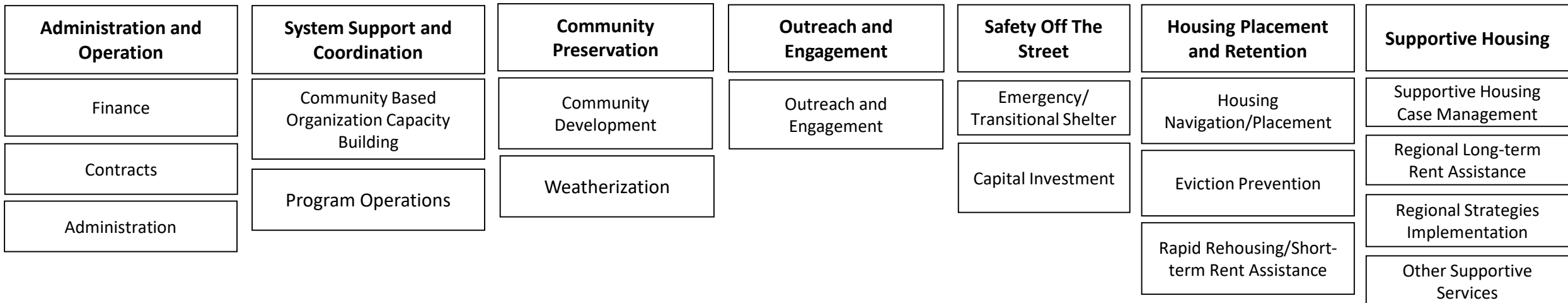
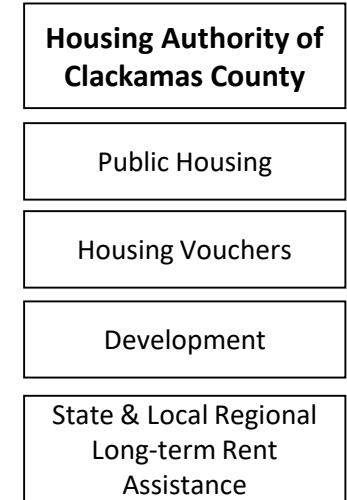
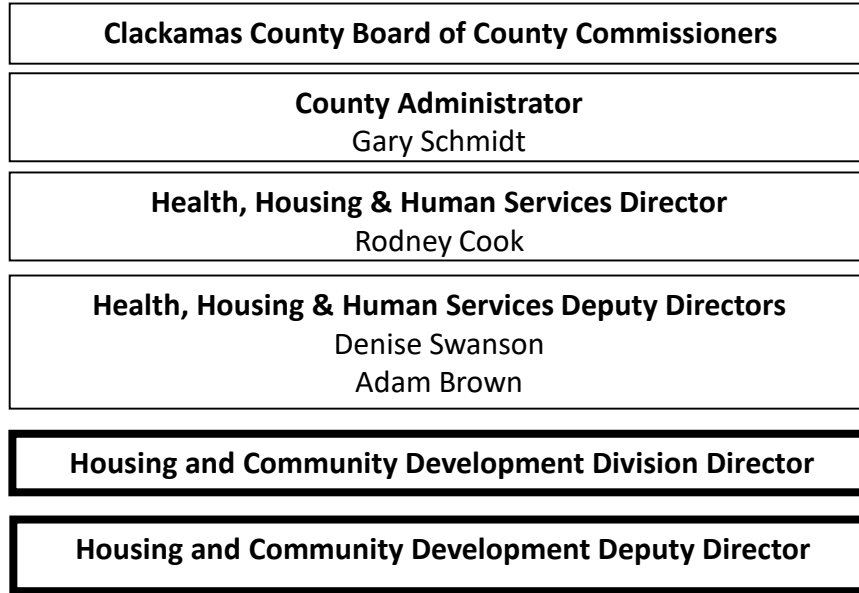


Fiscal Year 2024-2025

Budget Report



Organization Chart
Housing and Community Development Division
Fiscal Year 2024-2025



Budget Message for FY24-25

May 28, 2024

Residents of Clackamas County
Board of County Commissioners
Budget Committee Members

Introduction

We are pleased to present the Housing Authority of Clackamas County (HACC) Proposed Budget in the amount of \$107,792.548 for fiscal year 24-25, from July 1, 2024 through June 30, 2025.

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 (H3S). 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.

Healthy Families. Strong Communities.

P.O. Box 1510, 13930 S. Gain Street, Oregon City, OR, 97045-0510 • Phone (503) 655-8267 • Fax (503) 655-8676

TDD 503-655-8639 www.clackamas.us/housingauthority

Revenues

Total budgeted revenue for HACC operations is \$107,792,548 including Federal, Metro and local funds. Funds from the Metro Bond and Metro Supportive Housing Measure account for \$65,618,982 of budgeted revenue.

Approximately, thirty-five percent (35%) 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

Expenditures

Total expenditures are estimated to be \$107,792,548. 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.

FY23-24 Accomplishments

Metro Bond fund administration allows collaboration with developers to increase affordable housing unit production. As of this fiscal year, the Housing Authority has met these milestones on their development activities:

- Good Shepherd Village – 143 units in Happy Valley –Grand Opening November 2023, marks 1000th bond unit completed region-wide.
- Fuller Road Station –100 units in Happy Valley –100% leased.
- Las Fores (fka Maple Apartments) – 171 units in Oregon City -Construction 25% complete to be fully completed in June 2024. Leasing has begun. The project is currently tracking at 34.2% MWESB contractor participation and 37.2% of total labor hours worked by persons of color and 13.6% by apprentices.
- Mercy Greenbrae Apartments (fka Marylhurst Commons) – 100 units in Lake Oswego – in construction with construction to be completed by April 2024.

- Bond funding awards – Hillside Park Redevelopment, Wilsonville TOD, Lake Grove and Shortstack Milwaukie projects.
- Hillside Park – Section 18 application approved by HUD, Phase I relocations have begun, buildings A, B & C were awarded tax credit funding.
- Clackamas Heights – award of Metro 2040 Grant to support redevelopment planning and community engagement.
- Bond Goals exceeded – Metro Bond production goal of 812 units exceeded. 970 units (119%) are completed or in production using Metro Bond funds. Approximately \$113M (84%) of Metro Bond funds have been allocated. Leveraged an additional \$370M in additional funding.

The Housing Authority has successfully administered the Regional Long-Term Rent Assistance Program (RLRA). Since November 2021, the RLRA program successfully housed 741 households by end of FY23-24. The RLRA program is projecting to increase the number to 1065 households by the end of FY24-25. Additionally, with State Funded Long Term Rent Assistance funds the goal is to house an additional 170 households during FY24-25 as well.

The Housing Authority has been awarded more federal rental assistance vouchers, including 56 Tenant Protected Vouchers and 25 Veterans Affairs Supportive Housing (VASH) vouchers.

Significant Issues & Changes

The Metro Supportive Housing Measure will continue to support the Regional Long Term Rental Assistance program as HACC provides the community with new opportunities for housing and supportive services.

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. As part of the new MTW status, HACC has started a PILOT PROJECT where households apply for the savings account component of the MTW asset-building program to gain down payment assistance to attempt to be in a position to become homeowners in the near future.

Locating landlords with flexible screening criteria is one of the largest barriers our participants face in locating housing. To remedy this obstacle, RLRA launched the Landlord Partnership incentive program this year; a program with 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.

Admin Fees and Operating Subsidy for Federally funded voucher programs and Public Housing are below what is needed. 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.

HACC, as well as H3S, continue to work 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 Minority-owned, Women-owned and Emerging Small Businesses (M/W/ESB) firms. There is collaboration with other County and Community Partners to address physical and behavioral health needs as people transition out of homelessness. We are diligently working with other partners to develop a model to preserve affordability and serve disadvantaged households. HACC plans to dedicate a portion of portfolio for affordable home ownership opportunities as well as use proceeds from property sales and SHS funds to support affordable housing development in locations that are better served by amenities, transportation and other needed services.

Acknowledgements

We want to acknowledge the County staff's effort in creating this budget, and also thank the Board of County Commissioners for their continued support of the Housing Authority of Clackamas County.

Respectfully submitted,

A handwritten signature in blue ink that reads "Gary Schmidt".

Gary Schmidt
County Administrator, Clackamas County

A handwritten signature in black ink that reads "Rodney A. Cook".

Rodney Cook
Director, Health, Housing and Human Services

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)

Table with 3 columns: Print Board Chairperson's Name, Signature, Date