

H A C S A M E M O R A N D U M

**TO:** HACSA Board of Commissioners

**FROM:** Larry Abel, Deputy Director  
Chris Todis, Executive Director

**AGENDA ITEM TITLE:** ORDER/In the Matter of Adopting the 2008/2009  
Budget and Making Appropriations

**AGENDA DATE:** September 24, 2008

**I. MOTION**

IT IS MOVED THAT THE ORDER BE APPROVED WHICH ADOPTS THE 2008/2009 AGENCY BUDGET AND MAKES APPROPRIATIONS.

**II. ISSUE**

It is necessary for the Board to adopt the Agency FY 2009 budget prior to October 1, 2008.

**III. DISCUSSION**

A. Background

This Order approves the Agency's budget for the fiscal year beginning October 1, 2008.

B. Analysis

Attached is the Executive Director's memorandum transmitting the proposed HACSA budget for FY 2009 and the budget documents.

C. Alternatives/Options

The Board can either approve the proposed budget Motion as recommended or make changes before adopting the budget.

D. Recommendation

Approval of the proposed Motion is recommended.

E. Timing

Upon Board approval, the proposed budget will become effective on October 1, 2008.

**IV. IMPLEMENTATION/FOLLOW-UP**

Same as Item III. E.

**V. ATTACHMENTS**

Memorandum  
Budget

IN THE BOARD OF COMMISSIONERS OF THE  
HOUSING AND COMMUNITY SERVICES AGENCY  
OF LANE COUNTY, OREGON

ORDER NO.

) IN THE MATTER OF ADOPTING THE  
) 2008/2009 BUDGET AND  
) MAKING APPROPRIATIONS

WHEREAS, it is necessary for the Board to adopt a 2008/2009 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon; and

WHEREAS, the HACSA Executive Director has recommended approval of the proposed HACSA budget for the 2008/2009 fiscal year; and

WHEREAS, the Board having fully considered the Executive Director's recommendation, NOW, THEREFORE, IT IS HEREBY

ORDERED, that the 2008/2009 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon, as set forth below, is hereby adopted; and

FURTHER ORDERED, that the amounts for the fiscal year beginning October 1, 2008, and for the purposes shown below, are hereby appropriated:

GENERAL FUND

|                             |                     |
|-----------------------------|---------------------|
| Community Services Division | \$ 7,543,000        |
| Housing Division            | 6,067,000           |
| Section 8 Division          | <u>15,815,000</u>   |
| Total                       | <u>\$29,425,000</u> |

ADOPTED, by the Housing And Community Services Agency of Lane County, Oregon, this 24th day of September, 2008.

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Chairperson, HACSA Board of Commissioners

IN THE MATTER OF ADOPTING THE 2008/2009 BUDGET AND MAKING APPROPRIATIONS

APPROVED AS TO FORM  
Date 9/11/08 Lane County  
RL  
COUNSEL

H A C S A     M E M O R A N D U M

**TO:**                    **HACSA Board of Commissioners**

**FROM:**                **Chris Todis, Executive Director**  
                             **Larry Abel, Deputy Director**

**SUBJECT:**            **Transmittal of Proposed HACSA Budget for FY 2009**

**DATE:**                **September 10, 2008**

HACSA's FY 2009 budget is attached for your review and approval. It has been prepared in accordance with guidelines established by federal granting agencies, most particularly the Federal Department of Housing and Urban Development (HUD). All division budgets are balanced. Program summaries are shown for the Community Services, Housing, and Section 8 divisions. Federal funding accounts for 83% of HACSA's revenues. HUD funding alone comprises 79%.

This budget totals \$29,425,000, a net increase of \$3,597,000 from the FY 2008 budget.

The Community Services Division has budgeted \$3,663,000 more than last year. The increase is due primarily to anticipated acquisitions of the Hawthorn and Richardson Bridge Apartments and the development of Roosevelt Crossing (see Program Summary).

The net decrease of \$66,000 in the Housing and Section 8 Divisions is primarily the result of reductions of 2.48 full-time equivalent (FTE) positions.

As usual, the Agency's 708 units of public housing are included in the accompanying Housing Division proposed budget. FY 2009 will be the second year of project-based accounting under HUD's mandate to convert public housing to an asset management model. Consequently, there are six public housing AMP (asset management projects) budgets as well as a separate budget for the COCC (central office cost center). HUD requires Board approval for each of these budgets which are included in a separate agenda packet.

HUD's funding bill for next fiscal year (beginning October 1, 2008) has not yet been approved. As a matter of fact, this year's funding has not been finalized. The HACSA proposed budget has been conservatively prepared based on the information that we currently have. We will keep you apprised of future developments that result in significant changes.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY, OREGON**

**COMPARATIVE SUMMARY OF RESOURCES AND EXPENDITURES**

|                                       | <u>2005-06</u><br><u>ACTUAL</u> | <u>2006-07</u><br><u>ACTUAL</u> | <u>2007-08</u><br><u>BUDGET</u> | <u>2008-09</u><br><u>PROPOSED</u> |
|---------------------------------------|---------------------------------|---------------------------------|---------------------------------|-----------------------------------|
| <b>RESOURCES</b>                      |                                 |                                 |                                 |                                   |
| Fund Balance                          | (\$ 582,354)                    | (\$ 2,027,814)                  |                                 |                                   |
| Loans                                 | 1,122,646                       |                                 | \$ 800,000                      | \$ 3,607,000                      |
| Revenues:                             |                                 |                                 |                                 |                                   |
| Federal grants                        | 20,658,527                      | 22,309,022                      | \$21,128,300                    | \$21,466,600                      |
| Rent                                  | 2,513,567                       | 2,709,142                       | 2,594,900                       | 2,978,100                         |
| Interest                              | 262,242                         | 378,321                         | 271,600                         | 214,900                           |
| Other                                 | 813,739                         | 1,210,632                       | 1,033,200                       | 1,158,400                         |
|                                       | <u>\$24,788,367</u>             | <u>\$24,579,303</u>             | <u>\$25,828,000</u>             | <u>\$29,425,000</u>               |
| <b>EXPENDITURES</b>                   |                                 |                                 |                                 |                                   |
| Personal Services                     | \$ 5,382,445                    | \$ 5,432,213                    | \$ 5,395,038                    | \$ 5,381,893                      |
| Materials and Services                | 16,889,437                      | 17,431,764                      | 17,977,185                      | 17,853,805                        |
| Capital Outlay                        | 1,878,120                       | 1,016,035                       | 1,748,607                       | 5,314,562                         |
| Debt Service                          | 638,365                         | 699,291                         | 707,170                         | 874,740                           |
|                                       | <u>\$24,788,367</u>             | <u>\$24,579,303</u>             | <u>\$25,828,000</u>             | <u>\$29,425,000</u>               |
| <b>PROGRAM EXPENDITURES</b>           |                                 |                                 |                                 |                                   |
| Community Services                    | \$ 3,788,504                    | \$ 3,098,160                    | \$ 3,880,000                    | \$ 7,543,000                      |
| Housing                               | 5,897,432                       | 6,145,094                       | 6,034,000                       | 6,067,000                         |
| Section 8                             | 15,102,431                      | 15,336,049                      | 15,914,000                      | 15,815,000                        |
|                                       | <u>\$24,788,367</u>             | <u>\$24,579,303</u>             | <u>\$25,828,000</u>             | <u>\$29,425,000</u>               |
| <b>FULL-TIME EQUIVALENT POSITIONS</b> |                                 |                                 |                                 |                                   |
|                                       | <u>84.00</u>                    | <u>82.00</u>                    | <u>80.10</u>                    | <u>77.70</u>                      |

## PROGRAM SUMMARY

### COMMUNITY SERVICES

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#### **STATEMENT OF PURPOSE**

The Community Services Division is comprised of all Agency programs, other than HUD-assisted housing programs. The Low-income Weatherization Program helps qualified Lane County homeowners and renters conserve energy and save money by providing comprehensive conservation services at no cost to the household. Cost effective measures are installed by private contractors and paid for with public and private funds from federal grants and participating electric and natural gas utilities. The Development Program works with the Lane County Intergovernmental Housing Policy Board to create permanent, affordable low-income housing in Lane County.

#### **FISCAL YEAR 2008-2009 OBJECTIVES**

1. Provide cost effective weatherization services to 300 households.
2. Maintain strong program partnerships with local utilities and service organizations.
3. Install solar water heating systems for low-income families in partnership with EWEB.
4. Initiate rehabilitation program at the Norsemen Apartments, a 44-unit apartment complex in Junction City for seniors and people with disabilities.
5. Co-develop (with Sponsors, Inc.) Roosevelt Crossing, 44 units of transitional housing for ex-offenders.
6. Complete the acquisition of the Hawthorn Apartments (support services provided by ShelterCare, Inc.), 35 units of long-term housing for adults with mental illness.
7. Exercise the option to acquire the limited partner's interest in the Richardson Bridge Apartments, 36 units of housing for low-income families.

PROGRAM SUMMARY (continued)

COMMUNITY SERVICES

|                             | <u>2005-06</u><br><u>ACTUAL</u> | <u>2006-07</u><br><u>ACTUAL</u> | <u>2007-08</u><br><u>BUDGET</u> | <u>2008-09</u><br><u>PROPOSED</u> |
|-----------------------------|---------------------------------|---------------------------------|---------------------------------|-----------------------------------|
| <b>EXPENDITURES</b>         |                                 |                                 |                                 |                                   |
| Personal Services           | \$ 1,001,630                    | \$ 1,095,281                    | \$ 942,413                      | \$ 992,171                        |
| Materials and Services      | 1,630,414                       | 1,757,124                       | 1,823,487                       | 1,956,329                         |
| Capital Outlay              | 979,229                         |                                 | 850,000                         | 4,175,000                         |
| Debt Service                | 177,231                         | 245,755                         | 264,100                         | 419,500                           |
|                             | <u>\$3,788,504</u>              | <u>\$3,098,160</u>              | <u>\$3,880,000</u>              | <u>\$7,543,000</u>                |
| <b>FULL-TIME EQUIVALENT</b> |                                 |                                 |                                 |                                   |
| <b>POSITIONS</b>            | <u>13.00</u>                    | <u>13.25</u>                    | <u>12.62</u>                    | <u>12.70</u>                      |

## PROGRAM SUMMARY

### HOUSING

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#### **STATEMENT OF PURPOSE**

The Housing Division provides for the coordinated management and maintenance of 955 Agency-owned low-income housing units.

#### **FISCAL YEAR 2008-2009 OBJECTIVES**

1. Provide opportunities that will positively affect residents' quality of life and their involvement in Division activities, by continuing the use of newsletters, resident handbooks, notices, meetings and trainings. Also provide a multitude of services to residents, including leadership skills development, community organizing, access to computers and the internet, resident groups at individual housing developments, feedback from elected Resident Representatives at the Tenant Advisory Group (TAG) meetings, use of an Agency "Hot Line," and the services of an Agency Ombudsman, as funding allows.
2. Continue to protect the Division's assets, through a concerted effort to maintain and upgrade Agency-owned housing units on a regular basis. In accordance with HUD's mandate, refine the project based/asset management reorganization for our 708 public housing units.
3. Integrate the Agency's allocation of capital funds into all aspects of the Division's operations, including occupancy, management, and maintenance, as regulations allow.
4. Maintain our "high achiever" Public Housing Assessment System (PHAS) ratings.
5. Continue resident requested and planned physical improvements to Agency-owned housing units, required under Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act (ADA).
6. Family Self-Sufficiency Program: Continue to provide ongoing case management services and referrals to appropriate community services for enrolled families, under their Training and Services Plans (TSPs). Continue outreach efforts to Public Housing residents to encourage enrollment and growth toward self-sufficiency.
7. Continue providing safe and decent housing with extensive applicant screening, review of daily police calls for service and maintaining a zero tolerance for drug activity.



PROGRAM SUMMARY (continued)

**HOUSING**

|                             | <b><u>2005-06</u></b><br><b><u>ACTUAL</u></b> | <b><u>2006-07</u></b><br><b><u>ACTUAL</u></b> | <b><u>2007-08</u></b><br><b><u>BUDGET</u></b> | <b><u>2008-09</u></b><br><b><u>PROPOSED</u></b> |
|-----------------------------|---|---|---|---|
| <b>EXPENDITURES</b>         |   |   |   |   |
| Personal Services           | \$2,711,357                                   | \$2,692,951                                   | \$2,730,522                                   | \$2,667,406                                     |
| Materials and Services      | 1,848,916                                     | 1,981,997                                     | 1,961,801                                     | 1,914,792                                       |
| Capital Outlay              | 876,026                                       | 1,016,035                                     | 898,607                                       | 1,029,562                                       |
| Debt Service                | 461,133                                       | 454,111                                       | 443,070                                       | 455,240   |
|                             | <b><u>\$5,897,432</u></b>                     | <b><u>\$6,145,094</u></b>                     | <b><u>\$6,034,000</u></b>                     | <b><u>\$6,067,000</u></b>                       |
| <b>FULL-TIME EQUIVALENT</b> |   |   |   |   |
| <b>POSITIONS</b>            | <b><u>42.00</u></b>                           | <b><u>41.50</u></b>                           | <b><u>41.39</u></b>                           | <b><u>39.83</u></b>                             |

## PROGRAM SUMMARY

### SECTION 8

#### STATEMENT OF PURPOSE

Currently, there are three programs in the Section 8 Division:

1. **Housing Choice Voucher:** This is the largest program in the division with 2639 families participating. Section 8 applicants who are at the top of the waiting list receive a voucher which is a rent subsidy grant based on their family size and income levels. This grant subsidy is paid directly to a participating landlord on the private rental market. While providing decent and safe housing for low income families, the rental subsidy will funnel approximately 14 million federal dollars in Lane County during the next fiscal year.
2. **Home Ownership:** In the home ownership program the subsidy is paid directly to the bank to subsidize the mortgage payment. With Home Ownership we will increase the housing options for participants who have been on the program for at least one year and are in good standing.
3. **Family Self-Sufficiency (FSS).** In the Family Self-Sufficiency Program, participants receive a package of supportive services, tailored to the individual family's need. The services are provided to assist the family in meeting it's long term (up to 5 years) self-sufficiency goals. The goal of this program is to help families become self-sufficient of TANF and other government sponsored programs.

#### FISCAL YEAR 2008-2009 OBJECTIVE

1. With continued increases in area rents and reduction in funding, the Section 8 Division will strive to maximize limited resources to maintain approximately a 100% lease rate which augments low income housing resources in the community.
2. The Section 8 waiting list has been closed for three years. We expect to reopen it in the first half of the fiscal year.
3. Increase the number of participants in the home ownership program through education, counseling and partnership with local housing providers and lenders.
4. Continue to maintain positive working relationships with area property managers/owners to achieve a wide choice of housing opportunities for our low-income, elderly and disabled clients.
5. Emphasize self-sufficiency for clients and families, facilitating access to education, employment and services to assist them in reaching their self-sufficiency goals.
6. Continue to educate staff, landlords and other service providers regarding the laws and regulations pertaining to reasonable accommodation for disabled individuals.
7. Provide outreach and accessibility to all housing programs to members of the community.

PROGRAM SUMMARY (continued)

**SECTION 8**

|                             | <b><u>2005-06</u></b><br><b><u>ACTUAL</u></b> | <b><u>2006-7</u></b><br><b><u>ACTUAL</u></b> | <b><u>2007-08</u></b><br><b><u>BUDGET</u></b> | <b><u>2008-09</u></b><br><b><u>PROPOSED</u></b> |
|-----------------------------|---|--|---|---|
| <b>EXPENDITURES</b>         |   |  |   |   |
| Personal Services           | \$ 1,669,460                                  | \$ 1,643,982                                 | \$ 1,722,103                                  | \$ 1,722,316                                    |
| Materials and Services      | 13,410,106                                    | 13,692,067                                   | 14,191,897                                    | 13,982,684                                      |
| Capital Outlay              | 22,865  |  |   |   |
| Debt Service                |   |  |   |   |
|                             | <b><u>\$15,102,431</u></b>                    | <b><u>\$15,336,049</u></b>                   | <b><u>\$15,914,000</u></b>                    | <b><u>\$15,705,000</u></b>                      |
| <b>FULL-TIME EQUIVALENT</b> |   |  |   |   |
| <b>POSITIONS</b>            | <b><u>29.00</u></b>                           | <b><u>27.25</u></b>                          | <b><u>26.09</u></b>                           | <b><u>25.17</u></b>                             |