

PUBLIC NOTICE:



Home Forward
BOARD OF COMMISSIONERS
will meet on
Tuesday, December 21, 2021
At 5:15 pm
Zoom Register here:

https://homeforward.zoom.us/webinar/register/WN_DI_3mBFhR6O0E82VVrz_Jg



MEMORANDUM

To:	Community Partners	Date:	December 15, 2021
From:	Michael Buonocore, Executive Director	Subject:	Home Forward Board of Commissioners December Meeting

The Board of Commissioners of Home Forward will meet on Tuesday, December 21, 2021 at 5:15 PM virtually using the Zoom platform. The meeting will be accessible to the public via phone and electronic device.

If you would like to provide public testimony or view the meeting, please use this link to sign up:

https://homeforward.zoom.us/webinar/register/WN_DI_3mBFhR6O0E82VVrz_Jq

The commission meeting is open to the public.

AGENDA



BOARD OF COMMISSIONERS MEETING

HOME FORWARD
135 SW ASH STREET
PORTLAND, OREGON

VIA ZOOM

https://homeforward.zoom.us/webinar/register/WN_DI_3mBFhR6O0E82Vrz_Jg

DECEMBER 21, 2021 5:15 PM

AGENDA

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

Topic
Minutes of November 16, 2021 Board of Commissioners Virtual Meeting

RESOLUTIONS/REPORTS

Following Reports and Resolutions:			
21-12	Topic	Presenter/POC	Phone #
02	Authorize Changes to the Administrative Plan and Admissions and Continued Occupancy Policy in Response to COVID-19	Taylor Smiley Wolfe	503.802.8506
03	Authorize Home Forward Fiscal Year 2022 Budget	Kandy Sage	503.802.8585

05	Authorize Design Amendment to Contract for Design-Build Services at Fairfield Apartments	Amanda Saul	503.802.8552
06	Authorize Increase in Construction Contingency for the Renovation of Fountain Place Apartments	Jonathan Trutt Patrick Rhea	503.802.8507 503.802.8311

THE NEXT MEETING OF THE BOARD OF COMMISSIONERS

Home Forward is currently operating in a state of emergency. We will continue to conduct board-related business as it is currently scheduled but will update the public on the venue or forum by which it occurs as we assess the situation.

The next Board Work Session will be on Wednesday, January 5, 2022 at 5:30 PM. The next Board of Commissioners meeting will be Tuesday, January 18, 2022 at 5:15 PM.

EXECUTIVE SESSION

The Board of Commissioners of Home Forward will meet in Executive Session pursuant to ORS 192.660(2)(e) to discuss a real property transaction. 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.

HOME FORWARD INSURANCE GROUP

The Home Forward Insurance Group Board will meet following the December 21, 2021, Board of Commissioners meeting.

ADJOURN

MINUTES



**BOARD OF COMMISSIONERS MEETING
HOME FORWARD
CONFERENCE CALL
135 SW Ash Street Portland, OR 97204
November 16, 2021**

COMMISSIONERS PRESENT

Chair Damien Hall, Vice Chair Matthew Gebhardt, Treasurer Jenny Kim, Commissioners Dina DiNucci, TomiRene Hettman, Vivian Satterfield, Rakeem Washington

STAFF PRESENT

April Berg, Michael Buonocore, Ian Davie, Dena Ford-Avery, Tonya Evans, Monica Foucher, Biljana Jesic, Kitty Miller, Kandy Sage, Amanda Saul, Shannon Schmidt, Kellie Shaw, Ian Slingerland, Aimee Smith, Celia Strauss, Jonathan Trutt, Linda Uppinghouse

COUNSEL PRESENT

Sarah Stauffer Curtiss

Chair Damien Hall convened the meeting at 5:17 PM.

PUBLIC COMMENT

Dahlke Manor resident, Robert Seals shared frustration with the ongoing construction noise saying it has become intolerable. His son works nights and has been forced to stay elsewhere in order to sleep. He would welcome some rent relief. Seals said residents are adjusting to the new thermostats and the temperature setting isn't warm enough for some. To compensate they are using their ovens and space heaters. Lastly, the new door closures are not allowing slower moving residents to get through without the door slamming on them.

Chair Hall thanked Mr. Seals for bringing forth the concerns and for continuing to look after his neighbors.

Cathy Millis was prepared to share similar concerns as Seals. She too was concerned with the thermostat and spring-loaded doors. Millis said it was unfortunate that residents were not instructed on the new things in their units. She hoped that Home Forward would address that and show more consideration for the residents.

Chair Hall appreciated Millis' ongoing advocacy for the residents and assured her staff will follow up.

MEETING MINUTES

Minutes of the October 6 and October 19, 2021 Board of Commissioners Conference Call Meeting

Chair Damien Hall requested a motion authorizing approval of the minutes for October 6 and October 19, 2021 Board of Commissioners meeting.

There being no discussion, Commissioner Vivian Satterfield moved to approve a motion for approval, and Treasurer Jenny Kim seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

RESOLUTIONS

RESOLUTION 21-11-01 Authorize Changes to the Housing Choice Voucher Administrative Plan Related to Implementation of Emergency Housing Vouchers

Dena Ford-Avery, Director of Housing Choice Vouchers presented the resolution. This resolution is directly related to the new vouchers as part of President Biden's American Rescue Plan Act to fund emergency housing vouchers, specifically to support ongoing impacts of the COVID-19 pandemic. Home Forward received 476 emergency vouchers and has the flexibility in implementing eligibility. We will focus on individuals and families experiencing homelessness and who are referred from Multnomah County's Coordinated Access system.

Ford-Avery walked through the summary of the plan changes, highlighting access to the vouchers and waitlist management, screening requirements, expedited intake and lease-up, a change in payment requirements, and in satisfying HUD approval we will be administering all emergency vouchers using the “senior and people with disabilities” category regardless of the family composition.

Chair Hall opened the discussion. Vice Chair Matthew Gebhardt appreciated the thoughtful work to find different ways to make it possible to distribute these vouchers, adding the waiver was an important piece. Ford-Avery said we are working closely with the joint office to train their staff to be able to problem solve together as the vouchers are rolled out.

Treasurer Jenny Kim asked if there are funds available to help with moving expense. Ford-Avery responded that there are rent assistance dollars available. The Joint office will apply assistance with utilities, applications fees and moving expenses. Ian Slingerland added that the Joint office pools resources with Metro for services funding to leverage Federal funds toward getting providers.

Commissioner Vivian Satterfield appreciated all the teams rallying around this coordinated effort. Chair Damien Hall asked how quickly the recommendations will happen. Ford-Avery said approximately 20 referrals have been processed and ten in the pipeline. We anticipate receiving referrals twice a month, which could equal 20-40. In parallel we are working with partner agencies as they bring on more staff.

Chair Hall offered board assistance as this goes forward and difficulties or hurdles with landlords present themselves. Ford-Avery appreciated the support and recognized that this could be burdensome for some.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 21-11-01. Commissioner Dina DiNucci moved to adopt resolution 21-11-01. Vice Chair Jenny Kim seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye

Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

RESOLUTION 21-11-02 Authorize Withdrawal of the Stephens Creek Crossing New Markets Tax Credit Investor

Jonathan Trutt, Development Director presented the resolution to withdraw from the New Markets Tax Credit financing. He described the background of Neighbor House Children's Center at Stephens Creek Crossing, saying the NMTC are similar to low income housing tax credits. Wells Fargo invested in the NMTCs seven years ago and now wants out. The READ Committee reviewed the resolution, which authorizes Home Forward to unwind the Children's Center NMTC transaction.

Chair Hall said in the READ meeting we would like to see that open lines of communications and partnership continue. With Trutt adding they are a great partner.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 21-11-02. Commissioner Vivian Satterfield moved to adopt resolution 21-11-02. Treasurer Jenny Kim seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

RESOLUTION 21-11-03 Authorize Financing, Construction and Operation of Traditions at Hazelwood

Development Director Jonathan Trutt presented the resolution and explained Home Forward's role in the development of 211 units with a targeted population of 55 years or older with income below 60% AMI. Trutt described the property tax situation for the development and how that works. The property is being developed by The Inland Group and Traditions Hazelwood Manger LLC. Home Forward will not be a developer and will receive a fee at closing of approximately \$1.1 million.

Trutt said this transaction is like the resolution for the property in Gresham and highlighted the differences. This will be the first foray in Oregon for the company but they have done numerous projects in Washington. The project is expected to break ground in December. In closing, the resolution was discussed at the November 5 READ meeting.

Chair Hall appreciated the policy work of Trutt and team. He hoped to hear more at READ on how the policy worked.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 21-11-03. Vice Chair Matthew Gebhardt moved to adopt resolution 21-11-03. Commissioner TomiRene Hettman seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Absent
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

RESOLUTION 21-11-04 Authorize Property Sale of Chase House

Tonya Evans, Director of Asset Management presented the resolution. The request is to sell the master leased property to the YWCA and noting the resolution was reviewed by the READ Committee. The YWCA provides case management for chronically mentally ill adults. Evans said with small properties like the Chase House they generate limited income and the property is currently leased at a below-market rental rate. Given the cost of operating over a long-term lifespan and the need for capital it made sense to sell the property to the YWCA. This assures the property stays affordable. The proceeds from the property will be used for capital improvements in other asset managed properties.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 21-11-04. Treasurer Jenny Kim moved to adopt resolution 21-11-04. Vice Chair Matthew Gebhardt seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye
Vice Chair Matthew Gebhardt—Aye
Treasurer Jenny Kim—Aye
Commissioner Dina DiNucci—Absent
Commissioner TomiRene Hettman—Aye
Commissioner Vivian Satterfield—Aye
Commissioner Rakeem Washington—Aye

ADJOURN

There being no further business, Chair Damien Hall adjourned the meeting at 6:10 PM.

Celia M. Strauss
Recorder, on behalf of
Michael Buonocore, Secretary

ADOPTED: DECEMBER 21, 2021

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, Chair

RESOLUTIONS



MEMORANDUM

To: Board of Commissioners

Date: December 21, 2021

From: Taylor Smiley Wolfe, Director of
Policy and Planning
503.802.8506

Subject: Authorize Changes to the
Administrative Plan and Admissions
and Continued Occupancy Policy in
response to COVID-19
Resolution 21-12-02

The Board of Commissioners is asked to approve Resolution 21-12-02 authorizing approval of time-limited informal changes to Home Forward's Administrative Plan, which governs the Housing Choice Voucher Program, and time-limited informal changes to the Admissions and Continued Occupancy Policy (ACOP) which governs Home Forward's public housing.

This request supports the Home Forward strategic plan "One Agency" initiative including Home Forward's focus on working together in ways that help us constantly evolve and improve our ability to serve our community.

BACKGROUND

In response to the COVID-19 public health emergency, the Department of Housing and Urban Development (HUD) exercised its authority under the CARES Act to establish waivers and administrative flexibilities to provide regulatory relief to Public Housing Authorities (PHAs). HUD published an initial set of waivers in PIH Notice 2020-05 on April 10, 2020, superseded by PIH Notice 2020-13, PIH Notice 2020-33 and finally by PIH Notice 2021-14(HA) on May 4, 2021. In all four notices, HUD encouraged PHAs to utilize waivers to keep Public Housing and Housing Choice Voucher programs operational to the extent practicable and to expand housing assistance opportunities to address issues that increase risk of COVID-19, like homelessness and overcrowding.

All four notices provided Public Housing Authorities with the ability to make changes to their Administrative Plans (Admin Plans), which govern the Housing Choice Voucher program, and Admissions and Continued Occupancy Policy (ACOP) plans, which govern the Public Housing Program, without Board approval. Specifically, waiver HCV-1 allowed PHAs to make informal changes to their Administrative Plans without Board approval and waiver PH-4 allowed PHAs to make informal changes to their ACOP plans without Board approval. In both cases, this regulatory flexibility was available through September 30, 2021 meaning that a PHA could make changes to their Admin and ACOP plans without Board approval through September 30, 2021. Both of these waivers also required that: “Any informally adopted revisions under this waiver authority must be formally adopted no later than December 31, 2021.”

Home Forward’s Board of Commissioner formally adopted changes to Home Forward’s Admin and ACOP plans using this regulatory authority on December 15, 2020. As HUD has extended this regulatory authority, Home Forward is updating this summary of changes to the Admin and ACOP plans with the extended waiver dates.

This document updates the previous summary Home Forward’s Board approved on December 15, 2020 in response to PIH Notice 2021-14 (HA), which outlined all of the changes made to Home Forward’s Admin and ACOP plans using the waiver authority granted via waivers HCV-1 and PH-4 initially in HUD Notice PIH 2020-05 and subsequently in HUD Notices PIH 2020-13 and PIH Notice 2020-33. In compliance with the requirements of these waivers, all of the changes were implemented prior to September 30, 2021 and Home Forward is requesting Board approval of these changes prior to December 31, 2021.

OVERVIEW

In response to the requirement that any informally adopted revisions to our Admin and ACOP plans be formally approved by the Board no later than December 31, 2021, we are requesting Board approval of these changes. Attachment A outlines a full summary of the regulatory flexibility provided and informal changes Home Forward made to our Admin Plan and ACOP.

The Board is being asked to approve Home Forward’s informal change to our Admin Plan and ACOP as outlined in Attachment A.

ATTACHMENTS

Attachment A. Detailed Changes to Admin and ACOP



RESOLUTION 20-12-02

RESOLUTION 20-12-02 AUTHORIZES HOME FORWARD TO AMEND LANGUAGE IN THE ADMINISTRATIVE PLAN WHICH GOVERNS PROCESSES AND PROCEDURES IN THE HOUSING CHOICE VOUCHER PROGRAM AND ADMISSIONS AND CONTINUED OCCUPANCY POLICY WHICH GOVERNS PROCESSES AND PROCEDURES IN THE PUBLIC HOUSING PROGRAM

WHEREAS, Home Forward builds our skills and works together in ways that help us constantly evolve and improve our ability to serve our community; and

WHEREAS, the Coronavirus Aid, Relief, and Economic Security (CARES) Act provided the Department of Housing and Urban Development (HUD) with broad authority to waive or establish alternative requirements for numerous statutory and regulatory requirements for the Public Housing and Housing Choice Voucher program; and

WHEREAS, the Department of Housing and Urban Development established waivers and alternative requirements for statutory and regulatory requirements in PIH Notice 2020-05, PIH Notice 2020-13, PIH Notice 2020-33, and PIH Notice 2021-14 (HA). In each of these notices, HUD waived the requirement that Public Housing Authorities receive Board approval for changes to the Administrative Plan and Admissions and Continue Occupancy Policy, for the purpose of providing relief to Public Housing Agencies (PHAs); and

WHEREAS, Home Forward implemented informal changes to our Administrative and Admissions and Continue Occupancy Policy that the Board retroactively approved on December 15, 2020; and

WHEREAS, the Department of Housing and Urban Development extended the period of eligibility for the waivers Home Forward had implemented with PIH Notice 2021-14(HA) and required Public Housing Authorities to seek Board approval of waiver implementation no later than December 31, 2021; and

WHEREAS, Home Forward aims to comply with the HUD’s alternative requirement that PHAs receive Board approval of all informal changes pursuant to PIH Notice 2021-14(HA) by December 31, 2021;

NOW, THEREFORE, BE IT RESOLVED, the Board of Commissioners of Home Forward hereby authorizes the Executive Director to approve changes to the Administrative Plan for the Housing Choice Voucher program and Admissions and Continued Occupancy Policy to implement informal policy change in response to the COVID-19 public health emergency.

ADOPTED: DECEMBER 21, 2021

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, Chair

Attachment A: Detailed Changes to Admin and ACOP

Prepared by: Taylor Smiley Wolfe, Director of Policy and Planning

Date: December 21, 2021

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Background

In response to the COVID-19 public health emergency, the Department of Housing and Urban Development (HUD) exercised its authority under the CARES Act to establish waivers and administrative flexibilities to provide regulatory relief to Public Housing Authorities (PHAs). HUD published an initial set of waivers in PIH Notice 2020-05 on April 10, 2020, superseded by PIH Notice 2020-13, PIH Notice 2020-33 and finally by PIH Notice 2021-14 (HA) on May 4, 2021. In all four notices, HUD encouraged PHAs to utilize waivers to keep Public Housing and Housing Choice Voucher programs operational to the extent practicable and to expand housing assistance opportunities to address issues that increase risk of COVID-19, like homelessness and overcrowding.

All four notices provided PHAs with the ability to make changes to their Administrative Plans (Admin Plans), which govern the Housing Choice Voucher program, and Admissions and Continued Occupancy Policy (ACOP) plans, which govern the Public Housing Program, without Board approval. Specifically, waiver HCV-1 allowed PHAs to make informal changes to their Administrative Plans without Board approval and waiver PH-4 allowed PHAs to make informal changes to their ACOP plans without Board approval. In both cases, the regulatory flexibility is available through September 30, 2021 meaning that a PHA could make changes to their Admin and ACOP plans without Board approval through September 30, 2021. Both of these waivers also required that: “Any informally adopted revisions under this waiver authority must be formally adopted no later than December 31, 2021.”

Home Forward’s Board of Commissioner formally adopted changes to Home Forward’s Admin and ACOP plans using this regulatory authority on December 15, 2020. As HUD has extended this regulatory authority, Home Forward is updating this summary of changes to the Admin and ACOP plans with the extended waiver dates.

This document updates the previous summary Home Forward’s Board approved on December 15, 2020 in response to PIH Notice 2021-14(HA), which outlined all of the changes made to Home Forward’s Admin and ACOP plans using the waiver authority granted via waivers HCV-1 and PH-4 initially in HUD Notice PIH 2020-05 and subsequently in HUD Notices PIH 2020-13 and PIH Notice 2020-33. In compliance with the requirements of these waivers, all of the changes were implemented prior to September 30, 2021 and Home Forward is requesting Board approval of these changes prior to December 31, 2021.

Informal Changes: Admin and ACOP

1. Annual Examination: Income Verification Requirements

Description of Current Requirements: Public Housing Authorities (PHAs) are required to obtain third-party verification via the Enterprise Income Verification (EIV) system, or document why third-party verification was not available, during mandatory reexaminations or recertification of family composition and income. HUD also describes the required verification hierarchy process that PHAs must follow during this process, which includes obtaining documentation in the following order of priority: (1) written third party verification, (2) written third party verification form, (3) oral third party verification, (4) self-certification.

Description of Home Forward Policy: Home Forward complies with HUD's requirements and uses the Enterprise Income Verification (EIV) system to verify a family's income at their examination which occurs every two or three years, depending on whether the household is "work-focused" or is a household with a senior or person with a disability.¹

Regulatory Waiver: PH and HCV-3, Notice PIH 2021-14 (HA); Home Forward FY2021 Plan (Activity 21 Self-Certification of Income)

Description of Alternative Authority: With waiver PH and HCV-3 in PIH Notice 2021-14 (HA), HUD waived the requirement that PHAs use the income hierarchy. This waiver allowed PHAs to forgo third-party income verification requirements for reexaminations, including the use of EIV and allowed PHAs to consider self-certification as the highest form of income verification when processing examinations. The waiver also allowed PHAs to accept self-certification through email, postal mail, through other electronic means, or over the phone (if the PHA staff contemporaneously documented the self-certification in writing. Finally, the waiver requires PHAs to address any discrepancies that arise between the income that the resident or participant self-certified and any income shown through the EIV report at a later date. On March 8, 2021, HUD approved Home Forward's FY2021 MTW Plan which included "Activity 21 Self Certification of Income". This activity allows Home Forward to forgo third party income verification and accept self-certification as the highest form of income verification to process annual reexaminations in certain circumstances.

Description of Informal Change:

ACOP: Instead of strictly following the income hierarchy, staff accepted self-certification of income prior to pursuing other forms of income verification in the hierarchy.

Admin Plan: Instead of strictly following the income hierarchy, staff accepted self-certification of income prior to pursuing other forms of income verification in the hierarchy.

Period of Implementation: April 14, 2020 to December 31, 2021.

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin and ACOP plan during the period of implementation.

¹ Home Forward, Chapter 9: Recertifications, Admissions Continued Occupancy Plan, pp 9-2 to 9-4; and Home Forward, Chapter 7: Verification, Administrative Plan, pp 7-3 to 7-10.

2. Interim Examinations: Income Verification Requirements

Description of Current Requirements: At any time, a resident of the public housing program or participant of the Housing Choice Voucher program may request an interim determination of family income and the PHA must respond within a reasonable amount of time. For example, if a household member loses their job due to COVID-19, they may request an income reexamination and have their rent adjusted in accordance with their change in income. Public Housing Authorities (PHAs) are required to obtain third-party verification via the Enterprise Income Verification (EIV) system, or document why third-party verification was not available, during interim reexaminations. HUD also describes the required verification hierarchy process that PHAs must follow during this process, which includes obtaining documentation in the following order of priority: (1) written third party verification, (2) written third party verification form, (3) oral third party verification, and (4) self-certification.

Description of Home Forward Policy: Home Forward complies with HUD's requirements and uses the Enterprise Income Verification (EIV) system to verify a family's income during an interim re-examination.²

Regulatory Waiver: PH and HCV-4, PIH Notice 2021-14 (HA); Home Forward FY2021 MTW Plan

Description of Alternative Authority: HUD waived the requirement to use the income verification requirements for interim reexaminations, including the required use of EIV. PHAs may consider self-certification as the highest form of income verification to process reexaminations. PHAs may accept self-certification through email, postal mail, through other electronic means, or over the phone (if the PHA staff contemporaneously documented the self-certification in writing). Finally, the waiver requires PHAs to address any discrepancies that arise between the income that the resident or participant self-certified and any income shown through the EIV report at a later date. On March 8, 2021, HUD approved Home Forward's FY2021 MTW Plan which included "Activity 21 Self Certification of Income". This activity allows Home Forward to forgo third party income verification and accept self-certification as the highest form of income verification to process interim reexaminations in certain circumstances.

Description of Informal Change:

ACOP: Instead of strictly following the income hierarchy, staff accepted self-certification of income prior to pursuing other forms of income verification in the hierarchy.

Admin: Instead of strictly following the income hierarchy, staff accepted self-certification of income prior to pursuing other forms of income verification in the hierarchy.

Period of Implementation: April 14, 2020 to December 31, 2021.

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin and ACOP plan during the period of implementation.

² Home Forward, Chapter 9: Recertifications, Admissions Continued Occupancy Plan, pp 9-5 to 9-6; and Home Forward, Chapter 7: Verification, Administrative Plan, pp 7-3 to 7-10.

Informal Changes: Administrative Plan

1. Housing Quality Standards (HQS) – Initial Inspection Requirements

Description of Current Requirements: PHAs are required to inspect a unit to ensure it meets Housing Quality Standards (HQS) before any assistance payment can be made, before a Housing Assistance Payment (HAP) contract can be executed, and before the beginning of the initial lease term.

Description of Home Forward Policy: Home Forward complies with the requirement that a unit meet HQS prior to making assistance payments, executing a HAP contract, and beginning the initial lease term.³

Regulatory Waiver: HQS-1, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD waived the requirement that PHAs inspect a unit to ensure it meets HQS prior to making an assistance payment, executing a HAP contract, and prior to the initial lease term. In order to place the unit under HAP contract and commence making payments, the PHA may rely on the owner's certification that: "the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question instead of conducting an initial inspection." The PHA, at a minimum, must get this owner certification. For any unit for which the PHA accepted an owner's self-certification, the PHA must complete the initial inspection as soon as is reasonably possible, but no later than June 30, 2022. Home Forward may delay the initial inspection until December 31, 2021, when the waiver authority expires.

Description of Informal Change: Home Forward continued to perform initial inspections in vacant units. Home Forward accepted owner certification in lieu of performing an initial inspection in occupied units.

Period of Implementation: April 14, 2020 to December 31, 2021⁴

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

³ Home Forward, "Chapter 8-II.B: Initial HQS Inspection, Timing of Initial Inspections," Administrative Plan, pg 8-13.

⁴ This waiver authority is available until December 31, 2021. If Home Forward received owner certification that their unit meets HQS requirements on or before December 31, 2021, Home Forward must complete the initial inspection no later than June 30, 2022.

2. Housing Quality Standard (HQS) – Biennial Inspections

Description of Current Requirements: PHAs are required to inspect the unit not less often than biennially during the term of the HAP contract.

Description of Home Forward Policy: Home Forward complies with the requirement to inspect units at least biennially during the term of the HAP contract.⁵

Regulatory Waiver: HQS-5, Notice PIH 2021-14 (HA); Home Forward FY2021 Plan “Activity 20: Local Inspection Policies”

Description of Alternative Authority: HUD is allowing PHAs to delay biennial inspections for tenant-based and project-based units. The PHA must resume biennial inspections by December 31, 2021. The PHA must conduct all delayed biennial inspections from CY2020 as soon as reasonably possible, but no later than June 30, 2022. The PHA must conduct all delayed biennial inspections from CY2021 as soon as reasonably possible but no later than December 31, 2022. PIH Notice 2020-33, which was published on November 30, 2020 required for the first time that the PHA must require owner certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit or units in question. PIH Notice 2021 -14 (HA) maintains that requirement.

Description of Informal Change: The Housing Choice Voucher program has delayed biennial inspections that would have been due between April 14, 2020 and June 30, 2020. For inspections delayed after June 30, Home Forward will use the regulatory flexibility in Activity 20 of our Moving to Work Annual Plan to complete the inspections within one year of the original due date. In compliance with the alternative requirement in PIH Notice 2021-14(HA) Home Forward requires owner certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist for inspections. Home Forward will complete all delayed biennial inspections from CY2020 as soon as reasonably possible and no later than June 30, 2022 and will complete all delayed biennial inspections from CY2021 as soon as reasonably possible but no later than one year after their original due date.

Period of Implementation: April 14, 2020 and December 31, 2021.

Request of Board: Home Forward requests the board approve this informal change to Home Forward’s Admin plan during the period of implementation.

⁵ Home Forward, “Chapter 8-III.D: Inspecting Units,” Administrative Plan, pg 8-15; Home Forward, “Chapter 17.II.F: Cap on Number of PBV Units in each project,” Administrative Plan, pg 17-20; Home Forward, “Chapter 18-III.D: Inspecting Units,” Administrative Plan, pg 18-14.

3. Housing Quality Standard (HQS) – Interim Inspections

Description of Current Requirements: If a PHA receives notification by a family or government official that an assisted unit does not comply with the HQS and the condition is life-threatening, the PHA must inspect the unit within 24 hours of receiving notification. If a PHA receives notification by a family or government official that an assisted unit does not comply with the HQS but the condition is not life threatening, the PHA must inspect the unit within 15 days.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements outlined above.⁶

Regulatory Waiver: HQS-6, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD waived these requirements and provided an alternative requirement for both tenant-based and project-based units. If a reported deficiency is life-threatening, the PHA must notify the owner of the reported life threatening deficiency and the owner must correct it within 24 hours or provide documentation (text or e-mail photo to PHA) that the reported deficiency does not exist. If the deficiency is not life threatening, the PHA must notify the owner within 30 days and the owner must either make the repair or document that the deficiency does not exist within 30 days of receiving the PHA notification or any approved PHA extension. This waiver may also apply to PHA-owned units if the independent entity is unable to perform the inspection.

Description of Informal Change: Home Forward completed in person inspections for any complaint related to fire, life safety, no water or no heat. In these cases, we followed our standard protocols and notified the landlord with a list of repairs. If we couldn't gain access to the unit or the client denied entrance due to COVID, we notified the landlord via letter with fail items noted. Home Forward did not require in person inspections for complaints related to other issues than those outlined above. In these cases, Home Forward worked with the tenant and landlord to resolve any complaints related to noncompliance with HQS. Home Forward required owners to provide documentation that an issue had been resolved or did not exist within the time period described above.

Period of Implementation: April 14, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

⁶ Home Forward, "Chapter 8-II.G: Inspection Results and Reinspections for units under HAP contract," Administrative Plan, pg 8-18

4. Housing Quality Standard (HQS) – PBV Turnover Unit Inspections

Description of Current Requirements: Before providing assistance to a new family in a PBV contract unit, the PHA must inspect the unit.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements outlined above.

Regulatory Waiver: HQS-7, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD waived the requirement that PHAs inspect a PBV contract unit prior to providing assistance to a new family to ensure it meets HQS. The PHA may rely on the owner's certification that: "the owner has no reasonable basis to have knowledge that life threatening conditions exist in the unit or units in question," to allow a new family to occupy the vacated unit. The PHA must complete the inspection as soon as is reasonably possible, but no later than June 30, 2022. This waiver may also apply to PHA-owned units if the independent entity is unable to perform the inspection.

Description of Informal Change: Home Forward continued inspections in vacant units. In cases where the unit was occupied, Home Forward's implemented an informal change to our Admin plan to accept owner-certification as outlined in alternative authority provided in the regulatory wavier above in lieu of completing an inspection.

Period of Implementation: April 14, 2020 to December 31, 2021⁷

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

⁷ Home Forward may turnover a PBV unit without conducting an HQS inspection until December 31, 2021. For any unit that we have accepted owner's self-certification, the PHA must conduct an HQS inspection as soon as reasonably possible but no later than June 30, 2022.

5. Housing Quality Standards (HQS) – Inspections to Add or Substitute Units (PBV HAP Contract)

Description of Current Requirements: The PHA may amend the Housing Authority Payment (HAP) contract to add additional Project-based Voucher (PBV) contract units or substitute a different unit for a previously covered contract unit. Proposed additional or substituted units must be inspected to ensure compliance with HQS before they may be added to the HAP contract.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements outlined above.⁸

Regulatory Waiver: HQS-8, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD waived the requirement that PHAs inspect unit prior to adding or substituting it in the HAP contract. The PHA may rely on the owner's certification that: "the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit or units in question," to add or substitute the unit in the HAP contract. At a minimum, the PHA must require the owner's certification. The PHA must complete the inspection as soon as is reasonably possible, but no later than June 30, 2022. This waiver may also apply to PHA-owned units if the independent entity is unable to perform the inspection.

Description of Informal Change: Home Forward continued to comply with the regulatory requirements absent this waiver in vacant units. For occupied units, Home Forward accepted owner certification of absence of life threatening conditions.

Period of Implementation: April 14, 2020 to December 31, 2021.⁹

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

⁸ Home Forward, "Chapter 17: Project Based Vouchers: Amendments to the HAP Contract," Administrative Plan, pg 17-31.

⁹ Home Forward may add or substitute a PBV unit without conducting an HQS inspection until December 31, 2021. For any unit that we have accepted owner's self-certification, the PHA must conduct an HQS inspection as soon as reasonably possible but no later than June 30, 2022.

6. Housing Quality Standards (HQS) – Quality Control Inspections

Description of Current Requirements: PHAs are required to conduct supervisory quality control inspections of a sampling of units under contract.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements outlined above.¹⁰

Regulatory Waiver: HQS-9, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is waiving this regulatory requirement.

Description of Informal Change: Home Forward suspended Quality Control sampling inspections during the waiver period.

Period of Implementation: April 14, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

¹⁰ Home Forward, "Chapter 8-III.D: Inspecting Units," Administrative Plan, pg 8-16

7. Housing Choice Voucher – Oral Briefing

Description of Current Requirements: PHAs are required to give families selected to participate in the HCV or PBV program an oral briefing.

Description of Home Forward Policy: When a family is determined to be eligible for the Housing Choice Voucher (HCV) or Project Based Voucher (PBV) program, the PHA must ensure that the family fully understands the way the program operates and the family's obligations under the program. The family must attend an oral briefing prior to being issued their voucher.¹¹

Regulatory Waiver: HCV-2, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is waiving the requirement for a family to attend an oral briefing prior to being issued their voucher. The PHA must instead conduct the briefing by other means, such as a webcast, video call, or expanded information packet. Home Forward also has this authority in our Moving to Work Plan "Activity 22: Modernizing HCV/PBV Oral Briefings".

Description of Informal Change: The Rent Assistance team conducted part of the briefings over the phone, including (1) which forms must be returned, (2) which forms to give to landlord, (3) review of maximum rent calculation sheet, and (4) time for questions. To make sure families received all of the information, Home Forward provided families with a full briefing packet and powerpoint slides.

Period of Implementation: April 14, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

¹¹ Home Forward, "Chapter 5: Briefings and Voucher Issuance," Administrative Plan, pp. 5-1 to 5-14; Home Forward, "Chapter 17-VI.E: Offer of PBV Assistance," Administrative Plan, pg 17-43; and Home Forward, "Chapter 18-V.F: Offer of PBV Assistance," Administrative Plan, pg 18-28.

8. Housing Choice Voucher (HCV) – Extension of Voucher Term

Description of Current Requirements: PHAs are allowed to grant families one or more extensions of their initial voucher term but must do so in accordance with the PHA policy as described in their administrative plan.

Description of Home Forward Policy: Home Forward’s policy includes an automatic approval of a 60-day extension upon written request from the family. The request may be delivered in person, by e-mail, fax, or through a support agency on behalf of the family. The PHA may approve additional extensions only in specific circumstances.¹²

Regulatory Waiver: HCV-3, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is waiving the requirement that extensions must be in accordance with the PHA’s policy as outlined in their administrative plan to allow PHAs to provide extensions even if they have not been able to formally amend their administrative plan.

Description of Informal Change: Home Forward provided extensions in extenuating circumstances beyond what was outlined in our Administrative plan.

Period of Implementation: April 14, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward’s Admin plan during the period of implementation.

¹² Home Forward, “Chapter 5-II. E. Voucher Terms and Extensions,” Administrative Plan, pp. 5-15 to 5-16.

9. Housing Choice Voucher (HCV) - When HAP Contract is Executed

Description of Current Requirements: PHAs may not make any housing assistance payments (HAP) to the owner until the HAP contract is executed. The PHA must make best efforts to execute the contract prior to the beginning of the lease and must execute the contract within 60 days of the beginning of the lease of the contract is void.

Description of Home Forward Policy: Home Forward complies with the regulations outlined above.¹³

Regulatory Waiver: HCV-4, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD extended the deadline by which PHAs must execute the HAP contract from 60 days to 120 days.

Description of Informal Change: Home Forward made an informal change to our Admin plan to provide HAP even if the contract was not executed within 60 days in extenuating circumstances.

Period of Implementation: April 14, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

¹³ Home Forward, "Chapter 9-I. G. HAP Contract Execution," Administrative Plan, pg. 9-13.

10. Housing Choice Voucher (HCV) – Absence from Unit

Description of Current Requirements: PHAs are required to terminate a household's assistance if they are absent from their unit for more than 180 days.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements described above.

Regulatory Waiver: HCV-5, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is waiving this regulatory requirement and allows PHAs, at their discretion, to continue housing assistance payments and not terminate the HAP contract due to extenuating circumstances (e.g., hospitalization, extended stays at nursing homes). If a household has been absent from their unit for more than 180 days on June 30, 2021, the PHA must terminate their assistance. PIH Notice 2020-33 added a new requirement for use of this waiver authority that is effective beginning November 30, 2020. The new requirement is that the PHA must maintain documentation in the tenant file of the extenuating circumstances that resulted in absence from the unit.

Description of Informal Change: Home Forward made an informal change to our Admin plan and used this discretion on absences of longer than 180 days during the period of availability in extenuating circumstances. For qualifying absences beyond December 31, 2020, Home Forward will maintain documentation in the tenant file about the extenuating circumstances that resulted in the absence from the unit, per the new alternative requirement articulated in PIH Notice 2020-33.

Period of Implementation: April 14, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

11. Housing Choice Voucher (HCV) – Automatic Termination of HAP Contract

Description of Current Requirements: PHAs are required to terminate a household's assistance 180 days after the PHAs last payment. For example, if a household's income increases to the extent that the Housing Assistance Payment (HAP) is \$0, the PHA must terminate the HAP contract 180 days from that date.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements described above.¹⁴

Regulatory Waiver: HCV-6, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is waiving this regulatory requirement and allowing PHAs to extend the period of time following the last payment before assistance is terminated beyond 180 days. However, the date may not be extended beyond December 31, 2021.

Description of Informal Change: Home Forward made an informal change to our Admin plan to provide extensions for automatic termination of the HAP contract if recipients had extenuating circumstances during the period of availability.

Period of Implementation: April 14, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

¹⁴ Home Forward, "Chapter 12-I. B. Family No Longer Requires Assistance," Administrative Plan, pg. 12-2.

12. Housing Choice Voucher (HCV) – Family Unification Program (FUP) Youth Age

Description of Current Requirements: The statute requires that a FUP youth be no more than 24 years old (not yet reached their 25th birthday) to be eligible to receive subsidy (housing assistance payment) through the FUP program.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements described above.¹⁵

Regulatory Waiver: HCV-10, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is waiving this regulatory requirement and allowing PHAs to execute a HAP contract on behalf of any otherwise eligible FUP youth not more than 25 years of age (not yet reached their 26th birthday).

Description of Informal Change: Home Forward made an informal change to our Admin plan to allow us to execute a HAP contract on behalf of an otherwise eligible FUP youth that is not more than 25 if needed.

Period of Implementation: December 7, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

¹⁵ Home Forward, "Chapter 4-III.B. Selection and HCV Funding Sources," Administrative Plan, pg. 4-14.

13. Housing Choice Voucher (HCV) – Family Unification Program (FUP) Length of Assistance

Description of Current Requirements: The statute limits the availability of assistance for FUP youth to a period “not to exceed 36 months”.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements described above.¹⁶

Regulatory Waiver: HCV-11, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is waiving this regulatory requirement and allowing PHAs to grant FUP youth with a 6-month extension for FUP youth who will reach their 36-month time limit between April 10, 2020 and June 30, 2021. This does not apply to the FYI initiative.

Description of Informal Change: Home Forward made an informal change to our Admin plan to allow us to provide a 6-month extension to a FUP youth whose time-limit would otherwise end during the period of implementation, as needed.

Period of Implementation: December 7, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward’s Admin plan during the period of implementation.

¹⁶ Home Forward, “Chapter 4-III.B. Selection and HCV Funding Sources,” Administrative Plan, pg. 4-14.

14. Housing Choice Voucher (HCV) – Family Unification Program (FUP) Referral Timeframe

Description of Current Requirements: The statute requires that assistance may be provided on behalf of “otherwise eligible youths who have attained at least 18 years of age and not more than 24 years of age who have left foster care or will leave foster care within 90 days.”

Description of Home Forward Policy: Home Forward complies with the regulatory requirements described above.¹⁷

Regulatory Waiver: HCV-12, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is extended the requirement that, to be eligible, a youth has left or will leave foster care within 90 days to within 120 days. May be applied to the FYI initiative.

Description of Informal Change: Home Forward made an informal change to our Admin plan to allow us to serve youth who will leave foster care within 120 days.

Period of Implementation: December 7, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward’s Admin plan during the period of implementation.

¹⁷ Home Forward, “Chapter 4-III.B. Selection and HCV Funding Sources,” Administrative Plan, pg. 4-14.

15. Housing Choice Voucher (HCV) – Removal of Unit from PBV HAP Contract

Description of Current Requirements: Under the Project Based Voucher (PBV) program a PHA is required to remove a unit from a PBV HAP contract after 180 days of zero housing assistance payments to the unit owner on behalf of the family residing in the unit.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements described above.¹⁸

Regulatory Waiver: HCV-14, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is waiving this regulatory requirement and allowing PHAs to extend the period of time following the last payment before assistance is terminated beyond 180 days.

Description of Informal Change: Home Forward made an informal change to our Admin plan to provide extensions for automatic removal of the unit from the PBV contract instead of removing the unit from the contract after 180 days during the period of availability.

Period of Implementation: April 14, 2020 to December 31, 2021

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

¹⁸ Home Forward, "Chapter 17-VII. B. Lease," Administrative Plan, pg. 17-50.

16. Housing Choice Voucher (HCV) – Temporary Rent Increase Policy

Description of Current Requirements: Landlords are required to notify tenants and the PHA of any rent increases at least ninety days before any such changes will go into effect.¹⁹ Federal regulations require that such changes are subject to rent reasonableness requirements, and subject to approval by the PHA.

Description of Home Forward Policy: Home Forward will agree to a rent increase request, if provided within legally required timeframes, only if the amount of the rent to owner is considered reasonable according to Home Forward's rent reasonableness standards. If the requested rent is not found to be reasonable, the owner must either reduce the requested rent increase, or give the family notice in accordance with the terms of the lease. No rent increase is permitted during the initial term of the lease [24 CFR 982.309(a)(3)]. Where the owner is requesting a rent increase, Home Forward will determine whether the requested increase is reasonable within 15 business days of receiving the request from the owner. The owner will be notified of the determination in writing. Rent increases will go into effect on the first of the month following the 90 day period after the owner notifies the PHA of the rent change or on the date specified by the owner, whichever is later.²⁰

Regulatory Waiver: HUD approved Home Forward's FY2020 MTW Plan on June 26, 2020, which included the alternative authority described below. Authority to implement this approach derives from Attachment C to the HUD-Home Forward MTW Agreement, Section D(2)(b) and Attachment D to the HUD-Home Forward MTW Agreement, Sections B(2) and D(1).

Description of Alternative Authority: Home Forward received authority from HUD to deny all rent increase requests, or pause the processing of all rent increase requests, from landlords of tenant-based Housing Choice Voucher holders for reasons other than non-compliance with rent reasonableness in rent setting. Home Forward will implement this approach based upon a consideration of the following factors:

- (1) A consideration of financial and administrative impact on Home Forward;
- (2) Rent burden on tenants participating in the Housing Choice Voucher program;
- (3) Impact on participating landlords; and
- (4) Other compelling situations which may include the declaration of a state of emergency.

Description of Informal Change: Home Forward made an informal change to the Admin plan to use this authority to deny rent increase requests for landlord's in the Housing Choice voucher program that would go into effect during Calendar Year 2021. The period of implementation below is from September 30, 2020 to December 31, 2021 as opposed to January 1, 2021 to December 31, 2021 because landlords must give 90 days notice before a rent increase is effective. So their rent increase requests that would impact tenants in Calendar Year 2021 would likely occur between September 1, 2020 and September 30, 2021, with effect through December 31, 2021.

Period of Implementation: September 1, 2020 to December 31, 2021.

Request of Board: Home Forward requests the board approve this informal change to Home Forward's Admin plan during the period of implementation.

¹⁹ Oregon Revised Statute 90.323. Home Forward's Administrative plan needs to be permanently amended to reflect this state requirement.

²⁰ Home Forward, "Chapter 9-I.H. Changes in lease or rent," Administrative Plan, pg. 9-14.

Informal Changes: Admissions and Continued Occupancy Policy (ACOP)

1. Public Housing – Annual Self-Inspections

Description of Current Requirements: PHAs who own or operate public housing are required to annually inspect each public housing project to determine whether units in the project are maintained to applicable standards and remain safe for residents.

Description of Home Forward Policy: Home Forward complies with the regulatory requirements described above.²¹

Regulatory Waiver: PH-12, Notice PIH 2021-14 (HA)

Description of Alternative Authority: HUD is waiving this requirement that the PHA must inspect each project during Calendar Year 2020.

Description of Informal Change: Home Forward made an informal change to our ACOP to use this regulatory flexibility and not perform inspections during Calendar Year 2020.

Period of Implementation: April 14, 2020 to December 31, 2020

Request of Board: Home Forward requests the board approve this informal change to Home Forward's ACOP during the period of implementation.

²¹ Home Forward, "Chapter 8-II. B. Types of Inspections," Admissions and Continued Occupancy Policy, pg. 8-8.

Table 1. Summary of Informal Changes to Admin and ACOP

Policy/Regulation	Regulatory Flexibility	Public Housing (ACOP)	Housing Choice Voucher (Admin)	MTW Authority	Request of Board
Annual Examinations: Income Verification	HUD allowed PHAs to accept self-certification of income and waive use of EIV system until December 31, 2021.	Informal change to ACOP to accept self-certification of income and waive use of EIV until December 31, 2021.	Informal change to Admin Plan to accept self-certification of income and waive use of EIV until December 31, 2021.	Home Forward included an activity in our FY2021 MTW plan to maintain this regulatory flexibility. Home Forward's Board approved the proposed plan on October 7, 2020. HUD approved Home Forward's FY2021 on March 8.	Approve informal changes to ACOP and Admin Plans between April 14 and December 31, 2021
Interim Examinations: Income Verification	HUD allowed PHAs to accept self-certification of income and waive use of EIV system until December 31, 2021.	Informal change to ACOP to accept self-certification of income and waive use of EIV until December 31, 2021.	Informal change to Admin Plan to accept self-certification of income and waive use of EIV until December 31, 2021.	Home Forward included an activity in our FY2021 MTW plan to maintain this regulatory flexibility. Home Forward's Board approved the proposed plan on October 7, 2020. HUD approved Home Forward's FY2021 on March 8.	Approve informal changes to ACOP and Admin Plans between April 14 and December 31, 2021
Housing Quality Standards (HQS): Initial Inspections	HUD waived requirement to perform in person initial inspections and allowed PHAs to accept owner certification of unit condition. PHAs must complete initial inspection one year from date of owner certification.	None	Informal change to Admin plan to only perform initial inspections in vacant units and accept owner-certification in occupied units until December 31, 2021.	Home Forward submitted an amendment (Amendment 1) to our FY2020 MTW plan to maintain this regulatory flexibility on August 11, 2020. Home Forward's Board approved the amendment August 5, 2020. HUD approved Amendment I to Home Forward's FY2020 plan on February 8, 2021	Approve informal changes to Admin Plan between April 14 and December 31, 2021.
Housing Quality Standards (HQS): Biennial Inspections	HUD allowed PHAs to delay biennial inspections for TBV and PBV until December 31, 2021. PHAs must resume biennial inspections after Dec 31, 2021 and complete	N/A	Informal change to Admin plan to delay biennial inspections due before December 31, 2021 by one year from their due date.	Home Forward submitted an amendment (Amendment 1) to our FY2020 MTW plan to maintain this regulatory flexibility. Home Forward's Board approved the amendment August 5, 2020. HUD approved Amendment I	Approve informal changes to Admin Plan between April 14 and December 31, 2021.

	all delayed inspections within certain period of time.			to Home Forward's FY2020 plan on February 8, 2021	
Housing Quality Standards (HQS): Interim Inspections	HUD waived requirement for PHAs to perform inspections within certain time frames if HQS violation is reported. Allows PHAs to accept owner documentation that issue has been resolved or didn't exist.	N/A	Informal change to Admin plan to accept owner documentation issue has been resolved or didn't exist in cases where unit is occupied.	N/A	Approve informal changes to Admin Plan between April 14 and December 31, 2021.
Housing Quality Standards (HQS): Adding or Substituting Units	HUD waived requirement that PBV unit must be inspected prior to adding or substituting it in HAP contract and allows PHAs to accept owner certification. Requires inspection within 1 year of owners certification.	N/A	Informal change to Admin plan to accept owner certification of absence of life threatening conditions for one year in cases where unit is occupied.	None	Approve informal changes to Admin Plan between April 14 and December 31, 2021.
Housing Choice Voucher (HCV): Oral Briefing	HUD waived requirement that family attend oral briefing prior to issuing their voucher. Allowed PHAs to share information in other forms.	N/A	Informal change to Admin plan to conduct briefing over the phone and with an expanded information packet.	Home Forward included an activity in our FY2021 MTW plan to maintain this regulatory flexibility. Home Forward's Board approved the proposed plan on October 7, 2020. HUD approved the FY2021 plan on March 8, 2021.	Approve informal changes to Admin Plan between April 14 and December 31, 2021.
Housing Choice Voucher (HCV): Extension of Voucher Term	HUD waived the requirement that PHAs must comply with policies in their admin plan related to extended voucher term.	N/A	Informal change to Admin plan to allow Home Forward to extend voucher term in extenuating circumstances, beyond current policy	None	Approve informal changes to Admin Plan between April 14 and December 31, 2021.
Housing Choice Voucher (HCV): When HAP Contract is Executed	HUD extended the deadline by which PHAs must execute HAP contract from 60 days	N/A	Informal change to Admin plan to allow Home Forward to execute HAP contract no later than 120	None	Approve informal changes to Admin Plan between April 14 and December 31, 2021.

	to 120 days from beginning of lease term.		days from beginning of lease term.		
Housing Choice Voucher (HCV): Absence from Unit	HUD waived the requirement the PHAs terminate assistance if household has been absent from unit for more than 180 days until December 31, 2021	N/A	Informal change to Admin plan to allow Home Forward to not terminate assistance if household was absent for more than 180 days	None	Approve informal changes to Admin Plan between April 14 and December 31, 2021.
Housing Choice Voucher (HCV): Automatic Termination of HAP contract	HUD waived the requirement that PHAs terminate the HAP contract 180 days after last payment until December 31, 2021	N/A	Informal change to Admin plan to allow Home Forward to not terminate assistance if last HAP payment was more than 180 days ago.	None	Approve informal changes to Admin Plan between April 14, 2020 and December 31, 2021.
Housing Choice Voucher: FUP youth age	HUD waived the requirement that youth must be no more than 24 years old to be eligible, and allows youth who are no more than 25 years old to be eligible.	N/A	Informal change to Admin plan to allow Home Forward to provide FUP assistance to a foster youth who is no more than 25 years old.	None	Approve informal changes to Admin plan between Dec 7, 2020 and December 31, 2021.
Housing Choice Voucher – FUP assistance length	HUD waived the requirement that a FUP youth receive no more than 36 months assistance and allows a 6-month extension for youth whose assistance term would expire between April 10, 2020 and December 31, 2021.	N/A	Informal change to Admin plan to allow Home Forward to provide a 6-month extension of assistance to FUP youth whose assistance would expire between December 7, 2020 and December 31, 2021.	None	Approve informal changes to Admin plan between Dec 7, 2020 and December 31, 2021.
Housing Choice Voucher – FUP referral timeframe	HUD waived the requirement that, to be eligible, youth must have left foster care or be leaving foster care in 90 days. Youth may now be eligible if they	N/A	Informal change to Admin plan to allow Home Forward to serve youth who are leaving foster care within 120 days between December 7, 2020 and December 31, 2021.	None	Approve informal changes to Admin plan between Dec 7, 2020 and December 31, 2021.

	are leaving within 120 days.				
Housing Choice Voucher: Rent Increase Policy	Using our MTW authority, Home Forward is not approving rent increase requests from landlords in the Housing Choice Voucher Program for CY2021.	N/A	Informal change to Admin plan to allow Home Forward to not approve rent increase requests from landlord's in the Housing Choice Voucher program for CY2021.	Home Forward's Board approved our FY2020 plan on October 15, 2019 and HUD approved the plan on June 26, 2019. The approved plan included the authority to implement this activity.	None. Board already approved informal change to Admin plan between Sept 30, 2020 and Dec 31, 2021 for this policy.
Public Housing: Annual Self Inspections	HUD waived the requirement that PHAs annually inspect each public housing property for calendar year 2020.	Informal change to ACOP to not complete annual inspections of each public housing project in Calendar Year 2020.	N.A	None	Approve informal change to ACOP between April 14, 2020 and Dec 31, 2020.



MEMORANDUM

To: Board of Commissioners
Date: December 21, 2021

From: Kandy Sage, Deputy Executive
Director of Finance
503.802.8585
Subject: Authorize Fiscal Year 2022 Budget
Resolution 21-12-03

The Board of Commissioners is requested to approve Home Forward's Fiscal Year (FY) 2022 budget covering the period of January 1 to December 31, 2022.

The budget is composed of four main sections:

- A. Management Discussion (pages 1 to 6)
- B. Agency level information
 - Operating statement with Funding Flow Analysis (pages 7 to 8)
 - Line Item Analysis and Budget Assumptions (pages 9 to 13)
- C. Operating Group level information
 - Operating information by Operating Group (pages 14 to 16)
 - Budget Commentary (pages 17 to 49)
- D. Additional Attachments (pages 50 to end of document)
 - Includes information regarding Moving to Work (MTW) initiatives, households served, MTW proration trends, funding vs costs trends, headcount changes, and an acronym key.

Planned activities for the upcoming year include:

- Total unduplicated households served is anticipated to be approx. 16,131 households.
- The Housing Choice Voucher program will implement new payment standards at a minimum of 86% of Fair Market Rent for all programs.

- Occupancy is budgeted at forecasted levels by property and averages 97% across the portfolio.
- 67 units of public housing will convert to a voucher funding stream under the RAD / Section 18 programs.
- Staffing levels are expected to increase 34.6 in full time equivalents to 342. Of the additional 34.6 FTE's, 23.6 recruitments occurred during FY2021, and 11 are planned for recruitments during FY2022.
 - Agency funded FTEs total 279.9.
 - Other legal entity funded FTEs total 62.1

Key financial highlights for the Fiscal Year 2022 budget include (numbers may differ slightly from source documents due to rounding):

- Annual operating revenues are projected to be \$267.8 million, a decrease of \$11.7 million driven primarily by a reduction in COVID-related emergency rent assistance.
 - State, Local & Other grants are estimated to be \$65.5 million, a reduction of \$21.5 million from FY21.
 - HUD subsidies will provide over \$148.2 million in funding, an estimated increase from FY21 of \$1.9 million.
- Annual operating expenses are projected to be \$258.1, a decrease of \$14.1 million driven primarily by a reduction on COVID-related emergency rent assistance.
 - Housing Assistance Payments are estimated to be approximately \$192.6 million, a decrease from FY21 of \$16.2 million.
- Earned developer fees are expected to total \$14.3 million with \$3.7 million in cash payments anticipated during this fiscal year.
- Based on the impact of items above, net operating income is projected to be \$9.6 million.
- Investment income is expected to yield \$216 thousand along with \$2.5 million in interest expense in FY 21.
- Capital contributions are estimated to be \$2.9 million for the year, a decrease of \$876 thousand.
- The combined impact yields an \$10.6 million increase in changes to net assets.

- Finally, agency results are converted from a generally accepted accounting principles (GAAP) format to a funding flow presentation to better present the funds available to support agency operations and reserves.

This year's budget was prepared with several estimates, the most significant being the level of federal funding available for the Section 8 and Public Housing programs. At the time of budget approval, the federal government is, yet again, operating under a continuing resolution. As such, estimates of the main federally funded programs are based on the best assumptions regarding current and historical funding levels.

ATTACHMENT

FY2022 Budget



RESOLUTION 21-12-03

RESOLUTION 21-12-03 APPROVING AND ADOPTING HOME FORWARD'S BUDGET FOR THE FISCAL YEAR ENDING DECEMBER 31, 2022

WHEREAS, Home Forward is committed to the maintaining high standards relating to the management of fiscal resources and the stewardship of public funds and assets; and

WHEREAS, the staff of Home Forward has carefully and thoughtfully prepared the fiscal year 2022 budget to administer the programs and accomplish the objectives of the Agency for the period beginning January 1, 2022 and ending December 31, 2022; and

WHEREAS, the budget identifies expected sources of revenue and funds held in reserves which are sufficient to cover planned expenditures for the fiscal year, and;

WHEREAS, the Board of Commissioners has reviewed the budget and inquired with staff on the various aspects and components of the budget;

NOW, THEREFORE, BE IT RESOLVED, the Board of Commissioners of Home Forward approves and adopts the budget as submitted for the fiscal year ending December 31, 2022.

ADOPTED: DECEMBER 21, 2021

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, Chair



homeforward

hope. access. potential.

Fiscal Year 2022

Budget

January 1, 2022 through December 31, 2022

Original Submission:
December 15, 2021



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Management Discussion

This document presents the planned activities and financial budget for Home Forward for the twelve-month period beginning January 1, 2022 and ending December 31, 2022 (FY22).

General Overview

The Federal Housing Act of 1937 authorized the creation of public housing authorities. Utilizing the 1937 Federal Housing Act, the Portland City Council established Home Forward (at that time, the Housing Authority of Portland) as a municipal corporation under the Oregon Revised Statutes in December 1941.

A nine-member Board of Commissioners governs Home Forward. Four appointments are recommended by the City of Portland, two by the City of Gresham, two by Multnomah County, and there is one resident commissioner. Home Forward is not financially dependent on nor considered a component unit of any of the above jurisdictions. The Executive Director is appointed by the Board and is responsible for the daily functioning of Home Forward.

Home Forward is one of only 39 public housing authorities in the country (out of more than 3,000) that have been selected by the U.S. Department of Housing and Urban Development (HUD) and approved by Congress to participate in the Moving to Work (MTW) program. Moving to Work is a long-term federal pilot program designed to learn whether public housing authorities can serve their communities better with more local discretion over funding allocation, policies, and procedures. Home Forward has been operating as a Moving to Work agency since April 1, 1999. The MTW designation allows for exemptions from certain federal requirements allowing the merger of Housing Choice Voucher & administrative funds and Public Housing Operating & Capital Funds into a single fund. This enables Home Forward to create and implement innovative programs across its five main mission-based business lines.

The main mission-based business lines are:

- **Development** – includes work on large-scale development projects such as 85 Stories (part of Home Forward's public housing preservation initiative) and improvement of our existing properties using capital grants, local grants, and mainstream financing products. Revenue for this group is generated from developer fees; fees which may be earned in one reporting period but paid in a different period.
- **Real Estate Properties** – Home Forward owns, manages, or is a partner in 111 properties with over 6,700 units. Of these, 45 properties with 3,452 units are owned through tax credit partnerships, of which Home Forward is the minority owner. This portfolio includes 4 properties and 67 units that will convert in FY22. The forecasted and budgeted results of these 45 properties are not included in this document.

For public housing properties, revenue is generated from two main sources: 1) HUD subsidies – based on a HUD-approved rate multiplied by the number of HUD-approved units multiplied by a proration rate, and 2) tenant revenue – rents collected from residents, which are driven by occupancy levels and by tenant income levels.

For affordable housing properties, revenue is mainly generated by tenant rents and impacted by occupancy levels and contractually allowed affordable rental rates based on unit size.

- **Real Estate Services** – includes Asset Management, Property Management, and Integrated Facilities Services for our affordable, master-leased, and public housing properties.

As part of Home Forward's current strategic plan, the Asset Management group now provides long-term planning services to Home Forward's entire real estate portfolio. Asset Management generates fee income and uses cash

flow generated from the real estate portfolio. The department also generates revenue from the oversight of affordable properties owned by our jurisdictional partners.

Home Forward's Property Management group is responsible for overseeing the daily operations, compliance, and maintenance at 43 properties (2,432 physical units). The group generates property management fees to cover its costs as well as uses cash flow generated from the real estate portfolio.

Integrated Facilities Services is Home Forward's specialized maintenance service including electrical work, plumbing, pest control, painting, and bulky waste hauling. Fees are earned based on billable services to Home Forward's real estate portfolio.

- Rent Assistance – includes traditional and non-traditional rent assistance programs. Traditional programs include federally designed Housing Choice Vouchers, Veterans Affairs Supportive Housing (VASH), Family Unification Program (FUP) Vouchers, Single Room Occupancy/Moderate Rehabilitation (SRO/MOD), and Shelter Plus Care. Non-traditional rent assistance programs include locally developed short, medium, and long-term rent assistance and rent assistance combined with partner services. Through these programs, Home Forward provides rent assistance to over 12,000 households on an annual basis. Rent Assistance also plays a significant role in the administering of Federal/State/Local COVID relief funds. These short-term initiatives began in FY 20 and will continue into the FY22 fiscal year.

The Housing Choice Voucher Program (Section 8) is the largest rent assistance program administered by Home Forward with funding determined by vouchers authorized, voucher utilization, and proration rates.

- Community Services – includes social and economic development programs for families, along with administration of community housing and service partnerships throughout Multnomah County. Programs include congregate supportive housing and family self-sufficiency programs. These programs are typically funded by cost reimbursement grants and property fees.

Budget Principles

The budget document provides greater context around where we are investing our resources to achieve the goals of ensuring the members of our community are housed.

This document presents comparative budget information in two formats, first in a Generally Accepted Accounting Principle (GAAP) format and second in a Funding Flow (simplified operating cash basis) format. It is important for the reader to understand this distinction, as certain revenue and expense items may be recorded in one fiscal year, while the cash involved impacts a different fiscal year (such as development fee revenue) or has no cash impact (such as depreciation expense). Additionally, this document only presents the results of Home Forward legal entity and does not include the budget of any blended or discretely presented units.

The budget was created with several guiding principles:

- Current year activities will be funded with current year revenue, business line reserves, allowable transfers from other programs, or agency-level reserves. In addition, any remaining funds will be assigned to reserves for specific purposes or to general reserves to address funding volatility.
- Because the life cycle of development projects spans several years, we monitor development performance to match that life cycle rather than using a single year snapshot.
- Revenues for the Housing Choice Voucher program and administration, Public Housing Operating Subsidy, and Public Housing Capital Grant are budgeted based on estimated calculations of rates and prorations as

determined from a combination of 2021 actual funding rates, congressional funding bill proposals, and a Fair Market Rent survey for the Portland area.

- Funds using MTW flexibility are aligned with strategic initiatives.
- Home Forward strives to meet the MTW requirement of serving substantially the same number of households as it would if it did not have MTW status.
- Funds from the sale of real estate are generally dedicated toward the acquisition, development, and/or preservation of real estate assets.

Budget Summary

Key Activities and Financial Highlights for Fiscal Year 22

(Please note numbers may differ slightly from source documents due to rounding)

Key activities planned for Fiscal Year 22 include:

- Development will provide development services to Baldwin PSH LP, 3000 Powell LP, 85 Stories and other projects. Development is projected to earn \$14.3 million in developer fees from Central Group LP, Dekum 2 LP, Baldwin PSH LP, 3000 Powell LP and Grace Peck Rehab projects.
- Public Housing will serve 369 households in 10 public housing properties given expected occupancy of 98%. The number of Public Housing units continues to decline as they convert to voucher based units through the RAD/Section 18 program, with 67 units converting during FY22 from 436 to 376 units.
- Properties in Home Forward's Affordable Portfolio will serve 6,117 households given the expected average occupancy rate of 97%. Home Forward-owned affordable properties are expected to serve 2,305 households, tax credit limited partnerships will serve 3,314 households, and master leased properties will serve 498 households.
- In FY16 Home Forward stopped pulling from the housing choice voucher waitlist due to the lack of federal funding to address the local rental crisis. Beginning in FY19 and through FY21 the housing choice voucher department began to pull names from waitlist. In FY22 we anticipate extinguishing the current waitlist and will need to open a new waitlist. Home Forward will complete its data migration to Yardi 7, a cloud-based version of its current ERP software program. This project will improve operations throughout the agency and will help streamline internal processes.

Financial highlights of the upcoming budget include:

- Annual operating revenues are projected to be \$269.3 million. This is mainly due to:
 - \$14.3 million in developer fee revenue from Central Group LP (\$4.1 million), Dekum 2 LP (\$3.1 million), Baldwin PSH LP (\$2.2 million), 3000 Powell LP (\$3.9 million) and Grace Peck Rehabilitation (\$1.0 million) projects.
 - Public Housing Operating Subsidy revenue of \$5.9 million (\$5.1 million of Operating Subsidy and \$776 thousand in Asset Repositioning Fee), which reflects reduced funding due to the 1,027 units that will have converted to Project-Based Voucher Subsidy. Federal funding is anticipated to increase by 1% for the upcoming budget year.
 - HUD funding for Housing Choice Vouchers is projected to increase by 5%.

-
- Admin fees will increase \$324 thousand due to increased proration, offset by the ending of the some COVID relief programs.
 - Annual operating expenses are projected to be \$258.0 million. This is mainly due to:
 - Of the \$258.0 million in operating expenses, \$192.6 million represents rent assistance payments made directly to landlords on behalf of Home Forward participants. Backing out this activity, Home Forward's operating expenses would be \$65.4 million.
 - Personnel expenses will be \$30.2 million for the upcoming budget year.
 - Other administrative expenses will be \$10.8 million, primarily due to investment in Home Forward's information technology infrastructure of \$1.2 million including activity related to the YARDI upgrade, property management fees of \$1.2 million, third party payroll costs of \$2.3 million and costs related to safety patrols of \$531 thousand.
 - Other tenant services expense will be \$2.4 million, primarily due to \$901 thousand related to Congregate Housing Services Program (CHSP) and \$309 thousand for support services at Bud Clark Commons.
 - Other maintenance expenses will be \$8.0 million, primarily due to major maintenance projects at multiple affordable properties in FY21.
 - Based on the impact of items above, operating income is projected to be \$9.6 million.
 - Investment income is expected to yield \$160 thousand along with \$2.2 million in interest expense in FY22.
 - Capital contributions are estimated to be \$2.9 million for the year.
 - The combined impact yields an \$10.6 million increase in changes to net assets.

Impact on Funding Flow

As noted in the Budget Principles section, the agency presents its budget in a GAAP presentation and in a funding flow format. The standard expectation of the funding flow is that Home Forward programs (excluding development) will break even for the fiscal year, and that development activities will (at a minimum) break even over the course of the life of its various projects.

A funding flow summary by operating group is presented below:

	Operating Income/(Loss) after Overhead	Department Capital and Financing Uses	Non-Reserve Funding Flow Adjustments	Unrestricted Cash from Current Operations	Additions to Reserves	Other Reserve Transfers In/(Out) to Fund Current Activities	Net funding Flow
Program Group							
Rent Assistance	2,427,352	-	-	-	-	(2,427,352)	-
Public Housing Properties	1,114,778	-	1,149,976	-	90,933	(2,355,687)	-
Affordable Housing Properties	4,323,904	(113,293)	(4,158,129)	3,349,060	(818,371)	(2,583,171)	-
Asset Management	(2,149,983)	-	-	-	-	2,149,983	-
Property Management	(3,452,687)	-	9,090	-	-	3,443,597	-
Safety	(493,007)	-	-	-	-	493,007	-
Integrated Facilities Services	17,971	-	-	-	-	(17,971)	-
Community Services	(3,085,064)	-	(168,811)	465,584	-	2,788,291	-
Other	1,506,447	-	(970,750)	955,000	-	(1,490,697)	-
Program Group Total	209,711	(113,293)	(4,138,624)	4,769,644	(727,438)	-	-
Development	9,439,770	-	(14,500,040)	3,751,661	1,308,609	-	-
Total Agency	9,649,481	(113,293)	(18,638,664)	8,521,305	581,171	-	-

"Non-reserve funding flow adjustments" include add-backs for depreciation, offsets for allocated capital acquisitions and certain debt payments, property-level reserves, and increases/decreases related to the timing of affordable housing cash flows.

"Unrestricted Cash from Current Operations" reflect excess cash flow from the Affordable and Tax Credit properties after the operating income and any applicable debt service.

"Reserve transfers in" to fund current activities reflect the inflow of reserve funds to cover current year expenses. This activity translates to a reduction of agency reserves.

"Additions to reserves" reflect the transfer of remaining operating income into reserve accounts. Please note, the bracketed number in this column *does not* represent an outflow of agency cash, but rather an increase to agency reserves.

Net reserves are dedicated to the following identified purposes:

- \$1.3 million of collected development fee revenue is transferred to reserves. This is used to cover department operations and fund project costs that span multiple fiscal years.
- As part of a ten-year plan to ensure adequate reserve levels for Home Forward, \$200 thousand will be directed to an insurance reserve, \$776 thousand of asset repositioning fee generated from the 85 Stories initiative will be used for future capital activity, \$500 thousand will be contributed to a capital reserve for the Affordable portfolio. Home Forward Development Enterprises will fund this \$500 thousand on a one-time basis to help support operations.

Staffing Update

Home Forward staff provide services that are funded with agency resources (Home Forward legal entity) and resources from other legal entities, such as several tax credit partnerships. The breakout by funding resource and the change in budgeted full-time equivalents (FTEs) is:

Full-Time Equivalents (FTEs) by Funding Source			
	FY21 Budget	FY22 Budget	Increase / (Decrease)
Agency Funded	249.0	279.9	31.0
Other Legal Entity Funded	58.4	62.1	3.6
Total Agency-Managed Positions	307.4	342.0	34.6

Numbers may be off slightly due to rounding.

In total, full-time equivalent employees have increased by 39.2 FTE. A detailed reconciliation is found in the FTE Change Comparison Schedule attachment. While this budget reflects the FTEs of Home Forward, it does not include the financial impact of the 63 FTE that are paid by Home Forward but whose costs are reflected in the Tax Credit Portfolio.

Risks and Opportunities

As is the case every year, the level of Congressional appropriations determines federal funding. While this funding has been volatile over the last five years, there is extreme uncertainty as to what level of investment the federal government will continue to provide. Given the passage of several continuing resolutions, the latest of which expires February 18, 2022, and a lack of detailed information from the Congressional Appropriations bill, we have had to develop a budget with estimates of most of its major federal programs. The approach used was to base funding activity on preliminary congressional indicators (5% increase for HCV programs and 1% for Operating Subsidy), historical trends, to use program reserves as needed, and to prepare to implement budget revisions as soon as more accurate information is available.

For development projects, there is always the risk of delays in construction, but we are confident in the historical success of the Development team to monitor and manage projects to mitigate this risk. Additionally, the Development team monitors new funding opportunities and strategies for financing affordable housing.

The State of Oregon forecast indicates that state revenues are projected higher than the original forecast by 2%. This area will still be paid close attention to for potential impact to state and local grants, any COVID related relief programs and any PERS impact.

In addition to funding volatility, in any given year there is the potential for a weather-related incident/natural disaster that could affect most agency properties.

On behalf of our residents and program participants, Home Forward continues to seek opportunities to improve the housing and service delivery systems. As such, in any given year, there is the potential for new program development and implementation beyond the programs established with this budget.

Conclusion

For Fiscal Year 2022, Home Forward finds itself during a global pandemic. Home Forward will continue to deploy resources to minimize the impact of COVID 19 on residents, staff, and partners. Home Forward will continue its efforts on transitioning from a traditional public housing platform to the more responsive affordable housing platform. Home Forward will complete an upgrade of its ERP system which will improve operational efficiency. Lastly, Home Forward will maintain ongoing operations while continuing foundational work to address historic and systemic racism.

Operating Statement & Summary of Funding Flow

Operating Statement

Home Forward Fiscal Year 2022 Operating Statement

Operating Statement	FY 21 Budget	FY 22 Budget	Increase/ Decrease
Dwelling Rental	17,438,329	19,003,279	1,564,950
Non-dwelling Rental	2,509,452	3,798,641	1,289,189
HUD Subsidies -Housing Assistance	118,636,847	121,868,728	3,231,881
HUD Subsidies -Admin Fee	12,409,691	12,734,143	324,452
HUD Subsidies -Public Housing	7,773,627	5,929,567	(1,844,060)
HUD Grants	7,502,866	7,688,211	185,345
Development Fee Revenue, Net	7,934,429	14,322,624	6,388,195
State, Local & Other Grants	87,047,471	65,542,229	(21,505,242)
Other Revenue	18,208,658	18,397,966	189,308
Total Operating Revenues	279,461,370	269,285,389	(10,175,981)
Housing Assistance Payments	208,794,671	192,628,907	16,165,764
Administration	21,514,539	21,687,003	(172,464)
Administrative Personnel Expense	9,528,029	10,854,539	(1,326,510)
Other Admin Expenses	11,986,510	10,832,464	1,154,046
Tenant Services	5,540,606	6,038,847	(498,241)
Tenant Svcs Personnel Expense	3,197,657	3,617,854	(420,197)
Other Tenant Svcs Expenses	2,342,948	2,420,993	(78,045)
Program Expense	12,558,885	13,268,188	(709,303)
Maintenance	9,294,702	10,281,581	(986,879)
Maintenance Personnel Expense	2,179,648	2,491,181	(311,533)
Other Maintenance Expenses	7,115,054	7,790,400	(675,346)
Utilities	4,203,883	4,234,034	(30,151)
Total IA Expense	2,160	-	2,160
Depreciation	7,581,232	7,029,678	551,554
General	2,663,714	2,896,284	(232,570)
Total Operating Expenses	272,154,392	258,064,522	14,089,870
Operating Income (Loss)	7,306,977	11,220,867	3,913,890
Operating Income (Loss) after Overhead	7,306,977	11,220,867	3,913,890
Investment Income	215,607	159,896	(55,711)
Interest Expense	(2,473,834)	(2,159,305)	314,529
Gain (Loss) on Sale of Assets	-	(26,850)	(26,850)
Net Other Income (Expense)	(2,258,227)	(2,026,067)	232,160
HUD Nonoperating Contributions	3,873,777	2,997,312	(876,465)
Net Capital Contributions	3,873,777	2,997,312	(876,465)
Change in Net Position	8,922,526	12,192,112	3,269,586

Funding Flow Analysis

Home Forward Fiscal Year 2022 Funding Flow Analysis

<u>Funding Flow Analysis</u>	<u>FY 21 Budget</u>	<u>FY 22 Budget</u>	<u>Increase/ Decrease</u>
Funding Flow Analysis	\$ 9,460,851	\$ 11,220,867	\$ 1,760,016
Funding Flow Analysis	(9,460,851)	(11,220,867)	(1,760,016)
Final Funding Source or (Shortfall)	\$ -	\$ -	\$ -

Line-Item Analysis & Assumptions

Revenue

Dwelling Rental \$19.0 million

- Public Housing Portfolio will earn \$1.2 million and will continue to benefit from high occupancy rates.
- Affordable Housing Portfolio will earn \$22.8 million due to high occupancy rates.
- There is a projected elimination of \$5.0 million to reflect voucher holders living in our Affordable and Public Housing properties.
- To ensure the continuation of affordable housing options throughout the community, Project Based Vouchers will allow rent increases of up to 2% applied in FY22.

Non-dwelling Rental \$3.8 million

- Non-dwelling rental includes commercial rents, payments received from special needs master-leased properties, land lease revenue, cell tower revenue, and parking revenue.

HUD Subsidies - Housing Assistance \$121.9 million

- Due to expected continuing resolutions for a portion of the year, this funding is assumed to include a 5% funding increase and a projected proration level of 99.0%.
- RAD funding will be \$12.7 million for the 1,121 vouchers (903 converted in FY18, 124 converted in FY19, and 94 converted in FY21).
- Funding for the Section 18 Tenant Protection Vouchers will be \$5.5 million (579 units converted from Public Housing).
- The subsidies will fund 11,450 vouchers in the upcoming budget year.

HUD Subsidies – Administrative Fees \$12.8 million

- Administrative Fees for HUD housing assistance are budgeted based on funding appropriations and assumes 82% proration for FY22.
- Administrative Fee funding will benefit from incremental voucher awards for FUP, Mainstream, VASH and RAD conversions. The agency is also projecting to receive \$1.6 million in fee revenue related to the Emergency Housing Vouchers program and \$259 thousand related to the Local Voucher program.

HUD Subsidies - Public Housing \$5.9 million

- Funding includes \$776 thousand in Asset Repositioning Fees (ARF). ARF represents a temporary revenue stream (related to Section 18 conversions) to assist with the conversion of Public Housing to Tenant Protection Vouchers.
- \$377 thousand for carve-outs to support services and payment in lieu of taxes.

- The budget assumes that the Operating Subsidy proration will be 95%, based on current year actuals.

Development Fee Revenue \$14.3 million

- Accrued development fee revenue for the current year is projected for the following projects:

Project	Accrued Developer Fee Revenue (in thousands)
Central Group LP	\$4,127
Baldwin PSH LP	2,201
3000 Powell LP	3,880
Dekum Court Redevelopment	3,073
Grace Peck Rehabilitation	1,041
Total	<u>\$14,322</u>

State, Local & Other Grants \$65.5 million

Grant	FY21 Budget (in thousands)	FY22 Budget (in thousands)	Increase/ (Decrease)
Short-Term Rent Assistance			
Multnomah County	\$13,488	\$8,855	(\$4,634)
Homeless Family System of Care	2,690	7,102	4,412
City of Portland	2,609	1,831	(778)
State of Oregon	39,143	40	(39,102)
PILOT Revenue	237	244	7
Short-Term Rent Assistance Total	58,167	18,072	(40,095)
Medicaid – CHSP	592	677	84
Joint Office – Bud Clark Commons	492	533	41
Worksystems Grant	107	233	127
City of Portland Youth Grant	0	226	226
Long Term Rent Assistance	27,690	45,801	18,111
Total	<u>\$87,047</u>	<u>\$65,542</u>	<u>(\$21,505)</u>

Other Revenue \$18.4 million

Other Revenue	FY21 Budget (in thousands)	FY22 Budget (in thousands)	Increase/ (Decrease)
Portability Revenue	\$9,361	\$9,962	\$602
Integrated Facilities Services Fees	1,854	1,918	67
Property-Related Income – Community Services	921	927	7
Property-Related Income – Operations	727	687	(40)
Property-Related Income – Management & General Partner Fees	2,213	2,224	11
Home Forward Development Enterprises Contributions	536	533	(3)
Other Revenue	2,500	2,057	(443)
Fraud and Bad Debt Recovery	98	90	(24)
CARES Act	-	-	-
Total	\$18,209	\$18,398	\$189

Expense

Housing Assistance Payments \$192.6 million

- This includes Housing Assistance payments for the MTW Vouchers, RAD/Section 18 conversions, FUP Program, VASH program, Single Room Occupancy (SRO) program, Shelter Plus Care, MIF Initiatives, Long-Term Rent Assistance, Port-in vouchers, and vouchers for those housed in our Affordable Portfolio. This includes \$38.4 million in COVID related Rent Assistance programs that represent a one-time project.

Personnel Expense \$30.2 million

- Total full-time equivalents for agency-funded positions are budgeted to be 279.9. An additional 62.1 FTE are funded directly from tax credit limited partnerships and the expenses associated with these staff members are not included in this budget. Combined FTE are 342.0, a 34.6 FTE increase from the FY21 budget. The below expenses reflect only activity that will be recorded for Home Forward properties.

Personnel Expense	FY21 Budget (in millions)	FY22 Budget (in millions)	Increase/ (Decrease)
Administrative Personnel Expense	\$9.5	\$10.9	\$1.3
Tenant Services Personnel Expense	3.2	3.6	0.4
Program Expense	12.6	13.3	0.7
Maintenance Personnel Expense	2.2	2.5	0.3
Total	\$27.5	\$30.2	\$2.8

- Anticipated compensation increases and higher PERS expense are factored into the personnel expense budget.

Other Administrative Expense \$10.9 million

- The Affordable Housing portfolio is projected to have \$2.3 million in outside payroll expense, \$1.1 million in management fee expense and \$383 thousand in security patrol contracts.
- The Administration operating group has budgeted expenses of \$3.9 million due to \$808 thousand in software and licensing fees, \$567 thousand for consultant projects related to the Yardi upgrade, Strategic Plan development, and projects related to diversity and equity. This amount also includes several costs related to the hybrid work model and other agency

Other Tenant Services Expenses \$2.4 million

- Tenant services expense is projected to include \$1.9 million in contracted resident services.

Other Maintenance Expenses \$7.8 million

- Public housing properties are expected to have \$1.0 million in repairs and other maintenance activities.
- Affordable housing properties are expected to have \$6.5 million in repairs and other maintenance activities, \$187 thousand of which is budgeted at master-leased properties.
- New Market West is projected to have \$212 thousand in planned repairs and ongoing maintenance.

Utilities \$4.2 million

- Sewer and water rates are projected to rise 3% and 7% (respectively) while other rates continue to increase as well. Garbage and recycling services will be provided by local waste haulers.

Depreciation \$7.0 million

- Depreciation represents the non-cash write-down of the properties' physical assets, and reflects the units undergoing RAD/Section 18 conversions and the property conversions (listed in the Affordable Portfolio Commentary).

General \$2.9 million

- Insurance expenses will increase due to rising valuations and premium rates and are projected to be \$1.9 million.
- Bad debt expense is projected to be \$686 thousand based on historical debt.

Net Other Income (Expense)

Investment Income \$159 thousand

- Investment income is projected to increase based upon higher interest rates than prior year estimates.
- Interest income on the notes related to the RAD/Section 18 conversions are projected to be \$216 thousand.

Interest Expense \$2.2 million

- Interest expense (\$2.2 million) is primarily due to debt at Fairview (\$366 thousand), Lovejoy (\$302 thousand), and Gretchen Kafoury (\$222 thousand).

Net Capital Contributions

HUD Capital Contributions \$3.0 million

- \$3.0 million in capital projects is budgeted at public housing properties, including those undergoing a RAD/Section 18 conversion.

Operating and Administrative Segment Review

FY22 Operating Statement by Operating Group*

Operating Statement	Rent Assistance	Public Housing Portfolio	Affordable Portfolio	Asset Management	Property Management	Safety	Integrated Facilities	Development	Community Services	Administration	Real Estate Finance	Reserves	MIF	Elimination	Home Forward Total
Dwelling Rental	\$ -	\$ 1,164,973	\$ 22,779,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,940,919)	\$ 19,003,279
Non-dwelling Rental	-	3,120	1,744,416	-	-	-	-	-	40,255	1,405,860	608,356	-	-	(3,366)	3,798,641
HUD Subsidies -Housing Assistance	119,350,012	-	2,518,716	-	-	-	-	-	-	-	-	-	-	-	121,868,728
HUD Subsidies -Admin Fee	12,254,377	-	-	-	479,766	-	-	-	-	-	-	-	-	-	12,734,143
HUD Subsidies -Public Housing	-	4,776,210	-	-	169,000	-	-	-	208,146	-	776,211	-	-	-	5,929,567
HUD Grants	6,220,641	10,000	-	-	362,499	-	-	-	1,095,071	-	-	-	-	-	7,688,211
Development Fee Revenue, Net	-	-	-	-	-	-	-	14,322,624	-	-	-	-	-	-	14,322,624
State, Local & Other Grants	64,223,750	-	-	-	-	-	-	-	1,318,479	-	-	-	-	-	65,542,229
Other Revenue	10,012,415	31,256	744,807	854,951	2,345,960	19,945	1,897,896	1,571,386	1,290,746	-	-	-	-	(371,396)	18,397,966
Total IA Revenue	-	-	-	-	-	-	-	-	830,991	-	-	-	-	(830,991)	-
Total Operating Revenues	212,061,196	5,985,559	27,787,164	854,951	3,357,225	19,945	1,897,896	15,894,010	4,783,689	1,405,860	1,384,567	-	-	(6,146,672)	269,285,389
Housing Assistance Payments	196,972,853	-	960	-	-	-	-	-	-	-	-	-	-	(4,344,906)	192,628,907
Administrative Personnel Expense	708,651	-	-	573,796	805,306	333,494	58,828	1,026,305	426,038	6,922,120	-	-	-	-	10,854,539
Other Admin Expenses	697,280	473,840	4,982,974	73,693	254,141	42,591	34,233	199,481	537,441	3,843,615	-	-	-	(306,824)	10,832,464
Fees/overhead charged	460,093	-	-	46,452	3,567	-	3,567	74,962	-	75,313	-	-	-	(663,954)	-
Tenant Svcs Personnel Expense	56,724	-	-	15,677	114,960	-	-	321,995	3,035,839	-	72,659	-	-	-	3,617,854
Other Tenant Svcs Expenses	135,434	27,562	54,372	-	-	-	-	-	2,101,825	101,800	-	-	-	-	2,420,993
Program Expense	7,480,987	488,558	131,155	992,979	1,425,062	63,327	166,869	1,754,960	590,146	174,145	-	-	-	-	13,268,188
Maintenance Personnel Expense	-	628,454	96,589	-	643,545	56,981	1,008,631	-	-	56,981	-	-	-	-	2,491,181
Other Maintenance Expenses	-	986,147	-	-	(44,840)	4,979	100,926	-	-	212,814	-	-	-	-	7,790,400
Utilities	-	779,877	3,313,261	-	-	-	40,000	-	-	100,896	-	-	-	-	4,234,034
Total IA Expense	-	36,387	579,322	-	-	-	-	-	215,279	-	-	-	-	(830,988)	-
Depreciation	-	1,149,976	5,679,045	-	9,090	-	-	22,584	-	219,023	-	-	-	(50,040)	7,029,678
General	227,900	299,979	2,095,208	-	202,191	1,977	25,500	-	-	43,530	-	-	-	-	2,896,284
Total Operating Expenses	206,739,922	4,870,781	23,463,259	1,702,597	3,413,021	503,348	1,438,554	3,400,288	6,906,569	11,750,237	72,659	-	-	(6,196,712)	258,064,522
Operating Income (Loss)	5,321,274	1,114,778	4,323,904	(847,646)	(55,796)	(483,403)	459,342	12,493,722	(2,122,880)	(10,344,377)	1,311,908	-	-	50,040	11,220,867
Total Overhead Allocations	2,893,921	-	-	1,302,337	3,396,891	9,604	441,372	1,482,566	962,184	(10,488,876)	-	-	-	-	-
Operating Income (Loss) after Overhead	2,427,352	1,114,778	4,323,904	(2,149,983)	(3,452,687)	(493,007)	17,971	11,011,156	(3,085,064)	144,499	1,311,908	-	-	50,040	11,220,867
Reserve Funding	-	-	(6,511,000)	(850,000)	(56,200)	-	-	(748,289)	675,880	28,344	(2,902,821)	10,364,085	-	-	-
Operating Income (Loss) after Reserve Funding	2,427,352	1,114,778	(2,187,096)	(2,999,983)	(3,508,887)	(493,007)	17,971	10,262,867	(2,409,184)	172,843	(1,590,913)	10,364,085	-	50,040	11,220,867
Investment Income	-	-	155,384	4,512	-	-	-	-	-	-	-	-	-	-	159,896
Interest Expense	-	-	(2,159,305)	-	-	-	-	-	-	-	-	-	-	-	(2,159,305)
Net Other Income (Expense)	-	-	(2,030,579)	4,512	-	-	-	-	-	-	-	-	-	-	(2,026,067)
HUD Nonoperating Contributions	-	268,645	-	-	-	-	-	-	-	228,667	2,500,000	-	-	-	2,997,312
Reserve Funded Capital Contributions	-	-	2,696,025	-	-	-	-	200,000	-	-	11,356,759	(14,252,784)	-	-	-
Net Capital Contributions	-	268,645	2,696,025	-	-	-	-	200,000	-	228,667	13,856,759	(14,252,784)	-	-	2,997,312
Change in Net Position	\$ 2,427,352	\$ 1,383,423	\$ (1,521,650)	\$ (2,995,471)	\$ (3,508,887)	\$ (493,007)	\$ 17,971	\$ 10,462,868	\$ (2,409,183)	\$ 401,509	\$ 12,265,846	\$ (3,888,699)	\$ -	\$ 50,040	\$ 12,192,112

*See attachments for larger version of this table. Numbers may vary slightly due to rounding.

FY22 Funding Flow Analysis by Operating Group*

Home Forward															
Fiscal Year 2022 Operating Statement by Operating Group															
	Rent Assistance	Public Housing Portfolio	Affordable Portfolio	Asset Management	Property Management	Safety	Integrated Facilities	Development	Community Services	Administration	Real Estate Finance	Reserves	MIF	Elimination	Home Forward Total
Operating Income (Loss) after Overhead	\$ 2,427,352	\$ 1,114,778	\$ 4,323,904	\$ (2,149,983)	\$ (3,452,687)	\$ (493,007)	\$ 17,971	\$ 11,011,156	\$ (3,085,064)	\$ 144,499	\$ 1,311,908	\$ -	\$ -	\$ 50,040	\$ 11,220,867
Real Estate Portfolio															
Affordable Housing Properties Operating Activity	-	-	(9,482,072)	-	-	-	-	-	-	-	-	-	-	-	(9,482,072)
Revenue from Properties to Home Forward	-	-	(855,103)	-	-	-	-	-	(368,812)	-	-	-	-	-	(1,223,915)
Unrestricted Cash to HAP	-	-	3,349,060	-	-	-	-	-	465,584	-	955,000	-	-	-	4,769,644
Net Replacement Reserve Activity (New Market West)	-	-	-	-	-	-	-	-	-	(98,000)	-	-	-	-	(98,000)
Net Replacement Reserve Activity (Special Needs)	-	-	(218,370)	-	-	-	-	-	-	-	-	-	-	-	(218,370)
Developer Fee - Impact to Funding Flow															
Developer Fee Revenue	-	-	-	-	-	-	-	(14,322,624)	-	-	-	-	-	-	(14,322,624)
Developer Fee - Cash to HAP(Net)	-	-	-	-	-	-	-	3,751,661	-	-	-	-	-	-	3,751,661
Financing/Investment Activity															
Principal & Interest - Special Needs	-	-	(113,293)	-	-	-	-	-	-	-	-	-	-	-	(113,293)
Principal & Interest - New Market West	-	-	-	-	-	-	-	-	-	(265,522)	-	-	-	-	(265,522)
Capital Acquisitions															
Fleet Vehicle	-	-	-	-	-	-	-	-	-	(228,667)	-	-	-	-	(228,667)
Fleet Vehicle Reserve Funding	-	-	-	-	-	-	-	-	-	228,667	-	-	-	-	228,667
Non-Cash Operating Activity															
Depreciation Expense	-	1,149,976	5,679,045	-	9,090	-	-	22,584	-	219,023	-	-	-	(50,040)	7,029,678
Special Purpose Reserve Activity															
Inter Departmental Reserve Transfers	(2,427,352)	(2,355,687)	(2,583,171)	2,149,983	3,443,597	493,007	(17,971)	-	2,788,291	-	(1,490,697)	-	-	-	-
Agency Initiatives	-	-	-	-	-	-	-	(1,571,386)	-	-	-	1,571,386	-	-	-
Future Agency Initiatives	-	-	-	-	-	-	-	-	-	-	-	(1,571,386)	-	-	(1,571,386)
Integrated Facility Services Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HFDE Funding Affordable Portfolio Reserve	-	-	500,000	-	-	-	-	-	-	-	-	-	-	-	500,000
DCR Operating Reserve	-	-	-	-	-	-	-	1,308,609	-	-	-	-	-	-	1,308,609
Affordable Portfolio Reserve	-	-	(500,000)	-	-	-	-	-	-	-	-	-	-	-	(500,000)
Workforce Initiative Funding	-	-	-	-	-	-	-	(200,000)	200,000	-	-	-	-	-	-
85 Stories Asset Repositioning Fee Reserve	-	-	-	-	-	-	-	-	-	-	(776,211)	-	-	-	(776,211)
Insurance Reserve	-	(100,000)	(100,000)	-	-	-	-	-	-	-	-	-	-	-	(200,000)
Capital Fund Program Contribution	-	190,933	-	-	-	-	-	-	-	-	-	-	-	-	190,933
Funding Source or (Shortfall)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Department Reserve Activity															
Final Funding Source or (Shortfall)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* See attachments for larger version of this table. Numbers may vary slightly due to rounding.

FY22 Staffing Summary by Operating Group

Home Forward													
Fiscal Year 2022 Full-Time Equivalent Changes by Operating Group													
	Rent Assistance	Public Housing Portfolio	Affordable Portfolio	Asset Management	Property Management	Safety	Integrated Facilities	Development	Community Services	Administration	Agency Funded	Limited Partnerships	Agency Managed
FY 2021 Budgeted FTE	72.9	16.4	1.8	10.6	23.3	3.5	10.7	22.1	39.4	48.4	249.0	58.4	307.4
FY 2022 Budgeted FTE	86.1	14.1	1.6	10.9	31.1	3.5	10.7	22.3	42.9	56.7	279.9	62.1	342.0
Changes	13.2	(2.3)	(0.2)	0.4	7.8	-	-	0.2	3.6	8.3	31.0	3.6	34.6

Rental Assistance Demonstration (RAD) and Section 18 Conversions

Home Forward will continue to convert Public Housing Units to Project-Based Section 8 funding through HUD's RAD conversion and Section 18 disposition. RAD conversions involve the transfer of Operating Subsidy and Capital Fund to a Project-Based Section 8 Voucher funding. RAD conversions are intended to be revenue neutral. Section 18 disposition replaces the Operating Subsidy and Capital Fund with a Tenant Protection Voucher and allows for the receipt of Asset Repositioning Fee (ARF) and Replacement Housing Factor (RHF) for Section 18 transactions. These results in increased funding for the agency, but not all properties qualified for the Section 18 disposition. The RAD conversion process began with The Jeffrey, Martha Washington, Bud Clark Commons, and Madrona Place on November 1, 2017.

Home Forward will earn admin fee (currently \$81 per voucher per month) on all RAD/Section 18 converted units. The properties that are projected to be impacted in the upcoming budget cycle are presented below. The North Group reflects the full twelve months in the Tax Credit Limited Partnership and the East Group reflects six months in the Tax Credit Limited Partnership. The voucher activity for these deals is reflected in the Rent Assistance operating group.

Future Expected Conversions			
Property	Units Converted	Conversion Type	RAD Group
South Group LP			
Carlton Court	24	RAD	South Group LP
Demar Downs	18	RAD	South Group LP
Lexington Court	20	RAD	South Group LP
Holgate House	80	RAD	South Group LP
Ruth Haefner Plaza	73	RAD	South Group LP
Celilo Court	28		
Total South Group LP Conversions	243		
Group 9			
Carlton Court	70	RAD	South Group LP
Demar Downs	32	RAD	South Group LP
Lexington Court	24	RAD	South Group LP
Total Group 9 Conversions	126		

Budget Commentary – Rent Assistance

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 228,597,879	\$ 212,061,196	\$ (16,536,683)
Operating Expense	223,340,960	206,739,922	(16,601,038)
Operating Income Before OH	5,256,919	5,321,274	64,355
Allocated Overhead	2,506,907	2,893,921	387,014
Operating Income After OH	2,750,012	2,427,352	(322,660)
Funding Flow Activity	1,489,223	2,427,352	938,129
Funding Required or (Contributed) for Current Agency Activities	\$ (1,489,223)	\$ (2,427,352)	\$ (938,129)
Total Budgeted FTE	72.9	86.1	13.2

Rent Assistance Key Assumptions

Housing Assistance Payments for the agency are projected to be \$196.9 million, a \$15.9 million increase from last year. \$4.3 million in housing assistance payments are related to Local Blended Subsidy payments to Home Forward consolidated properties and as such are eliminated in the consolidated operating statement. HAP expenses are broken down by individual program in the table below. Homeless Initiatives include Short-Term Rent Assistance (STRA) and Shelter Plus Care (SPC).

Program Cost/Expenses	Average Utilized Vouchers	Average Voucher Cost	Total HAP Expense
MTW Vouchers	7,801	\$875.75	\$81,980,931
COVID-Related Assistance	6,064	6,329.00	38,377,289
Homeless Initiatives	2,210	919.99	24,398,037
RAD	1,121	944.22	12,701,592
Portability (Port-In)	811	970.89	9,448,679
VASH	674	855.01	6,915,302
Section 18 TPV RAD	584	786.12	5,509,128
SRO/MOD RAD	382	887.51	4,068,348
FUP	207	1,032.92	2,565,761
LBS	284	705.66	2,404,902
Emergency Housing Vouchers	200	991.94	2,380,650

Program Cost/Expenses	Average Utilized Vouchers	Average Voucher Cost	Total HAP Expense
Long-Term Rent Assistance	346	560.70	2,324,652
Portability (Port-Out)	156	1,019.87	1,909,200
Mainstream	96	940.32	1,083,243
SRO/MOD	130	468.04	730,140
Flexible Rent Assistance		N/A	100,000
MTW Funded Rent Assistance	20	312.50	75,000
Subtotal: Gross HAP Expense			196,972,853
Less: Eliminations*		N/A	(4,344,906)
Total HAP Expense	21,085		192,628,907

* Elimination activity represents housing assistance payments for voucher holders in our Affordable and Tax Credit properties

Administrative fees for administering vouchers are \$12.0 million, representing no change from last year as administrative fees for new programs were offset by a reduction in COVID emergency related assistance .

Home Forward is continuing to administer additional COVID pandemic emergency related assistance to over 6,000 households. In the second year of program administration, funding for FY22 is projected to be \$38.4 million. This critical assistance serves households and landlords throughout Oregon and provides emergency rental relief through several Federal, State, and Local funding awards, including the Coronavirus Aid, Relief, and Economic Security (CARES) Act, American Rescue Plan, Oregon Emergency Rental Assistance Program, and the Emergency Rental Assistance Program.

In addition to COVID related assistance, Home Forward received an allocation of Emergency Housing Vouchers (EHV) starting in July 2021. 476 vouchers were awarded as authorized by the American Rescue Plan. Emergency Housing Vouchers are special purpose Housing Choice Vouchers. Emergency Housing Vouchers are to serve individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability. EHV are limited in duration and will not be renewed at attrition beginning October 2023. Voucher issuance and leasing of EHV started in 2021 and will continue in 2022.

To assist with the waitlist pulls, additional voucher awards, and emergency COVID-related assistance, Total Budgeted FTE is increasing by 13.2 FTE.

Rent Assistance Major Programs/Initiatives/Activities and Estimated Budget Impact

Housing Choice Vouchers - \$151.3 million

- The Housing Choice Voucher (HCV) program is the federal government's major program for assisting very low-income families, seniors, and people with disabilities to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants search for their own housing in the private market, including single-family homes, townhouses, and apartments. Home Forward administers several distinct HCV programs:

- Moving to Work (MTW) Vouchers - \$82.0 million

Home Forward manages 8,418 Moving to Work Vouchers.

Home Forward began to pull from the Housing Choice Voucher waitlist during fiscal year 2019 and continued waitlist pulls during fiscal year 2021. Ending the FY21 year, a total of 2,239 households were pulled from the HCV waitlist, ending 2020 with 761 households remaining on the waitlist. In 2022, the HCV waitlist, last opened in 2016, will be exhausted and a new waitlist opening is planned to populate a new waiting list. In addition, Home Forward will make significant adjustments to payment standards for the second year. These adjustments will result in an incremental increase to housing assistance payments. Housing assistance payments also experienced an increase due to the elimination of minimum rent. Over 800 households received an immediate reduction in rent starting in November 2021 as a result of the policy change for minimum rent, this resulted in a higher housing assistance payment and increase in utility reimbursements. Home Forward anticipates a utilization of 94.4% for the FY22 year.

Tenant-Based attrition (vouchers returned) is projected to be 25 vouchers per month. The \$82.0 million in program expense is a \$77 thousand increase from the prior year, due to increased utilization, waitlist pulls, and projected rent increases.

- Homeless Initiatives - \$24.4 million

In addition to federally funded HCV, Home Forward receives grant funding and collaborates with community service providers to offer Short-Term Rent Assistance (STRA). Serving approximately 500 households per month, STRA provides limited housing assistance to households in Multnomah County that are experiencing homelessness or are at risk of homelessness. Home Forward also manages Shelter Plus Care grants, serving approximately 495 households per month. Shelter Plus Care provides rent assistance and supportive services to people with disabilities who are experiencing homelessness.

The \$24.4 million in program expenses is an \$8.4 million increase from the prior year due to increased funding for STRA, primarily due to large increases in Community Development Block Grants and increased funding in Shelter Plus Care.

- RAD - \$12.7 million

Home Forward administers 1,121 Rental Assistance Demonstration (RAD) vouchers – prior Public Housing buildings that converted to a Project-Based Voucher subsidy under the HCV program. Converting Public Housing buildings to an HCV subsidy allows the units to receive HCV admin fee and converts the subsidy to fall under the HCV program.

See the Rental Assistance Demonstration (RAD) and Section 18 Conversions section for additional details on RAD conversions.

- Portability (Port-In) - \$9.4 million

Portability, a major component of the Housing Choice Voucher program, allows voucher holders to move to other areas where Public Housing Agencies operate an HCV program. There are two types of portability: port-in, where a household moves to Home Forward's jurisdiction, and port-out, where a Home Forward participant moves to another PHA's jurisdiction.

Under port-in regulations, Home Forward is defined as the receiving housing authority and receives households from the initial housing authority. The receiving housing authority has the option to bill expenses, both housing assistance payments and a prorated administrative fee, to the initial housing authority.

Home Forward anticipates administering four new port-in vouchers per month in FY22 for an average per month of 807 vouchers. Home Forward exercises portability billing and receives reimbursement for HAP and admin fee expenses from the initial housing authority for port-in vouchers.

- VASH - \$6.9 million

Home Forward administers 1,045 VASH Vouchers in partnership with the Department of Veterans Affairs. Utilization of these vouchers is anticipated to be 71% as the additional 115 vouchers awarded in 2020 continue to be issued and leased. \$6.9 million in VASH program expense is a \$15 thousand increase from the prior year, due to new increment awards and increased voucher utilization.

- SRO/MOD RAD - \$4.1 million

Home Forward administers 382 RAD vouchers converted from former single room occupancy/moderate rehabilitation (SRO/MOD) properties owned by community service providers. The conversion of the properties allows for the units to continue to receive HCV admin fee and converts the subsidy from funding under the McKinney-Vento Homeless Assistance Act to a Project-Based subsidy.

The \$4.1 million in program expense for this subset of RAD conversions is a \$68 thousand increase from the prior year, due to OCAF funding increases.

See the Rental Assistance Demonstration (RAD) and Section 18 Conversions section for additional details on RAD conversions.

- Section 18 TPV RAD - \$5.5 million

Home Forward manages 429 Section 18 tenant protection vouchers (TPV) – former Public Housing buildings converted under RAD. Converting Public Housing buildings to a tenant protection subsidy allows the units to receive HCV admin fee and converts the subsidy to fall under the HCV program. Section 18 conversions also allow for the receipt of Asset Repositioning Fees (ARF).

RAD Section 18 conversions have a budget impact of \$5.5 million, an increase of \$1.6 million from the prior year due to additional conversions.

See the Rental Assistance Demonstration (RAD) and Section 18 Conversions section for additional details on RAD conversions.

- FUP - \$2.6 million

Home Forward manages 244 FUP Vouchers. Utilization of these vouchers is anticipated to be 87% as vouchers continue to be leased with little turnover. \$2.6 million in FUP program expense is a \$420 thousand increase from the prior year, due to increased voucher utilization and increased per unit costs.

- Portability (Port-Out) - \$1.9 million

Portability, a major component of the Housing Choice Voucher program, allows voucher holders to move to other areas where Public Housing Agencies operate an HCV program. There are two types of portability: port-in, where a household moves to Home Forward's jurisdiction, and port-out, where a Home Forward participant moves to another PHA's jurisdiction.

Under port-out regulations, Home Forward is defined as the initial housing authority and households lease under administration of the receiving housing authority. The receiving housing authority has the option to bill expenses, both housing assistance payments and a prorated administrative fee, back to Home Forward.

Port-out vouchers are projected to average 156 per month with little changes in new port-outs each month. Most receiving housing authorities chose to bill Home Forward for vouchers leased in their jurisdiction under portability.

- Mainstream - \$1.1 million

Home Forward manages 229 Mainstream Vouchers, with 100 new vouchers awarded in 2021 under the CARES Act. Utilization of these projected vouchers is projected to be 70% as Mainstream continues its lease-up process with the new voucher increment.

The \$1.1 million in program expenses is a \$40 thousand increase from the prior year due to new increment awards and increased voucher utilization.

- SRO/MOD - \$730 thousand

Coordinated under the Continuum of Care (CoC) Program, the SRO/MOD provides rental assistance in connection with the moderate rehabilitation of residential properties that contain upgraded single occupancy units for individuals who are homeless. The program is designed to move people into the permanent housing phase within the Continuum of Care.

Home Forward continues to manage 130 SRO/MOD units that have not converted under RAD. The \$730 thousand in program expense is unchanged from the prior year.

COVID-Related Assistance – \$38.4 million

- Home Forward will continue to administer the Emergency Rental Assistance Program (ERAP) in FY22. ERAP is coordinated through an expanded partners network of Short-Term Rent Assistance (STRA) program providers who work and refer households eligible for emergency assistance to cover rent, rent arrears, and utility payments as a result of the COVID-19 pandemic.

Moving to Work (MTW) Initiatives - \$3.4 million

- As a Moving to Work agency, Home Forward funding flexibility to operate a variety of local programs to provide additional housing and services that, align with our strategic plan. MTW Initiatives include Local Blended Subsidy and Flexible Rent Assistance, detailed above, among other programs such as:
 - Local Blended Subsidy (LBS) - \$2.4 million

LBS enhances funding for certain MTW Section 8 and RAD properties to subsidize units reserved for families earning 80% or below of area median income. These units may be new construction, rehabilitated, or existing housing. LBS has been utilized for 284 units at three properties. This includes 130 units at Bud Clark Commons, 45 units at Madrona Place, and 109 units at Stephens Creek Crossing (64 units at Stephens Creek North and 45 units at Stephens Creek South). \$2.4 million in LBS funding is a \$726 thousand increase from the prior year.

- Short-Term Rent Assistance (STRA) - \$919 thousand

Home Forward will provide short to medium-term rent assistance and leverage support at community schools with the goal of improving academic outcomes and housing stability. In combination with program-based assistance, Home Forward sets aside a pool of flexible rent assistance funds to serve targeted populations, in partnership with one or more local service providers who ensure that the families have access to the supportive services or resources they need to be stable and successful. \$919 thousand in funding is unchanged from the prior year.

- VASH Security Deposit - \$28 thousand

Home Forward offers security deposit assistance to participants leasing up with Veterans Affairs Supportive Housing (VASH) vouchers, a key support to finding housing for veterans and increasing utilization of our VASH vouchers. \$28 thousand in program expense is a decrease of \$16 thousand from the prior year due to projected voucher utilization.

- Flexible Rent Assistance - \$105 thousand

Flexible rent assistance helps participants with various barriers to housing including applications, bad debt, security deposits, expungement fees, and other financial assistance to aid the leasing process. Flexible rent assistance is paired with a Housing Search Advocates program works with participants to: 1) develop individualized housing search plans which include addressing any housing barriers such as past evictions or bad credit; 2) meet directly with landlords and applicants/participants to navigate the application and leasing process, including filing appeals of denials and accommodations for special needs; 3) stay informed of the available housing inventory and maintain strong landlord relationships; and 4) help support households in understanding Home Forward's rules and processes. \$105 thousand in funding is unchanged from the prior year.

- The remainder of MIF activity can be found in the Moving to Work Initiative Schedule included in the attachments. Additional MIF expenses to support services and safety may be funded in accordance with Home Forward's approved single fund flexibility and approved 2020 MTW Plan.

Personnel Expenses - \$8.2 million

- Personnel expenses of \$8.2 million for FY22 support 71 FTE within Rent Assistance. This represents an increase of \$862 thousand from the prior year, due to added FTE and planned compensation increases.

Budget Commentary – Public Housing Portfolio

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 6,805,305	\$ 5,985,559	\$ (819,746)
Operating Expense	5,625,829	4,870,781	(755,048)
Operating Income Before OH	1,179,475	1,114,778	(64,697)
Allocated Overhead	-	-	-
Operating Income After OH	1,179,475	1,114,778	(64,697)
Funding Flow Activity	1,942,173	2,355,687	413,514
Funding Required or (Contributed) for Current Agency Activities	\$ (1,942,173)	\$ (2,355,687)	\$ (413,514)
Total Budgeted FTE	16.4	14.1	(2.3)

The Public Housing Portfolio includes the budget activity for 17 traditional public housing properties and 14 property-level staff. Home Forward's public housing stock provides an important resource to the community by providing housing in 436 rentable units throughout Multnomah County. The unit count in Public Housing continues to decline as properties are converted to RAD and Section 18 funding. Property staff focus on the management and maintenance of the properties and work towards preserving the aging housing stock.

In FY22, staff will continue to integrate maintenance, property management, inspections, and services with the goal of improving efficiencies and reducing turnover time.

Public Housing Key Assumptions

Public Housing Portfolio Operating Subsidy Assumptions		
	FY21 Annualized Actuals	FY22 Budget
Physical Units in Public Housing Portfolio*	645	436
Subsidized Units in Public Housing Portfolio	644	436
Eligibility Per Unit Per Month	\$1,170	\$1,370
Eligibility Per Unit Per Month Per Month (Excluding ARF)	991	1,169
Proration	95.86%	95%
Proration Per Unit Per Month**	\$950	\$1,110
Total Subsidy*	\$5,678,142	\$4,776,210

*As of January 1st, of the respective year. Units expected to convert to RAD/Section 18 in 2022 are reported in the Public Housing portfolio. The new total will be 369 units post conversion.

**Less Carve-outs for PILOT, GOALS, and ARF.

Four properties are expected to convert to RAD/Section 18 in FY22, resulting in a total subsidy decrease at Public Housing Properties. The per unit subsidy is expected to increase due to the increase in utility funding and the trend of increased proration from HUD. The four properties converting are Chateau, Cora Park, Dekum Court, and the Scattered Sites.

Households Served – occupancy is assumed at 98%.

Public Housing Major Revenue and Expense Items

Operating Revenue is \$6.0 million, down \$820 thousand from FY21. \$596 thousand of reduced revenue is due to properties converting to RAD in FY22, offset by \$200 thousand in increased revenue at remaining PH properties. The primary sources of Operating Revenue are:

- Dwelling Rental is \$1.16 million, a decrease of \$151 thousand. \$363 thousand due to loss of the dwelling rent from RAD/Section 18 conversions. This is partially offset by projected rent increases of \$168 thousand at the remaining PH properties.
- HUD Subsidies for public housing is \$4.8 million, a decrease of \$619 thousand.
- Non-dwelling rental is \$3 thousand from commercial rental income. This is a decrease of \$1 thousand.
- Other revenue from laundry and other fees is \$31 thousand, a decrease of \$59 thousand.

Operating Expenses are \$4.9 million, down \$755 thousand from FY21. \$924 thousand of reduced expense is due to RAD/Section 18 conversions. This is offset by \$181 thousand in increased expenses at the remaining PH properties. The primary drivers of Operating Expenses are:

- Administration is \$474 thousand, decreased \$104 thousand. Administration includes \$336 thousand in property management fees charged by the Property Management department.
- Maintenance is \$1.60 million, down \$268 thousand. Maintenance includes \$628 thousand in Maintenance Personnel Expense and \$986 in Other Maintenance Expenses. The overall decrease in expense is due to the converting properties; there is \$118 thousand of increased expense in remaining PH properties. \$59 thousand of increased expense is due to non-recurring maintenance, and \$20 thousand of increased expense is due to personnel.
- Program Expense is \$489 thousand, which covers personnel expenses and temporary help at properties. This is reduced \$225 thousand from FY21. Remaining PH properties are seeing an increase of \$82 thousand in expense due to staffing reorganizations.
- Tenant Services are \$28 thousand, increased \$18 thousand.
- Utilities are \$780 thousand, decreased \$156 thousand from FY21. Remaining PH properties are seeing a \$46 thousand increase in rates.
- Depreciation is \$1.1 million, decreased \$67 thousand.
- General Expenses of \$300 thousand includes \$264 thousand in insurance costs including \$35 thousand in additional costs due to rate increases.
- All personnel expenses include planned compensation increases.

Agency Overhead is charged through Property Management and is allocated to Public Housing Portfolio through the property management fee.

Public Housing Funding Required for Current Agency Activities

The Public Housing Portfolio provides \$1.1 million in projected cash flow for agency and property needs. \$100 thousand from operations will be contributed to an Insurance Reserve.

- HUD Nonoperating Contributions include \$269 thousand for development at Celilo Court.

Budget Commentary – Affordable Housing Portfolio

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 26,913,456	\$ 27,787,164	\$ 873,708
Operating Expense	22,596,502	23,463,259	866,757
Operating Income Before OH	4,316,954	4,323,904	6,950
Allocated Overhead	-	-	-
Operating Income After OH	4,316,954	4,323,904	6,950
Funding Flow Activity	2,053,542	2,583,171	529,629
Funding Required or (Contributed) for Current Agency Activities	\$ (2,053,542)	\$ (2,583,171)	\$ (529,629)
Total Budgeted FTE	1.8	1.6	(0.2)

The Affordable Housing Portfolio consists of 55 properties with 2,860 units throughout Multnomah County, financed by private debt, public debt, and tax credit funding.

The Affordable Housing Portfolio consists of non-public housing properties owned directly by Home Forward (26 properties) and 29 properties with master leases (with local service providers). 21 of the 26 properties are managed by external property management companies. The FTE for this operating group is only 1.6, since much of the FTE are at the external property management companies. For the externally managed properties, \$2.3 million in personnel expenses are on the Home Forward financials, but the FTE are not included in the Home Forward head count. Also, the operating results for the 3,486 (including planned RAD/Section 18 conversion) tax credit units are not reflected in the Home Forward operating budget.

The Affordable Housing Portfolio is a major contributor of revenue to the agency through cash flow from mature properties. The major challenge for the Affordable Housing Portfolio in the upcoming year is balancing the agency's need for cash flow while completing much needed capital improvements at several aging sites. Rising insurance costs and the transition to RAD/Section 18 funding will be other issues in the upcoming fiscal year.

Affordable Housing Key Assumptions

The average budgeted occupancy is 97% consistent with actual property performance.

There are no expected Year 15 Tax Credit conversions planned for FY22.

Property Name	Units	Revenue	Expenses	Net Change
Cecelia	131	1,588,287	1,860,073	(271,786)
Haven	44	519,150	717,569	(198,419)
Total	175	\$2,107,437	\$2,577,646	(\$470,205)

Affordable Housing Major Programs/Initiatives/Activities and Estimated Budget Impact

Insurance premiums are projected to be \$1.5 million (\$154 thousand increase) as property valuations and premium rates continue to rise.

\$6.5 million in maintenance projects including the following large projects:

- Madrona (Decking)
- Rosenbaum (Roof and Hot Water Supply)
- Fairview (Interior Work)
- Yards at Union Station (Interior Work)
- Grace Peck (Interior Work)
- Unthank Plaza (Interior Work)

Affordable Housing Major Revenue and Expense Items

Operating Revenues are budgeted to be \$27.8 million; an \$873 thousand dollar increase from FY21. The below comments highlight the major trends.

- Dwelling rental is projected to be \$22.8 million, an increase of \$1.7 million of which \$2.1 million is attributable to Cecelia and Haven not converting as planned in FY21. The rental increases in FY22 from high occupancy rates is offset by income losses due to COVID 19 and a pause on rental increases.

Operating Expenses are projected to be \$23.6 million, a \$866 thousand increase from prior budget year.

- Utilities are projected to be \$3.3 million, an increase of \$188 thousand from previous budget, due to rate increases for all utilities.
- Depreciation is budgeted at \$5.7 million, a decrease of \$421 thousand from previous budget.
- Management fees for third party-managed properties are expected to be \$1.1 million.
- Third party-managed properties have budgeted \$2.3 million in payroll expense, roughly flat from the previous budget.

Affordable Housing Funding Required for Current Agency Activities

- Of the \$4.9 million in unrestricted cash that the agency will receive, \$3.4 million is recognized in the Affordable Housing Portfolio.

-
- Funding a \$500 thousand, Real Estate Capital Reserve is part of a ten-year plan to address future capital needs within the Affordable Housing Portfolio. Home Forward Development Enterprises will fund this on a one-time basis for FY22.
 - \$100 thousand from operations will be contributed to an Insurance Reserve.

Budget Commentary – Asset Management

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 871,114	\$ 854,951	\$ (16,163)
Operating Expense	1,638,331	1,702,597	64,266
Operating Income Before OH	(767,217)	(847,646)	(80,429)
Allocated Overhead	1,149,045	1,302,337	153,292
Operating Income After OH	(1,916,262)	(2,149,983)	(233,721)
Funding Flow Activity	(1,873,312)	(2,149,983)	(276,671)
Funding Required or (Contributed) for Current Agency Activities	\$ 1,873,312	\$ 2,149,983	\$ 276,671
Total Budgeted FTE	10.6	10.9	0.4

The Asset Management group is responsible for overseeing the performance of the entire Home Forward portfolio with the following breakdown. This represents the unit mix after the North Group and East Group have completed their RAD/Section 18 conversion in FY21.

Portfolio Type	Properties	Units
Public Housing	12	396
Special Needs	31	498
Affordable	26	2,401
Tax Credit	42	3,432
Total	111	6,727

Asset Management Key Assumptions

Asset Management is maintaining its staff level at 8 FTE, there is no change for FY22.

The Asset Management group, also, provides asset management services to properties owned by jurisdictional partners.

Asset Management Major Revenue and Expense Items

Operating Revenues of \$871 thousand, an increase of \$96 thousand from previous budget. The revenue consists of \$154 thousand in Asset Management Fees from jurisdictional partners and \$716 thousand for Home Forward Asset Management fees.

Operating Expenses of \$1.7 million is a \$32 thousand increase from FY21, mainly comprised of personnel expenses.

Asset Management Funding Required for Current Agency Activities

The Asset Management department needs \$2.1 million to fully fund all planned operations, an increase of \$74 thousand from prior budget year.

Budget Commentary – Property Management

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 3,235,039	\$ 3,357,225	\$ 122,186
Operating Expense	2,591,227	3,413,021	821,794
Operating Income Before OH	643,812	(55,796)	(699,608)
Allocated Overhead	2,920,059	3,396,891	476,832
Operating Income After OH	(2,276,247)	(3,452,687)	(1,176,440)
Funding Flow Activity	(2,201,287)	(3,443,597)	(1,242,310)
Funding Required or (Contributed) for Current Agency Activities	\$ 2,201,287	\$ 3,443,597	\$ 1,242,310
Total Budgeted FTE	23.3	31.1	7.8

Property Management is the service department for Home Forward's self-managed properties. The Property Management group is responsible for overseeing the compliance and maintenance at 46 properties. These properties provide housing for 2,439 households and reflect the RAD/Section 18 conversions.

Subsidy Type*	Properties
Public Housing	9
Special Needs	3
Tax Credit	32
Affordable	2
Total Properties Managed	46

**Subsidy type reflects 4 properties moving to the Tax Credit Portfolio.*

Overall, the Property Management group supervises 107.41 FTE. 61 of those staff are budgeted in tax credit properties, and their operating results are excluded. The operating activity for the tax credit properties is reported outside of the Property Management budget, but their associated overhead costs are included in this department. Another 14 staff are budgeted at the traditional public housing properties, and the associated costs are within the Public Housing Portfolio budget. The 31 staff captured in this budget include management, compliance, and maintenance staff who provide peer training and backfill services.

In FY 18, Property Management supported the first public housing properties converting to RAD (Rental Assistance Demonstration) and continues to provide support for properties undergoing conversions. Please refer to the RAD conversion section for more information.

Property Management Key Assumptions

FTEs – Property Management increase 7.8 FTE from the prior year in maintenance and program staff. There is an increased need to maintenance and program staff at the department level to support and backfill site operations staff. These staff are assigned to the department but will bill most of their time to Home Forward managed properties. It is anticipated that there will be an increased need for program and maintenance staff as the Covid-19 pandemic restrictions are lifted.

- 4 Limited term maintenance staff. Maintenance needs are expected to increase due to increased inspections and requests following the Covid-19 pandemic.
- 1 Maintenance Foreman to provide supervision for floating staff and training for all maintenance staff.
- 1 Floating property manager.
- 1 Senior Property Manager

Property Management Major Programs/Initiatives/Activities and Estimated Budget Impact

Property Management will provide support for the remaining public housing properties pending future conversions of RAD/Section 18 applications. There are four properties expected to convert during FY21. Chateau, Cora Park, and Scattered Sites will undergo RAD conversion to tax credit partnerships. Dekum Court will undergo Section 18 conversion. A total of 67 units will be converted.

Property Management Major Revenue and Expense Items

Operating Revenue is \$3.4 million, up \$122 thousand from FY21. The major contributors to Operating Revenue are:

- Public Housing HUD Subsidies are \$169 thousand, and this funds the Payment in Lieu of Taxes (PILOT).
- Other Revenue is \$2.35 million and includes property management fees where the fees are being charged to properties instead of being charged overhead.
 - Property Management fees are \$1.89 million, up \$31 thousand over FY21.
 - \$416 thousand from the Public Housing Portfolio.
 - \$1.36 million from tax credit property management fees.
 - An ongoing contribution from Home Forward Development Enterprises to cover a portion of the lost overhead and administrative expenses is \$451 thousand. The contribution relates to the first phase of the 85 stories conversions.
- HUD Subsidies are \$480 thousand from Rent Assistance Section 8 Admin. This administrative fee is earned on RAD conversions and will provide compliance on tax credit reviews.
- HUD Grants are \$362 thousand from the Capital Fund Program grant, an increase of \$18 thousand.

Operating Expense is \$3.41 million, an increase of \$822 thousand from FY21. The major drivers of Operating Expenses are:

- Administration Expenses is \$1.06 million, an increase of \$429 thousand from FY21.

-
- \$805 thousand is in Administrative Personnel Expense, a \$475 thousand increase that includes planned compensation increases and new FTE.
 - \$254 thousand is in Other Admin Expenses, a decrease of \$46 thousand.
 - Program Expense is \$1.43 million, which covers personnel expenses and temporary help. This is up \$201 thousand and includes planned compensation increases FTE increases.
 - Maintenance Expenses are \$599 thousand, primarily in Maintenance Personnel Expenses for floating and on-call staff. This is an increase of \$431 thousand due primarily to FTE increases as well as planned compensation.
 - General Expenses are \$211 thousand, comprised mainly of PILOT, and increase of \$22 thousand.

Property Management Funding Required for Current Agency Activities

The Property Management Department requires \$3.4 million to fully fund all planned operations. This is an increase of \$1.24 million from FY21.

Budget Commentary – Safety

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 19,364	\$ 19,945	\$ 581
Operating Expense	483,469	503,348	19,879
Operating Income Before OH	(464,105)	(483,403)	(19,298)
Allocated Overhead	13,452	9,604	(3,848)
Operating Income After OH	(477,557)	(493,007)	(15,450)
Funding Flow Activity	(462,481)	(493,007)	(30,526)
Funding Required or (Contributed) for Current Agency Activities	\$ 462,481	\$ 493,007	\$ 30,526
Total Budgeted FTE	3.5	3.5	-

The Safety department coordinates Home Forward's property and staff safety awareness and training, implements new safety initiatives, and oversees the agency safety committee. The overarching objective is to utilize a proactive approach in reducing losses, with a focus on providing safe and comfortable homes for residents, and a safe and inviting workplace for employees. The Safety group identifies potential risks to properties and operations, develops strategies to mitigate risks, and delivers safety and compliance training to Home Forward staff.

Safety Key Assumptions

- FTEs – Safety Group FTE shows no change from FY21.

Safety Major Programs/Initiatives/Activities and Estimated Budget Impact

Staff will conduct physical assessments of properties and make safety and training recommendations. This will include:

- Tracking and ensuring compliance with various occupational, safety laws, regulations, and hazardous materials, and
- Creating and implementing safety policies and an emergency management plan to guide agency departments and staff.
- Environmental safety at properties.

Safety Major Revenue and Expense Items

Revenue increased slightly by \$581 to \$20 thousand revenue for safety inspection fees.

Operating Expenses are \$503 thousand, an increase of \$20 thousand over FY21. The primary drivers of Operating Expenses are expected to be:

- \$454 thousand in Personnel Expense, an increase of \$15 thousand from compensation increases.

-
- \$43 thousand in other administrative expenses, an increase of \$9 thousand from FY21. This includes consultants, educational materials, and training.
 - \$7 thousand for materials, transportation, and general expense, a decrease of \$1 thousand from FY21.
 - All personnel expenses include planned compensation increases.

Safety Funding Required for Current Agency Activities

The Safety Department requires \$493 thousand to fully fund all planned operations.

Budget Commentary – Integrated Facilities Services

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 1,834,728	\$ 1,897,896	\$ 63,168
Operating Expense	1,427,640	1,438,554	10,914
Operating Income Before OH	407,088	459,342	52,254
Allocated Overhead	373,106	441,372	68,266
Operating Income After OH	33,982	17,971	(16,011)
Funding Flow Activity	73,636	17,971	(55,665)
Funding Required or (Contributed) for Current Agency Activities	\$ (73,636)	\$ (17,971)	\$ 55,665
Total Budgeted FTE	10.7	10.7	-

Integrated Facilities Services is the operating group for Home Forward’s specialized maintenance services. Services include electrical work, plumbing, pest control, painting, and bulky waste hauling (Trades). Home Forward-managed properties utilize Integrated Facilities Services based on need and are billed for services provided.

Integrated Facilities Services Key Assumptions

FTEs – Integrated Facilities Services staff levels remain flat from FY21.

Integrated Facilities Services Major Programs/Initiatives/Activities and Estimated Budget Impact

Integrated Facilities Services (IFS) strives to operate as a self-sustaining business unit. Trades billing on an hourly basis provide services at rates that are competitive with market rates.

Integrated Facilities Services Major Revenue and Expense Items

Revenue is \$1.90 million, an increase of \$63 thousand from FY21. All Revenue is forecasted to come from service fees charged to properties.

Operating Expenses are \$1.44 million, an increase of \$11 thousand from FY21. The major drivers of Operating Expenses are expected to be:

- Maintenance Personnel Expense is \$1.01 million, a \$17 thousand increase.
- Program Personnel Expense in support of department administration is \$167 thousand, a \$2 thousand increase.
- Administrative Personnel Expense is \$59 thousand, a \$14 thousand increase.
- All personnel expenses include planned compensation increases.

-
- Other Maintenance Expenses are \$101 thousand and include materials and vehicle expenses. This is a \$12 thousand decrease from FY21. There was a one time expense for equipment budgeted in FY21 that will not be repeated in FY22.
 - Utilities are \$40 thousand for waste transfer station fees, the same as FY21.

Integrated Facilities Services Funding Required for Current Agency Activities

Integrated Facilities Services contributes \$18 thousand to the agency. This is a decrease of \$56 thousand.

Budget Commentary – Development & Community Revitalization

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 7,997,342	\$ 14,322,624	\$ 6,325,282
Operating Expense	3,435,936	3,400,288	(35,648)
Operating Income Before OH	4,561,406	10,922,336	6,360,930
Allocated Overhead	1,301,496	1,482,566	181,070
Operating Income After OH	3,259,909	9,439,770	6,179,861
Funding Flow Activity	-	-	-
Funding Required or (Contributed) for Current Agency Activities	\$ -	\$ -	\$ -
Total Budgeted FTE	22.1	22.3	0.2

The Development and Community Revitalization (DCR) department undertakes development of new affordable rental housing, plus acquisition and rehabilitation of existing affordable housing properties. As part of its development and rehabilitation efforts, DCR is also responsible for structuring the financing that supports these construction activities. Relocation services are provided as necessary in support of various development and rehabilitation projects. The department earns Developer Fees to support the costs of current and future development activity.

- Active Projects: 11
- Active Projects Total Budget: \$348.3 million
- Staff FTE FY22: 22

Development and Community Revitalization Key Assumptions

- Staffing is budgeted to increase 1 FTE from FY21 for a new Project Manager.
- The department will continue to utilize inter-agency transfers to reflect staffing costs capitalized in real properties or transferred from other departments.

Developer Fees Accrued and Received FY22 (amounts in millions)			
Project	Project Budget	Accrued Developer Fee Revenue	Developer Fee Cash to be Received
Fountain Place 2 LP	\$33.1	\$0.0	\$1.8
Central Group LP	83.8	4.1	0.0
Baldwin PSH LP	24.0	2.2	0.0
3000 Powell LP	83.8	3.9	0.0
Dekum Court Redevelopment	82.7	3.1	1.5
Grace Peck Rehabilitation	35.9	1.0	0.4
Total	\$343.3	\$14.3	\$3.7

Development and Community Revitalization Major Programs/Initiatives/Activities and Estimated Budget Impact

- FP 2 LP Rehabilitation Project – This 106-year-old building is a historic structure that adds design and character to the downtown corridor. It provides 80 affordable housing options to extremely low-income households. This rehabilitation project will make the property seismically and structurally sound for the years to come. This project utilizes four percent Low-Income Housing Tax Credits, bond funds, OHCS grant, and reserve funds. Construction finance closed in March 2020 and construction began in April 2020. The project completion schedule is March 2022.

Fountain Place (In millions)	FY 20	FY21	FY22	Total
Total Project Sources and Uses	\$14.8	\$16.6	\$1.7	\$33.1

- Central Group LP (also known as 85 Stories Group 7) – This group consists of four properties: Dahlke Manor, Fir Acres, Stark Manor, and Eastwood Court. This tax credit partnership utilizes four percent Low-Income Housing Tax Credits, bond funds, and reserve funds. Construction finance closed in May 2021 and construction began in June 2021. The project completion schedule is July 2022.

Central Group (In millions)	FY21	FY22	FY 23	Total
Total Project Sources and Uses	\$55.8	\$22.9	\$5.1	\$83.8

- **Baldwin PSH LP** – This redevelopment project will provide safe shelter for 60 formerly homeless individuals. Home Forward in collaboration with Urban League of Portland will render support and stability for people of color experiencing chronic homelessness. This tax credit partnership utilizes four percent Low-Income Housing Tax Credits, PHB Metro Housing bond funds, OHCS PSH Capital fund, grants, and reserve funds. Construction finance closed in September 2021 and construction began in October 2021. The project completion schedule is October 2022.

Baldwin PSH (In millions)	FY21	FY22	FY 23	Total
Total Project Sources and Uses	\$8.5	\$12.3	\$3.2	\$24.0

- **3000 Powell LP** - Home Forward and the City of Portland, acting through the Portland Housing Bureau (PHB) have entered into an intergovernmental agreement (IGA) to which Home Forward will provide development services in the construction of 206 new housing units. The site is located in SE Powell Boulevard and consists of two adjacent parcels. Home Forward owns one parcel and PHB owns the other parcel. Home Forward will serve as developer and owner, serving as General Partner of the Low-Income Housing Tax Credit partnership. This tax credit partnership utilizes four percent Low-Income Housing Tax Credits, Portland Housing Bond funds, and reserve funds. Construction finance closed in November 2021 and construction began in December 2021. The project completion schedule is December 2023.

3000 Powell (In millions)	FY21	FY22	FY 23	FY 24	FY 25	Total
Total Project Sources and Uses	\$19.4	\$32.0	\$25.6	\$1.2	\$5.6	\$83.8

- **Dekum Court Redevelopment** – This redevelopment project is divided into two phases. Phase 1 is a mixed-use new construction of 47 housing units. The households occupying the existing 40 public housing units will move-in to the newly constructed property. Phase 2 is to demolish the existing property and construct additional 141 housing units. This tax credit partnership will utilize four percent Low-Income Housing Tax Credits, Oregon Metro Bond Proceeds, and reserve funds. Construction finance is scheduled to close March 2022 and construction to begin in April 2022. The project completion schedule is December 2024.

Dekum Court (In millions)	FY22	FY 23	FY 24	FY 25	FY 26	Total
Total Project Sources and Uses	\$24.6	\$29.1	\$22.4	\$5.4	\$1.2	\$82.7

- **Grace Peck Terrace Rehabilitation Project** – This 41-year-old, six story single building provides 95 one-bedroom affordable housing units to low-income households. The rehabilitation project will make the property structurally sound for generations to come. This project will utilize four percent Low-Income Housing Tax Credits, bond funds and reserve funds. Construction finance is scheduled to close in September 2022 and construction will begin in October 2022. The project completion schedule is December 2023.

Grace Peck Terrace (In millions)	FY22	FY 23	FY 24	Total
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Total Project Sources and Uses	\$18.0	\$14.6	\$3.3	\$35.9
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- **Property Tax Exemption Project** – Consistent with our current Strategic Plan and an Inter-governmental (IGA) with the City of Gresham, Home Forward is utilizing its statutory right to property tax exemption to assist in the financing of an affordable housing development in Gresham’s Rockwood neighborhood. The IGA requires the development receiving the property tax exemption to make a payment in lieu of taxes. City of Gresham receives \$600 thousand (60%) and Home Forward receives \$400 thousand (40%) of the \$1 million payment.
- **Capital Improvement Projects** – There are five capital improvement projects in FY22. The total budget for these projects is \$5.0 million, utilizing the HUD capital fund grant, properties’ operation, and reserves funds.

Projects	Project Budget (in millions)	Estimated Project Completion
Celilo Court Security Upgrade	\$0.3	December 2022
Slavin Court Lead Testing	\$0.0	December 2022
Kelly Place Elevated Decks	\$0.3	January 2022
Sequoia Square Elevated Decks	\$4.2	June 2023
Schiller Way Elevated Decks	\$0.2	January 2022
Total	\$5.0	

Development and Community Revitalization Major Revenue and Expense Items

- Operating Revenue increased \$6.3 million from FY21 Budget. The increase is primarily due to:
 - Developer Fee earnings increases \$6.4 million from FY21. In FY22, DCR will earn \$14.3 million in developer fees from the following projects:

Developer Fees (in millions)		
Projects	Total	FY22
FP 2 LP	\$4.6	\$0.0
Central Group LP	8.0	4.1
Baldwin PSH LP	2.6	2.2
3000 Powell LP	6.0	3.9
Dekum Court Redevelopment	9.6	3.1
Grace Peck Rehabilitation	6.9	1.0
Total	\$37.7	\$14.3

Other Revenue increases \$1.6 million from FY21. In FY22, an increase of \$400 thousand from City of Gresham (IGA) property tax exemption earnings, a \$1.2 million increase from the Hazelwood Property Tax Exemption and a decrease \$12 thousand from FY21 administrative fee earnings from City of Portland General Obligation Bond.

- Total Operating Expense decreases \$35 thousand from FY21 budget

Development and Community Revitalization Funding Required for Current Agency Activities

The cash to Home Forward highlights the cyclical nature of projects where developer fees are earned and paid over the next fiscal years. The project lifecycle of the department is exhibited by:

- Fountain Place 2 rehabilitation project will generate \$4.6 million in developer fee over multiple fiscal years. The first installment of \$800 thousand was paid at the close of construction finance in March 2020. The second installment of \$500 thousand is due at construction completion scheduled in March 2022. The third installment of \$846 thousand is due at conversion scheduled in September 2022. The fourth installment of \$475 thousand is due upon receipt of Form 8609 by the Limited Partner scheduled in October 2022. The final installment of \$1.1 million is due in April 2023. The remaining unpaid developer fee of \$947 thousand will be paid out of the limited partnership cash flow from operations and proceeds available for distribution from capital transactions.
- Central Group (85 Stories Group 7) rehabilitation project will generate \$8.0 million in developer fee over multiple fiscal years. The first installment of \$1.2 million was paid at the close of construction finance in May 2021. The second and third installment of \$4.3 million are due at project completion and upon receipt of IRS Form 8609 by the Limited Partner scheduled in April 2023. The remaining unpaid developer fee of \$2.5 million will be paid out of the limited partnership cash flow from operations and proceeds available for distribution from capital transactions.
- Baldwin PSH Redevelopment project will generate \$2.6 million in developer fee over multiple fiscal years. The first installment of \$246 thousand was paid at the close of construction finance in September 2021. The second installment of \$517 thousand is due at construction completion and the receipt of Federal Energy Credit Cost Certification scheduled in January 2023. The third and fourth installments of \$728 thousand is due upon receipt of certificate of occupancy, final certification of the project eligible basis and receipt of IRS Form 8609 by the Limited Partner scheduled in July 2023. The remaining unpaid developer fee of \$1.1 million will be paid out of the limited partnership cash flow from operations and proceeds available for distribution from capital transactions.
- 3000 Powell projects will generate \$6.0 million in developer fee over multiple fiscal years. The first installment of \$1.0 million was paid at the close of construction finance in November 2021. The second installment of \$1.0 million is due to be paid at conversion scheduled in November 2024. The final installment of \$1.7 million is due upon receipt of Form 8609 by the Limited Partner scheduled in February 2025. The remaining unpaid developer fee of \$2.3 million will be paid out of the limited partnership cash flow from operations and proceeds available for distribution from capital transactions.
- Dekum Court Redevelopment project is projected generate \$9.6 million in developer fee over multiple fiscal years. The first installment of \$1.5 million is due at the close of construction finance scheduled in March 2022.
- Grace Peck Terrace project is projected to generate \$6.9 million in developer fee over multiple fiscal years. The first installment of \$394 thousand is due at the close of construction finance scheduled in September 2022.

Budget Commentary – Community Services

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 4,865,935	\$ 4,783,689	\$ (82,246)
Operating Expense	6,189,083	6,906,569	717,486
Operating Income Before OH	(1,323,148)	(2,122,880)	(799,732)
Allocated Overhead	822,599	962,184	139,585
Operating Income After OH	(2,145,748)	(3,085,064)	(939,316)
Funding Flow Activity	(1,944,792)	(2,788,291)	(843,499)
Funding Required or (Contributed) for Current Agency Activities	\$ 1,944,792	\$ 2,788,291	\$ 843,499
Total Budgeted FTE	39.4	42.9	3.6

The Community Services department provides services for Home Forward residents, utilizing both in-house staff and contractors. In FY22, the Community Services team will continue to play a pivotal role in the coordination and delivery of services at 51 Home Forward properties throughout Multnomah County. The group plans to deliver services to approximately 3,000 residents, providing around 15,000 service interactions. Through intentional alignment with community partners, the department will work holistically with both individual and family systems to further their goals of social, emotional, academic, and economic advancement and well-being.

This summary includes the services budgets for Home Forward's three HOPE VI developments (Humboldt Gardens, Stephens Creek Crossing and New Columbia), Bud Clark Commons, 85 Stories - Phase I, and programs and services to residents at traditional affordable housing and public housing properties.

Community Services Key Assumptions

FTEs – Community Services shows a net increase of 3.6 FTE. This includes:

- 1 Floating Resident and Community Services Coordinator.
- 1 Resident and Community Services Coordinator.
- 1 Goals Intern.
- .5 Youth Employment Services Coordinator. Program extended and additional grant money is available to increase staff.

Community Services Major Programs/Initiatives/Activities and Estimated Budget Impact

Barrier Reduction and Opportunity Funds: \$62 thousand is proposed in Moving to Work Initiative funds (MIF) to continue implementing strategies to:

- Increase independence for seniors and individuals with disabilities,

-
- Provide short-term respite care for individuals impacted by violence, and
 - To provide opportunities for economic advancement at family properties.

Neighbor 2 Neighbor: \$27 thousand is proposed in MIF to award grants for resident-led programs that foster a sense of community.

Service staff will continue to support residents during the RAD/Section 18 conversions.

Community Services Major Revenue and Expense Items

Operating Revenue is \$4.78 million, down \$82 thousand from FY21. The major contributors to Operating Revenue are:

- Non-dwelling rental is \$40 thousand from Land Lease revenue at Humboldt.
- HUD Subsidies -Public Housing of \$208 thousand fund \$57 thousand in the GOALS program, and \$151 thousand in services at Dahlke, Holgate, Medallion, Ruth Haefner, Schrunck, and Williams.
- HUD grants are \$1.1 million, a decrease of \$216 thousand. \$82 decrease due to the end of the family services grant and decreases at other grants as indicated.
 - \$566 thousand for the Family Self-Sufficiency program, a decrease of \$53 thousand.
 - \$390 thousand from senior/disabled support services (CHSP), a decrease of \$86 thousand due to the conversion of Dahlke from public housing to Section 18.
 - \$138 thousand from Stephens Creek Crossing endowment programs, an increase of \$6 from FY21.
- State, Local & Other Grants are \$1.3 million, an increase of \$127 thousand.
 - \$593 thousand in Medicaid Revenue from senior/disabled support services (CHSP), an increase of \$84 thousand due to increased Medicaid rates and participation.
 - \$533 thousand from the City of Portland for Bud Clark Commons programs, an increase of \$41 thousand.
 - \$109 thousand in Family Services, an increase of \$2 thousand.
- Other Revenue and IA Revenue of \$2.1 million combined, an increase of \$5 thousand from
 - Program Fees from properties of \$1.58 million, an increase of \$75 thousand from FY21 due to planned compensation increases and increased contract expenses.
 - Tenant Fees are \$197 thousand for Congregate Housing Services Program (CHSP) participant fees, a decrease of \$16 thousand due to the conversion of Dahlke.
 - \$263 thousand in revenue from contracts, an increase of \$5 thousand. Contracts serve the Ellington Apartments and Clackamas County.
 - \$82 thousand ongoing contribution from HFDE for replacement of the ROSS family grant at properties that have converted to RAD/Section 18.

Operating Expenses are \$6.9 million, an increase of \$717 thousand from FY21. The primary drivers of Operating Expenses are:

- Administrative Expense of \$963 thousand and increase of 550 thousand from FY21.
 - Personnel Expenses are \$426 thousand, an increase of \$173 thousand due to increased FTE and planned compensation increases.
 - Other Admin Expenses of \$537 thousand, an increase of \$376 thousand.
 - \$200 for High Rise Stabilization funds to increase support at High Rise properties.
 - \$170 thousand to fund the Workforce Initiative project. This project is funded from the Development department.
- Tenant Services expense is \$5.1 million.
 - Direct Community Services, Program Supplies, Contract Tenant Services, and other related expenses are \$2.1 million. This is an increase of \$69 thousand primarily due to a \$58 thousand increase in contracted services.
 - Tenant Services Personnel Expense is \$3.0 million, an increase of 228 thousand, which includes budgeted benefits and payroll increases, as well as additional FTE.
- Program Personnel Expense is \$590 thousand, an increase of \$16 thousand.
- Personnel expenses include planned compensation increases.
- Inter-Agency expense is \$215 thousand for Community Services department administration fee. This is an increase of \$4 thousand, reflecting increased programmatic expenses.

Community Services Funding Required for Current Agency Activities

The Community Services department needs \$2.8 million to fully fund all planned operations, an increase of \$843 thousand. Service initiatives will be funded through Single Fund Flexibility.

Budget Commentary – Administration

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 834,500	\$ 1,405,860	\$ 571,360
Operating Expense	10,224,289	11,750,237	1,525,948
Operating Income Before OH	(9,389,789)	(10,344,377)	(954,588)
Allocated Overhead	(9,086,663)	(10,488,876)	(1,402,213)
Operating Income After OH	(303,125)	144,499	447,624
Funding Flow Activity	-	-	-
Funding Required or (Contributed) for Current Agency Activities	\$ -	\$ -	\$ -
Total Budgeted FTE	48.4	56.7	8.3

The Administration group provides management and administrative support to Home Forward's operating departments. The group consists of Information Technology, Accounting/Finance, Purchasing, Human Resources, Executive, Training, and Communications.

In addition, this group includes activities for several agency wide initiatives focused on research and developing new program opportunities to further the Agency's mission.

Administration Key Assumptions

FTEs – the Admin group shows a net increase of 8.3 FTE:

- Increases:
 - 1 Director of Talent and Organizational Development
 - 1 Human Resources Business Partner
 - 1 Accountant
 - 1 Policy Analyst
 - 1 Equity Analyst
 - 1 Legal Position (to help with eviction related activity)
 - 1 IT Security Analyst
 - 1 Organizational Development Coordinator

Administration Major Programs/Initiatives/Activities and Estimated Budget Impact

Software Upgrade and Migration - \$279 thousand

During the year, Home Forward will work on upgrading its primary estate software platform to YARDI Voyager 7s. The new system will be a cloud-based service and will allow Home Forward to take advantage of the newer functionality and features only available on the cloud platform, including improved navigation tools and a customized user interface. The upgrade also allows Home Forward to stay supported as YARDI discontinues their support of previous versions of Voyager. The anticipated completion of conversion is expected to be during the first half of FY22. In addition to better functionality, the new system will help with rent calculations, agency training and payments.

Home Forward will also invest in improved data storage and network recovery options.

Resident Legal Services and Expungement Partnership - \$137 thousand. Metropolitan Public Defenders provides legal services to residents and participants to reduce barriers related to criminal records. The program aims to increase housing and economic opportunity. Funding is provided to MPD to provide applicants and participants with legal services (legal services include expungement services, legal navigation, and attorney consultations). \$137 thousand in services is an increase of \$68 thousand from the prior year, due to increased program usage and additional planned HCV waitlist pulls.

Administration Major Revenue and Expense Items

Operating Revenue will be \$1.4 million

- Rental Income for New Market West (NMW) will be \$594 thousand.
- Other Revenue of \$240 thousand to cover \$162 thousand of IT expenses related to teleworking, and \$78 thousand related to other teleworking needs. These funds will be covered by funds from the CARES Act.

Operating Expenses are budgeted at \$11.7 million.

- Personnel costs will be \$7.1 million. These costs reflect an increase of over 8 FTE as described, planned compensation increases, and a higher PERS liability.
- Expenses for software, data working, and equipment maintenance and upgrades will be \$861 thousand. Software licensing will be \$807 thousand, primarily for Microsoft and Yardi licenses. The remaining expense will be to maintain and replace information technology equipment.
- Consulting expenses will be \$567 thousand primarily due to the upgrade and migration to YARDI Voyager 7s and the Home Forward website maintenance and upgrade. Other consulting expenses include \$125 thousand for the strategic plan development and \$25 thousand for improving diversity and equity outcomes in the agency.
- There will be \$212 thousand for maintenance needs and utilities at New Market West.
- There will be \$167 thousand in Agency Initiatives and Tenant Administration including \$137 thousand for Resident Legal Services and Expungement partnership and \$28 thousand for community engagement grants.
- Home Forward will spend to \$343 thousand to purchase 9 vehicles for the fleet using Asset Reposition Fee funding.

Budget Commentary – Real Estate Finance

Summary Budget Data	FY21 Budget	FY22 Budget	Increase/ (Decrease)
Operating Revenue	\$ 2,661,652	\$ 1,384,567	\$ (1,277,085)
Operating Expense	88,263	72,659	(15,604)
Operating Income Before OH	2,573,388	1,311,908	(1,261,480)
Allocated Overhead	-	-	-
Operating Income After OH	2,573,388	1,311,908	(1,261,480)
Funding Flow Activity	1,546,460	1,490,697	(55,763)
Funding Required or (Contributed) for Current Agency Activities	\$ (1,546,460)	\$ (1,490,697)	\$ 55,763
Total Budgeted FTE	-	-	-

The Real Estate Finance group captures the financing activity for Home Forward. It allows for greater transparency by isolating the financing activities from the operating activities of the agency. The activity includes land lease revenues, cell tower arrangements and omnibus loans issued in conjunction with real estate activity.

Real Estate Finance Major Revenue and Expense Items

RAD and Section 18 Conversions Asset Repositioning Fee Revenue:

- Dahlke \$565 thousand

West and the Woods Limited Partnerships:

- Land lease revenue is \$301 thousand.

Stephens Creek Crossing:

- Land lease revenue is \$161 thousand.

Real Estate Finance will contribute \$955 thousand in unrestricted cash to the agency.

Attachments

Summary of Moving to Work Initiative Funds

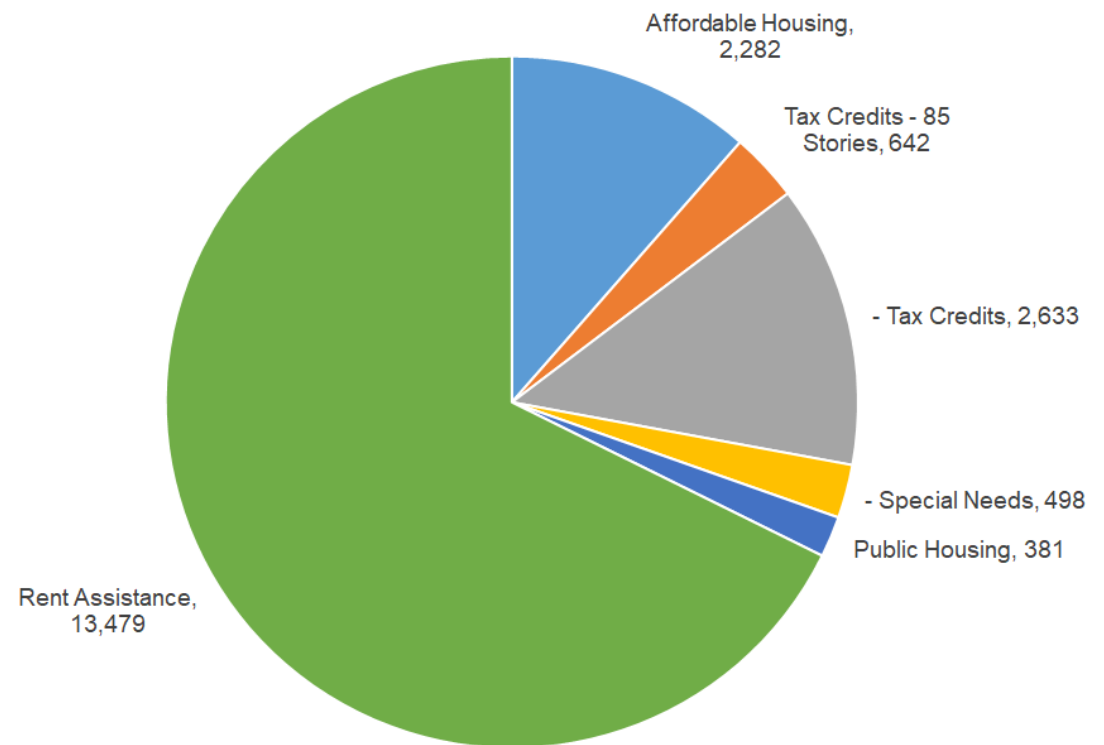
Initiative	Description	First Year	FY21 Budget	FY22 Budget
STRA Funding	In collaboration with community partners, provide limited housing assistance to eligible households in Multnomah County who are at risk of eviction, are newly homeless, or are experiencing immediate crises in their housing.	FY 12	\$ 937,714	\$ 919,452
<i>Alder School</i>	<i>Home Forward will provide short to medium-term rent assistance and leverage school support at Alder school with the goal of improved academic outcomes and housing stability.</i>	<i>FY 14</i>	<i>501,325</i>	<i>499,119</i>
<i>New Doors/NAFY</i>	<i>Shared housing model for former or transitioning foster care youth who are experiencing homelessness or at risk of homelessness. Leverages service dollars from Multnomah County.</i>	<i>FY 14</i>	<i>30,512</i>	<i>30,517</i>
<i>Earl Boyles Housing Partnership</i>	<i>Home Forward will provide short to medium-term rent assistance and leverage school support at Earl Boyles School with the goal of improved academic outcomes and housing stability.</i>	<i>FY 17</i>	<i>249,463</i>	<i>246,754</i>
<i>Economic Opportunity Program</i>	<i>Home Forward will provide support along with Worksource and Human Solutions to aid unstably housed or homeless households who are successfully engaged in Worksource training or employment programs.</i>	<i>FY 17</i>	<i>156,414</i>	<i>143,063</i>
Expungement Partnership	Working with community partner Metropolitan Public Defender to support Home Forward residents with the following: criminal record expungements; consultation to meet ongoing obligations to the courts; recurring events in the community to provide drop-in expungement and consultation services.	FY 17	136,500	137,446
Worksystems Liaison	Funds an agreement with Worksystems for residents in pursuit of economic advancement products.	FY 17	47,250	24,938
Barrier Reduction and Opportunities	Combines initiatives to promote asset building, short-term respite care for resident impacted by community violence and assists senior and disabled population age-in-place by maintain their quality of life.	FY 12	62,402	64,402

Initiative	Description	First Year	FY21 Budget	FY22 Budget
Neighbor 2 Neighbor	A grant program for resident groups from our public or affordable housing communities. Resident groups submit applications for grant funds to improve their community livability and reinforce community values.	FY 12	28,350	28,380
Local Blended Subsidy (LBS)	LBS uses a blend of MTW Section 8 and public housing operating funds to subsidize rental units. Leveraging subsidy allows for a more adequate revenue stream and increases the number of households that can be served. Funds will pay for the LBS implementation costs.	FY 12	1,511,428	2,011,272
VASH Security Deposit	Initiative addresses a serious barrier to successful use of VASH Vouchers by providing security deposits for homeless veterans leasing units requiring deposits.	FY 12	43,895	28,073
Landlord Incentive Fund	Attract new landlords and units in low poverty areas to the Housing Choice Voucher program. Eligible units must be in zip codes considered low-poverty areas and not have had a Housing Choice Voucher tenant in the prior 24 months.	FY 13	35,700	35,700
Domestic Violence Transfer Funds	In collaboration with other MTW-authorized housing authorities and the local domestic violence service system, implement an inter-jurisdictional transfer program to assist participants who are victims of domestic violence relocate to cities outside Multnomah County. Home Forward will provide up to \$2,000 in relocation assistance for up to five households per year.	FY 13	10,500	10,500
Flexible Rent Assistance	Flexible rent assistance helps participants with various barriers to housing including applications, bad debt, security deposits, expungement fees, and other financial assistance to aid the leasing process.	FY 20	105,000	105,000
Strategic Plan Consultant	Consulting services to assist with the design and implementation of the new strategic plan.	FY 20	125,000	125,000
Tenant Education	A program designed to help our tenants better understand the rental process.	FY 16	85,357	85,357
Nesika Illahee	Locally funded rent assistance for Nesika Illahee.	FY21	-	78,750

Initiative	Description	First Year	FY21 Budget	FY22 Budget
Total – MTW Initiatives			\$ 3,190,530	\$ 3,652,239

FY22 Estimated Households Served by Category

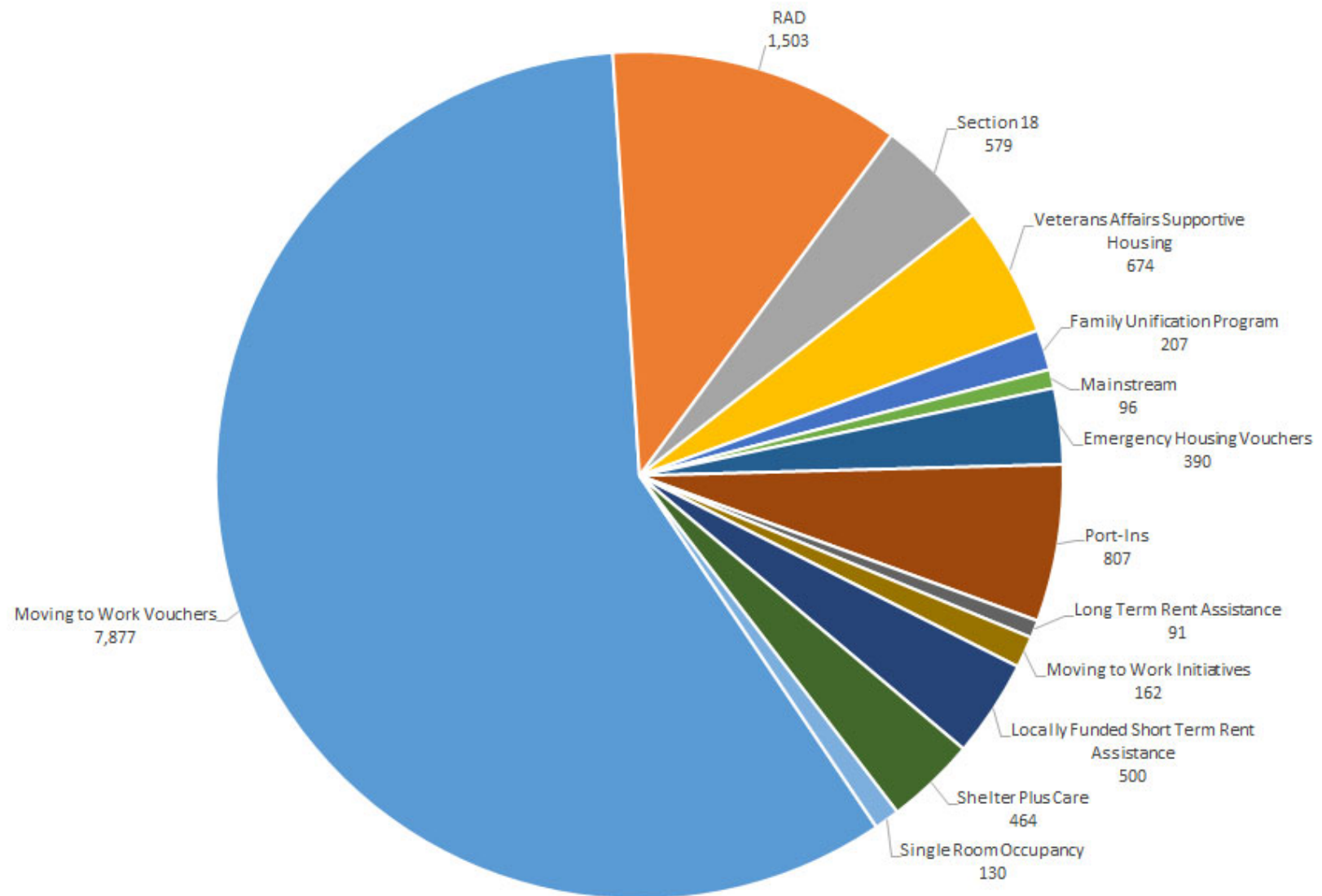
Category	Households Served	Percent
Affordable Housing	2,282	11%
Special Needs	498	3%
Tax Credits - 85 Stories	642	3%
Tax Credits	2,633	13%
Public Housing	381	2%
Rent Assistance	13,479	68%
Total	19,915	
Rent Assistance Occupying Affordable Housing / Tax Credit Units	-3,784	-23%
Unduplicated Total	16,131	100%



*Rent Assistance Occupying Affordable Units represents voucher holders that live within our Affordable and Tax Credit properties. The 3,784 represents residents already included in the Rent Assistance / Affordable Housing / Tax Credit Portfolios. An adjustment is made to provide an unduplicated total.

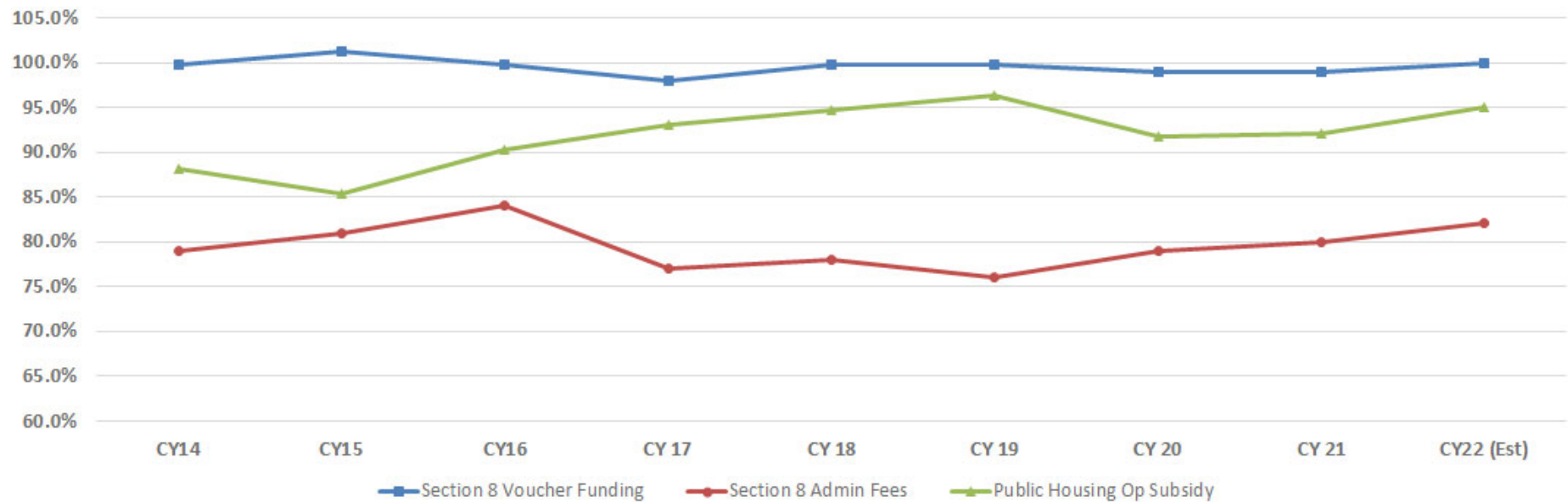
This includes the impact of RAD/Section 18 conversions.

FY22 Estimated Rent Assistance Households Served by Category



Subsidy Proration Trends

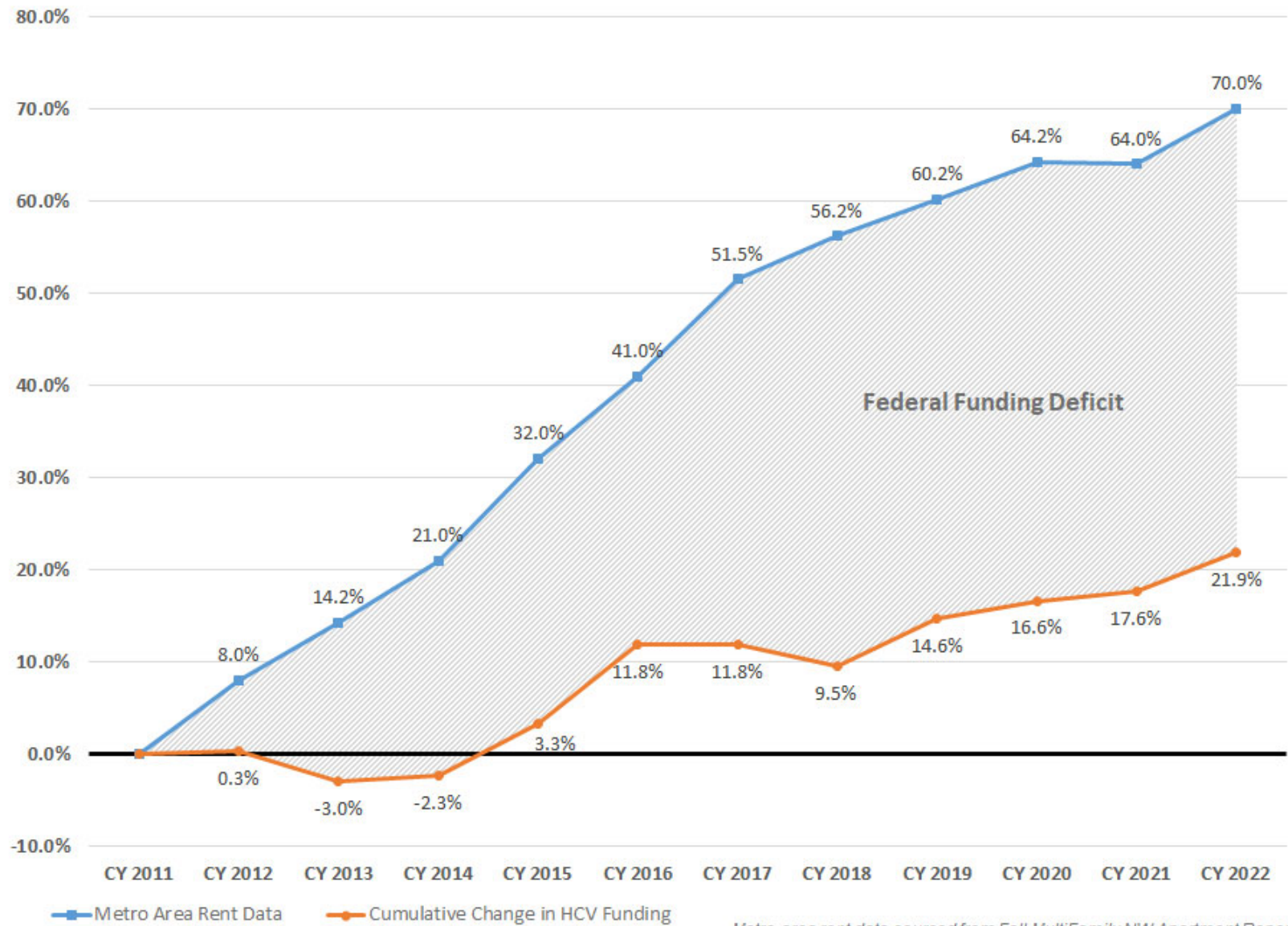
Subsidy Proration Trends ^{1 2}									
Actual Funding Year	CY 14	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22 (Est)
Home Forward Budget Year	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2018 12/31 YE	FY 2020	FY21	FY22
Section 8 Voucher Funding	99.7%	101.2%	99.9%	98.0%	99.7%	99.7%	99.0%	99.0%	100.0%
Section 8 Admin Fees	79.0%	81.0%	84.0%	77.0%	78.0%	76.0%	79.0%	80.0%	82.0%
Public Housing Operating Subsidy	88.1%	85.4%	90.2%	93.1%	94.7%	96.3%	91.7%	92.0%	95.0%



¹ Proration represents the percentage of full funding under HUD's program formula. Percentages below 100% represent inadequate federal budget appropriations based on HUD's program formulas.

² Admin Fee CY 21 estimates are equal to the CY 20 actual award. CY 21 Operating Subsidy is based upon a 5-year trend of actual proration.

Cumulative Change in HCV Funding vs. Cumulative Change in Metro Area Apartment Rent



FTE Change Comparison Schedule

Full-Time Equivalents (FTEs) by Funding Source			
	FY21 Budget	FY22 Budget	Increase / (Decrease)
Agency Funded	249.0	279.9	31.0
Other Legal Entity Funded	58.4	62.1	3.6
Total Agency-Managed Positions	307.4	342.0	34.6

Numbers may be off slightly due to rounding.

FY22 Summary of FTE Changes	
Accountant	1.0
Compliance Specialist	1.0
Director of Talent & Organizational Development	1.0
Equity Staff	1.0
Floating Assistant Property Manager	1.0
Floating Property Manager	1.0
Floating Resident & Community Services Coordinator	1.0
HR Business Partner	1.0
Intern	1.0
Legal Position	1.0
LT Maintenance Generalist	2.0
LT Maintenance Mechanic	2.0
Maintenance Mechanic Foreman	1.1
Office Assistant II	2.0
Organizational Development	1.0
Policy Staff	1.0
Program Supervisor	1.0
Project Manager	1.0
Property Accountant	1.0
Rent Assistance Services Coordinator	3.0
Rent Assistance Specialist	3.0
Rent Assistance Specialist (L)	1.0

FY22 Summary of FTE Changes	
Resident & Community Services Coordinator LT	1.0
Resident Specialist	0.8
Security Analyst	1.0
Senior Property Manager	1.0
Support Specialist	2.0
Training/Onboarding Coordinator	1.0
Tax Credit Compliance Coordinator	1.0
Youth Employment Service Coordinator	0.5
Total New Positions	37.4
All Other Changes	-2.8
Net Increase (Decrease) in FTE	34.6

Acronym Key

85 Stories: Multi-year development initiative to change the subsidy structure for ten hi-rise public housing apartment communities to leverage equity and debt to make needed capital repairs to deteriorating building systems.

ACOP: Admission and Condition Operating Plan – document that establishes guidelines for determining public housing eligibility and occupancy.

AH: Affordable Housing – properties owned in whole or in part by Home Forward that are managed by outside management companies.

ARF: Asset Repositioning Fee – Temporary subsidy to aid in the disposition of Public Housing units. The subsidy continues for two years and is tied to Operating Subsidy. The first year is funded at 75% of Operating Subsidy and the second year is funded at 50% of Operating Subsidy.

CHSP: Congregate Housing Services Program

Congregate Care: Programs that provide services to help senior and disabled residents maintain their independence.

CSS: Community & Supportive Services – community services tied to a HOPE VI property.

CY: Calendar Year – the year running from January 1 to December 31 (as opposed to fiscal year).

DCR: Development and Community Revitalization – Home Forward’s department for managing rehabilitation, redevelopment, and new construction of Home Forward properties; DCR is also a financial acronym that stands for Debt Coverage Ratio, which is used to measure annual debt payments compared to a property’s operating income.

DDTF: Demolition or Disposition Transitional Funding – a five-year limited duration continuation of the Capital Fund to assist with the modernization and development of Public Housing units.

FSS: Family Self-Sufficiency – HUD programs that seek to increase the skills of participants and enable them to obtain employment.

FTE: Full-Time Equivalent – a measure of how many full-time employees and organization has that is arrived at by adding all positions, including those that are part-time.

FUP: Family Unification Program – a HUD Section 8 Voucher program focused on reuniting youth with their families.

FY: Fiscal Year – the 12-month accounting year; Home Forward’s fiscal year runs from April 1 to March 31 (as opposed to calendar year).

GOALS: Greater Opportunities to Advance, Learn and Succeed – a Home Forward program that provides Section 8 and public housing clients with five years of supportive services as they work toward economic independence.

HAP: Housing Assistance Payment – amount of money Section 8 pays to a landlord on behalf of the tenant.

HCV: Housing Choice Voucher

HFDE: Home Forward Development Enterprises

HUD: US Department of Housing and Urban Development

IA: Inter-Agency Revenue/Expense – direct cost transfer between departments and operating groups.

LIHTC: Low-Income Housing Tax Credit – program created by HUD in 1986 to provide tax credits for the acquisition, rehabilitate, or new construction of rental housing targeted to lower-income households.

LP: Limited Partnership

MIF: MTW Initiatives Fund – Home Forward funding source for significant initiatives, funded from flexible funds.

MOD: Moderate Rehabilitation

MTW: Moving to Work – a national program authorized by Congress and administered by HUD that allows certain regulatory flexibilities to some 30 participating housing authorities.

NOFA: Notice of Funding Availability

PERS: Public Employee Retirement System

PH: Public Housing – Home Forward owned and operated subsidized housing supported by HUD funding.

PHB: Portland Housing Bureau

PILOT: Payment In Lieu of Taxes – payments negotiated with local municipalities to cover city services normally funded by property taxes. Currently, contracts provide for reinvestment of these funds into Short-Term Rent Assistance.

RAD: Rental Assistance Demonstration – HUD program to preserve public housing properties by converting them to project-based section 8 allowing housing authorities leverage public and private debt to reinvest in public housing stock.

ROSS: Resident Opportunities and Self Sufficiency Grant Program – HUD program that funds staff to coordinate community resources with public housing residents' needs.

Shelter Plus Care: a federal rent assistance program for homeless persons with disabilities provided in connection with supportive services funded from sources outside the program.

SRO: Single Room Occupancy

STRA: Short-Term Rent Assistance – a program administered by Home Forward that disperses funding from public sector partners to agencies that aid families experiencing homelessness or in danger of losing their housing.

Towers: Group of four properties originally in the Public Housing Portfolio that was converted to site-based Section 8 in September 2013. The four properties are Gallagher Place, Hollywood East, Northwest Towers and Sellwood Center.

VASH: Veterans Affairs Supportive Housing – Section 8 Vouchers for homeless veterans referred by Veterans Affairs.

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FY22 Operating Statement by Operating Group

Operating Statement	Rent Assistance	Public Housing Portfolio	Affordable Portfolio	Asset Management	Property Management	Safety	Integrated Facilities	Development	Community Services	Administration	Real Estate Finance	Reserves	MIF	Elimination	Home Forward Total
Dwelling Rental	\$ -	\$ 1,164,973	\$ 22,779,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,940,919)	\$ 19,003,279
Non-dwelling Rental	-	3,120	1,744,416	-	-	-	-	-	40,255	1,405,860	608,356	-	-	(3,366)	3,798,641
HUD Subsidies -Housing Assistance	119,350,012	-	2,518,716	-	-	-	-	-	-	-	-	-	-	-	121,868,728
HUD Subsidies -Admin Fee	12,254,377	-	-	-	479,766	-	-	-	-	-	-	-	-	-	12,734,143
HUD Subsidies -Public Housing	-	4,776,210	-	-	169,000	-	-	-	208,146	-	776,211	-	-	-	5,929,567
HUD Grants	6,220,641	10,000	-	-	362,499	-	-	-	1,095,071	-	-	-	-	-	7,688,211
Development Fee Revenue, Net	-	-	-	-	-	-	-	14,322,624	-	-	-	-	-	-	14,322,624
State, Local & Other Grants	64,223,750	-	-	-	-	-	-	-	1,318,479	-	-	-	-	-	65,542,229
Other Revenue	10,012,415	31,256	744,807	854,951	2,345,960	19,945	1,897,896	1,571,386	1,290,746	-	-	-	-	(371,396)	18,397,966
Total IA Revenue	-	-	-	-	-	-	-	-	830,991	-	-	-	-	(830,991)	-
Total Operating Revenues	212,061,196	5,985,559	27,787,164	854,951	3,357,225	19,945	1,897,896	15,894,010	4,783,689	1,405,860	1,384,567	-	-	(6,146,672)	269,285,389
Housing Assistance Payments	196,972,853	-	960	-	-	-	-	-	-	-	-	-	-	(4,344,906)	192,628,907
Administrative Personnel Expense	708,651	-	-	573,796	805,306	333,494	58,828	1,026,305	426,038	6,922,120	-	-	-	-	10,854,539
Other Admin Expenses	697,280	473,840	4,982,974	73,693	254,141	42,591	34,233	199,481	537,441	3,843,615	-	-	-	(306,824)	10,832,464
Fees/overhead charged	460,093	-	-	46,452	3,567	-	3,567	74,962	-	75,313	-	-	-	(663,954)	-
Tenant Svcs Personnel Expense	56,724	-	-	15,677	114,960	-	-	321,995	3,035,839	-	72,659	-	-	-	3,617,854
Other Tenant Svcs Expenses	135,434	27,562	54,372	-	-	-	-	-	2,101,825	101,800	-	-	-	-	2,420,993
Program Expense	7,480,987	488,558	131,155	992,979	1,425,062	63,327	166,869	1,754,960	590,146	174,145	-	-	-	-	13,268,188
Maintenance Personnel Expense	-	628,454	96,589	-	643,545	56,981	1,008,631	-	-	56,981	-	-	-	-	2,491,181
Other Maintenance Expenses	-	986,147	-	-	(44,840)	4,979	100,926	-	-	212,814	-	-	-	-	7,790,400
Utilities	-	779,877	3,313,261	-	-	-	40,000	-	-	100,896	-	-	-	-	4,234,034
Total IA Expense	-	36,387	579,322	-	-	-	-	-	215,279	-	-	-	-	(830,988)	-
Depreciation	-	1,149,976	5,679,045	-	9,090	-	-	22,584	-	219,023	-	-	-	(50,040)	7,029,678
General	227,900	299,979	2,095,208	-	202,191	1,977	25,500	-	-	43,530	-	-	-	-	2,896,284
Total Operating Expenses	206,739,922	4,870,781	23,463,259	1,702,597	3,413,021	503,348	1,438,554	3,400,288	6,906,569	11,750,237	72,659	-	-	(6,196,712)	258,064,522
Operating Income (Loss)	5,321,274	1,114,778	4,323,904	(847,646)	(55,796)	(483,403)	459,342	12,493,722	(2,122,880)	(10,344,377)	1,311,908	-	-	50,040	11,220,867
Total Overhead Allocations	2,893,921	-	-	1,302,337	3,396,891	9,604	441,372	1,482,566	962,184	(10,488,876)	-	-	-	-	-
Operating Income (Loss) after Overhead	2,427,352	1,114,778	4,323,904	(2,149,983)	(3,452,687)	(493,007)	17,971	11,011,156	(3,085,064)	144,499	1,311,908	-	-	50,040	11,220,867
Reserve Funding	-	-	(6,511,000)	(850,000)	(56,200)	-	-	(748,289)	675,880	28,344	(2,902,821)	10,364,085	-	-	-
Operating Income (Loss) after Reserve Funding	2,427,352	1,114,778	(2,187,096)	(2,999,983)	(3,508,887)	(493,007)	17,971	10,262,867	(2,409,184)	172,843	(1,590,913)	10,364,085	-	50,040	11,220,867
Investment Income	-	-	155,384	4,512	-	-	-	-	-	-	-	-	-	-	159,896
Interest Expense	-	-	(2,159,305)	-	-	-	-	-	-	-	-	-	-	-	(2,159,305)
Net Other Income (Expense)	-	-	(2,030,579)	4,512	-	-	-	-	-	-	-	-	-	-	(2,026,067)
HUD Nonoperating Contributions	-	268,645	-	-	-	-	-	-	-	228,667	2,500,000	-	-	-	2,997,312
Reserve Funded Capital Contributions	-	-	2,696,025	-	-	-	-	200,000	-	-	11,356,759	(14,252,784)	-	-	-
Net Capital Contributions	-	268,645	2,696,025	-	-	-	-	200,000	-	228,667	13,856,759	(14,252,784)	-	-	2,997,312
Change In Net Position	\$ 2,427,352	\$ 1,383,423	\$ (1,521,650)	\$ (2,995,471)	\$ (3,508,887)	\$ (493,007)	\$ 17,971	\$ 10,462,868	\$ (2,409,183)	\$ 401,509	\$ 12,265,846	\$ (3,888,699)	\$ -	\$ 50,040	\$ 12,192,112

* Numbers may vary slightly due to rounding

FY22 Funding Flow Analysis by Operating Group*

Home Forward															
Fiscal Year 2022 Operating Statement by Operating Group															
	Rent Assistance	Public Housing Portfolio	Affordable Portfolio	Asset Management	Property Management	Safety	Integrated Facilities	Development	Community Services	Administration	Real Estate Finance	Reserves	MIF	Elimination	Home Forward Total
Operating Income (Loss) after Overhead	\$ 2,427,352	\$ 1,114,778	\$ 4,323,904	\$ (2,149,983)	\$ (3,452,687)	\$ (493,007)	\$ 17,971	\$ 11,011,156	\$ (3,085,064)	\$ 144,499	\$ 1,311,908	\$ -	\$ -	\$ 50,040	\$ 11,220,867
Real Estate Portfolio															
Affordable Housing Properties Operating Activity	-	-	(9,482,072)	-	-	-	-	-	-	-	-	-	-	-	(9,482,072)
Revenue from Properties to Home Forward	-	-	(855,103)	-	-	-	-	-	(368,812)	-	-	-	-	-	(1,223,915)
Unrestricted Cash to HAP	-	-	3,349,060	-	-	-	-	-	465,584	-	955,000	-	-	-	4,769,644
Net Replacement Reserve Activity (New Market West)	-	-	-	-	-	-	-	-	-	(98,000)	-	-	-	-	(98,000)
Net Replacement Reserve Activity (Special Needs)	-	-	(218,370)	-	-	-	-	-	-	-	-	-	-	-	(218,370)
Developer Fee - Impact to Funding Flow															
Developer Fee Revenue	-	-	-	-	-	-	-	(14,322,624)	-	-	-	-	-	-	(14,322,624)
Developer Fee - Cash to HAP(Net)	-	-	-	-	-	-	-	3,751,661	-	-	-	-	-	-	3,751,661
Financing/Investment Activity															
Principal & Interest - Special Needs	-	-	(113,293)	-	-	-	-	-	-	-	-	-	-	-	(113,293)
Principal & Interest - New Market West	-	-	-	-	-	-	-	-	-	(265,522)	-	-	-	-	(265,522)
Capital Acquisitions															
Fleet Vehicle	-	-	-	-	-	-	-	-	-	(228,667)	-	-	-	-	(228,667)
Fleet Vehicle Reserve Funding	-	-	-	-	-	-	-	-	-	228,667	-	-	-	-	228,667
Non-Cash Operating Activity															
Depreciation Expense	-	1,149,976	5,679,045	-	9,090	-	-	22,584	-	219,023	-	-	-	(50,040)	7,029,678
Special Purpose Reserve Activity															
Inter Departmental Reserve Transfers	(2,427,352)	(2,355,687)	(2,583,171)	2,149,983	3,443,597	493,007	(17,971)	-	2,788,291	-	(1,490,697)	-	-	-	-
Agency Initiatives	-	-	-	-	-	-	-	(1,571,386)	-	-	-	1,571,386	-	-	-
Future Agency Initiatives	-	-	-	-	-	-	-	-	-	-	-	(1,571,386)	-	-	(1,571,386)
Integrated Facility Services Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HFDE Funding Affordable Portfolio Reserve	-	-	500,000	-	-	-	-	-	-	-	-	-	-	-	500,000
DCR Operating Reserve	-	-	-	-	-	-	-	1,308,609	-	-	-	-	-	-	1,308,609
Affordable Portfolio Reserve	-	-	(500,000)	-	-	-	-	-	-	-	-	-	-	-	(500,000)
Workforce Initiative Funding	-	-	-	-	-	-	-	(200,000)	200,000	-	-	-	-	-	-
85 Stories Asset Repositioning Fee Reserve	-	-	-	-	-	-	-	-	-	-	(776,211)	-	-	-	(776,211)
Insurance Reserve	-	(100,000)	(100,000)	-	-	-	-	-	-	-	-	-	-	-	(200,000)
Capital Fund Program Contribution	-	190,933	-	-	-	-	-	-	-	-	-	-	-	-	190,933
Funding Source or (Shortfall)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Department Reserve Activity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Final Funding Source or (Shortfall)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* Numbers may vary slightly due to rounding.

This resolution has been pulled from the agenda

Placeholder for Resolution 21-12-04

Authorize Home Forward Insurance Group Changes



MEMORANDUM

To:	Board of Commissioners	Date:	December 21, 2021
From:	Amanda Saul Assistant Director for General Obligation Bond Development 503.802.8326	Subject:	Authorize Design Amendment to Contract for Design-Build Services for Fairfield Apartments Resolution 21-12-05
	Robert Dell, Project Manager, Development & Community Revitalization 503.802.8528		

Staff requests the Board of Commissioners to authorize the Executive Director or his designee to execute an amendment to the design-build contract between Home Forward and Walsh Construction Company for the design phase of the Fairfield Apartments renovation project. Peter Meijer Architect, PC, is the design subcontractor under the Walsh.

These actions support Strategic Plan Goal, One Portfolio: Our real estate is stable for generations to come and meets the needs of the people and neighborhoods it serves.

BACKGROUND

In 2018, Home Forward began asset managing the Fairfield Apartments for the Portland Housing Bureau (PHB), the current owner. As is standard practice, our asset management department commissioned a capital needs assessment (CNA). The CNA clearly demonstrated that the 110-year-old building needed significant upgrades to meet seismic and other health and safety building code requirements. Home Forward applied to Oregon Housing and Community Services for funding in April 2021 and was notified of its award of that funding in July 2021.

The building, which has 82 Single Room Occupancy (SRO) units, will be fully rehabilitated, creating 75 new units, which will be a mix of studios and SROs and ground floor community and commercial space. The existing tenants will be relocated while the building is rehabbed and will have a right to return. In addition to the returning tenants, the new project will serve chronically homeless individuals with funding for supportive services from the Joint Office of Homeless Services.

Home Forward will be the developer and the general partner in a Low Income Housing Tax Credit (LIHTC) partnership that will own the property for 15 years, and the sole owner following the dissolution of the LIHTC partnership. The property will continue to be restricted to affordable housing for at least 99 years.

The Board has previously authorized the submission of low-income housing tax credits and funding applications (Resolutions 20-03-04, 21-01-02), the execution of site control documentation (Resolutions 20-03-05, 21-01-03), the use of the design-build alternative procurement process (Resolution 21-07-02), and contracting with Walsh for design-build services (Resolution 21-09-01) for the Fairfield Apartments renovation project.

OVERVIEW

The Board's previous authorization of the design-build contract for the Fairfield Apartments renovation included \$68,000 for the programming phase of the project. The value of this authorization is \$1,600,000 to support full design services. The design services phase will generate construction documents and coordinate permitting and bidding activities so that a guaranteed maximum price (GMP) can be established for the construction work. Staff anticipate asking the Board to authorize that GMP in the fourth quarter of 2022.

CONCLUSION

Home Forward staff requests that the Board of Commissioners authorize the Executive Director or his designee to execute an amendment to the design-build contract between Home Forward and Walsh Construction Company for the design phase of the Fairfield Apartments renovation project.

Staff presented the content of this resolution to the Real Estate and Development (READ) Committee at its December 03, 2021, meeting.



RESOLUTION 21-12-05

RESOLUTION 21-12-05 AUTHORIZES THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO EXECUTE A DESIGN AMENDMENT TO THE DESIGN-BUILD SERVICES CONTRACT WITH WALSH CONSTRUCTION COMPANY FOR THE FAIRFIELD APARTMENTS RENOVATION PROJECT

WHEREAS, the Portland Housing Bureau, the current owner of the Fairfield Apartments, has executed an Option to Sell Land and Improvements with Home Forward; and

WHEREAS, Home Forward has asset managed the Fairfield Apartments since 2018 and seeks to preserve this resource for the benefit of the residents it serves and the surrounding community, to improve the quality of this housing stock and to provide housing and supportive service for the Fairfield Apartment's residents; and

WHEREAS, Home Forward has authorized a contract with Walsh Construction Company for design-build services for the Fairfield Apartments renovation project; and

WHEREAS, the contract will be undertaken in phases, with the programming phase complete and the design phase now requiring authorization by contract amendment; and

WHEREAS, Home Forward contracting rules require approval of the Home Forward Board of Commissioners for contract amendments in excess of \$500,000; and

WHEREAS, Section 456.135 of the Oregon Revised Statutes provides that an authority may delegate to one or more of its agents or employees such powers or duties as it deems proper;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Executive Director, or his designee, to execute the design amendment to the design-build contract with Walsh Construction Company in the amount not to exceed \$1,600,000 for full design services for the Fairfield Apartments renovation project.

ADOPTED: DECEMBER 21, 2021

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, Chair



MEMORANDUM

To:	Board of Commissioners	Date:	December 21, 2021
From:	Jonathan Trutt, Director, Development and Community Revitalization (DCR) 503.802.8507	Subject:	Authorize Increase in Construction Contingency for the Renovation of Fountain Place Apartments Resolution 21-12-06
	Patrick Rhea, Project Manager, Development and Community Revitalization 503.802.8311		

Staff requests the Board of Commissioners to authorize the Executive Director or his designee to approve additional construction expenditures to complete the renovations of Fountain Place Apartments. The requested authorization, which includes a contingency of 15%, will increase construction expenditures by up to \$1.265 million.

This action supports Strategic Plan Goal, One Portfolio: Our real estate is stable for generations to come and meets the needs of the people and the neighborhoods it serves.

BACKGROUND

Fountain Place is an unreinforced masonry building located at 929 SW Salmon Street in downtown Portland. Upon the completion of its seismic upgrades and other renovations, it will have 74 affordable homes. Construction is approximately 75% complete.

In December 2019, the Board authorized \$15.5 million in construction expenditures to renovate Fountain Place Apartments. This amount consisted of a Guaranteed Maximum Price (GMP) price contract of \$13,899,995 with Lorentz Bruun Construction and an owner's contingency.

Immediately after closing on Fountain Place's financing, Home Forward instructed Lorentz Bruun to begin construction on March 26, 2020. This was three days after Governor Brown issued Executive Order 20-12: "Stay Home, Save Lives."

OVERVIEW

The funding sources for this \$1.265 million requested increase in construction expenditures are:

- \$642,500 of project savings in "soft cost" categories (e.g. building permits, construction loan interest) and
- \$625,250 of additional funding, provided as a loan, from Home Forward.

The current quarterly Liquidity Report shared with the Finance Committee reflects an additional \$625,250 loan from Home Forward. The reserves held by Development and Community Revitalization can accommodate this increase without adversely impacting anticipated development activities in future years.

Per Resolution 19-12-03, the requested \$625,250 additional loan from Home Forward does not require board authorization because it is less than \$1 million. Paragraph 14 of Resolution 19-12-03 states:

Each Authorized Officer is authorized to decrease the principal amount of any loan or capital contribution authorized by this resolution by any amount, or to increase the principal amount of any such loan or capital contribution by an amount up to \$1,000,000 more than the maximum principal amount for the loan or capital contribution stated in this resolution.

The requested increase in construction expenditures stems from the combination of:

- **COVID**
COVID-related supply chain and staffing challenges have delayed Fountain Place. The project is now scheduled for completion in April 2022, approximately nine months later than originally planned. Home Forward has utilized its owner's contingency to cover associated costs.
- **Further site-specific issues**
Although staff anticipated and budgeted for construction scope changes once renovations began, several site-specifics issues arose. These items include:

- Fire Damage. There was a previous fire in the 4th and 5th floor corridor. This resulted in a construction change order to remove subflooring and floor joists on three floors and reframe a section of the building from the basement to the roof.
- Gas lines. Demolition revealed gas lines between the subfloor and underlayment that had to be removed to install the seismic upgrades, which resulted in the replumbing of the building with new gas lines.
- Basement flooring. The original basement units were constructed over concrete rubble, leading to additional demolition and foundation work.
- Insufficient power supply. Fountain Place's seismic bracing required the switch from gas to electric heat in some apartments. However, the new electrical load required a full rebuild of the incoming electrical service and PacificCorp running new primary "feeders" to the building.

CONCLUSION

Staff requests an increase in \$1.265 million of construction expenditures to keep Fountain Place on schedule for an April 2022 completion.

Staff presented a draft of this memo and resolution to the READ committee at its December 3, 2021 meeting.

ATTACHMENTS

Resolution 19-12-03



RESOLUTION 21-12-06

RESOLUTION 21-12-06 AUTHORIZES THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO INCREASE CONSTRUCTION EXPENDITURES ON FOUNTAIN PLACE TO \$16.6 MILLION

WHEREAS, the Home Forward Board of Commissioners previously authorized the submission of the Notice of Available Funding (NOFA) applications for Fountain Place Apartments; and

WHEREAS, the Home Forward Board of Commissioners previously authorized the execution of a contract to Lorentz Bruun Construction to commence design-build services; and

WHEREAS, the Home Forward Board of Commissioners previously authorized construction expenditures of \$15.5 million for Fountain Place's renovations; and

WHEREAS, COVID-19 has impacted Fountain Place's ability to secure materials and labor as originally anticipated; and

WHEREAS, the combination of additional technical work and COVID-19 have increased the cost of Fountain Place's renovation;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Executive Director, or his designee, to spend up to \$16,765,000 to complete Fountain Place's renovations.

ADOPTED: DECEMBER 21, 2021

Attest:

Home Forward:

Michael Buonocore, Secretary

Damien R. Hall, Chair



MEMORANDUM

To:	Board of Commissioners	Date:	December 17, 2019
From:	Jonathan Trutt, Director, Development and Community Revitalization 503.802.8507 Theresa Auld, Development Finance Manager 503.802.8319	Subject:	Authorize Execution of Documents in Connection with Financing, Property Sale and Acquisition Development and Operation of Fountain Place Apartments Resolution 19-12-03

Staff requests the Board of Commissioners to approve a resolution authorizing the execution and delivery of documents by Home Forward, on its own behalf and in its capacity as general partner of FP2 Limited Partnership (the "Partnership"), in connection with the financing, development and operation of the Fountain Place Apartments (the "Development") and authorizing the Development's sale by Home Forward to the Partnership to generate the Low Income Housing Tax Credit (LIHTC) funding necessary to complete Fountain Place's rehabilitation.

These authorizations will enable Home Forward to execute all documents related to the Development's financial closing with all funding partners and regulatory agencies as necessary.

The following key facts are relevant to Fountain Place's rehabilitation:

- Fountain Place is an unreinforced masonry building located at 929 SW Salmon Street.
- The project's scope of work will improve Fountain Place's structure and paths of egress and preserve 74 affordable housing apartments in downtown Portland.

- Home Forward will serve as the developer and the sole general partner of the Partnership that will own Fountain Place.
- Home Forward has retained Lorentz Bruun Construction as the Design-Build contractor (the “Design Builder”).
- Home Forward will assign the Design-Build contract and any other development contracts to the Partnership.
- As is standard for projects financed with LIHTCs, Home Forward and Home Forward Development Enterprises Corporation (“HFDE”) formed the FP2 Limited Partnership prior to financial close and construction start.

Funding sources for the Development will include tax credit equity, tax-exempt construction and permanent loans, equity contributions or sponsor loan(s) from Home Forward, an acquisition loan from Home Forward, and other funds. Current estimates of these sources, and their uses, are summarized in the table below.

	Construction	Permanent
Investor capital contribution (US Bank Community Development Corporation via LIHTCs and Historic Tax Credits)	\$ 2,045,801	\$ 13,638,671
Deferred Developer Fee (Home Forward)	\$ 834,000	\$ 834,000
Tax-exempt bond (issued by OHCS and purchased by Banner Bank, Lender)	\$ 17,320,000	\$3,000,000
PHB loan and interest assumed by Partnership	\$ 2,823,510	\$ 2,823,510
Home Forward equity/loan(s), (includes the proceeds from a \$5 million Housing Preservation Fund grant from OHCS)	\$ 8,204,505	\$ 10,941,635
Home Forward acquisition loan	\$ 1,762,185	\$ 1,762,185
TOTAL	\$ 33,000,000	\$ 33,000,000

The Home Forward acquisition loan, also known as “seller financing” is not a cash outlay for the agency. The Home Forward equity contributions or sponsor loan(s) are a cash outlay for Home Forward, funded by real estate reserves established for this purpose and a \$5 million preservation grant from OHCS.

The overall budget is \$33 million, including acquisition costs of \$6.77 million, design and construction costs of \$15.5 million, and soft costs (including design) of \$10.73 million.

In conjunction with Fountain Place's rehabilitation, Home Forward will renew the building's current contract for 20 Project-Based Vouchers for a new, 20-year term.

Normal risks associated with development and construction will exist; specifically, completing the Development on time, at budget, and in a lien free condition. While the complete elimination of risk cannot be certain, staff has undertaken steps in an effort to mitigate the exposure. Architectural plans and specifications, construction costs, and third party reports are being scrutinized by the various funders and most particularly by the equity investor, and a performance bond has been required of the General Contractor and Design Builder.

Staff presented a draft of this memo and resolution to the READ committee on December 6, 2019.



RESOLUTION 19-12-03

RESOLUTION 19-12-03 AUTHORIZES THE EXECUTION AND DELIVERY OF DOCUMENTS BY HOME FORWARD, ON ITS OWN BEHALF AND IN ITS CAPACITY AS GENERAL PARTNER OF FP2 LIMITED PARTNERSHIP, IN CONNECTION WITH THE FINANCING, DEVELOPMENT AND OPERATION OF FOUNTAIN PLACE APARTMENTS, AND AUTHORIZING THE TRANSFER OF PROPERTY INTERESTS AND LENDING OF MONEY TO SAID PARTNERSHIP

WHEREAS, Home Forward seeks to encourage the provision of long-term housing for low income persons residing in the City of Portland, Oregon;

WHEREAS, ORS 456.120(18) authorizes Home Forward to enter into partnership agreements and to make loans to partnerships to finance, plan, undertake, construct, acquire and operate housing projects;

WHEREAS, ORS 456.065 defines “housing project” to include, among other things, “any work or undertaking . . . to provide decent, safe and sanitary urban or rural housing for persons or families of lower income”;

WHEREAS, Home Forward filed a certificate of limited partnership with the Oregon Secretary of State on April 8, 2019, pursuant to which FP2 Limited Partnership (the “Partnership”) was created as an Oregon limited partnership;

WHEREAS, Home Forward (as the sole general partner) and Home Forward Development Enterprises Corporation (“HFDE”) (as the initial limited partner) entered into a limited partnership agreement relating to the Partnership;

WHEREAS, Home Forward intends to sell to the Partnership all of Home Forward’s interests in the land and improvements on which the apartment complex known as the Fountain Place Apartments (the “Development”) is located;

WHEREAS, the Partnership intends to rehabilitate and preserve 74 units in the Development;

WHEREAS, Home Forward anticipates that it will be the developer of the Development;

WHEREAS, the Partnership expects that 4 percent low income housing tax credits, and historic tax credits will be available for the Development;

WHEREAS, U.S. Bancorp Community Development Corporation, a Minnesota corporation (or one or more of its affiliates) (the “Investor Limited Partner”) has offered to acquire a limited partner interest in the Partnership, and Home Forward’s Board of Commissioners (the “Board”) finds and determines that the capital contributions expected to be made by the Investor Limited Partner to the Partnership will be sufficient, together with other available money, to enable the Partnership to develop and operate the Development;

WHEREAS, upon admittance of the Investor Limited Partner, HFDE will withdraw as the initial limited partner;

WHEREAS, as a condition to acquiring the limited partnership interests in the Partnership, the Investor Limited Partner will require that Home Forward amend and restate the Partnership’s original partnership agreement and execute and deliver certain other agreements, certificates and other documents relating to the Partnership and the Development, which requirement the Board finds and determines to be reasonable;

WHEREAS, the Board finds and determines that the Development likely would not be developed and maintained as housing for individuals and families of low income unless the Partnership was formed and the Investor Limited Partner committed to make its capital contributions to the Partnership;

WHEREAS, the total cost of acquiring and constructing the Development is anticipated not to exceed \$33,000,000, which will be financed by the Partnership with numerous sources of funds, including (i) a loan of proceeds of tax-exempt bonds (collectively, the “Bonds”) issued by the State of Oregon, acting by and through its State Treasurer and its Housing and Community Services Department (“OHCS”) (the State of Oregon acting by and through its Treasurer and OHCS, collectively, the “Issuer”) in the anticipated amount of \$17,320,000 (the “Construction Loan”) from Banner Bank (the “Lender”), of which up to \$3,000,000 will be converted to permanent financing (the “Permanent Loan”) held by Lender, (ii) an assumption by the Partnership of a City of Portland acting by and through the Portland Housing Bureau (“PHB”) loan in the amount of approximately \$2,823,510 (the “PHB Loan”), (iii) a grant of Housing Preservation Funds from OHCS to Home Forward in the amount of \$5,000,000 (the “HPF Grant”), which, along with approximately \$5,941,635 in Home

Forward funds (the “HF Funds”) will be loaned to the Partnership (the “the Sponsor Loan”), (iv) a seller financed loan from Home Forward to the Partnership in the approximate amount of \$1,762,185 (the “Seller Loan”); tax credit equity from the Investor Limited Partner in the approximate amount of \$13,638,671 (the “Tax Credit Equity”), and a deferred developer fee in the approximate amount of \$834,000 from Home Forward to the Partnership.

WHEREAS, Home Forward and the Partnership will enter into a purchase and sale agreement pursuant to which Home Forward will sell its interest in the Development to the Partnership.

WHEREAS, Home Forward has contracted with Lorentz Bruun Construction (the “Contractor” or “Design Builder”), and other consultants to assist with the environmental review and the design and construction of the Development, which contracts the Board finds and determines necessary and desirable to assign to the Partnership;

WHEREAS, the Partnership will provide Home Forward with a right of first refusal to acquire the Development at the end of the 15-year low-income housing tax credit “compliance period” for the Development; and

WHEREAS, ORS 456.135 authorizes Home Forward to delegate to one or more of its agents and employees such powers as it deems proper;

NOW, THEREFORE, BE IT RESOLVED, by the Board as follows:

1. Approval of Partnership Documents. Home Forward has been presented with drafts of the documents listed in Exhibit A under the heading “Partnership Documents” (the “Partnership Documents”) in connection with the Partnership and the Development, which documents are on file with Home Forward’s Secretary. The Chair of the Board, Home Forward’s Executive Director, Home Forward’s Chief Administrative Officer, and their respective designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”), and each of them acting alone, are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), the Partnership Documents substantially in the form on file with Home Forward; provided however, any Authorized Officer may approve on Home Forward’s behalf any further changes to the draft Partnership Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer’s signature on the final Partnership Documents shall be construed as Home

Forward's (acting on its own behalf or as general partner of the Partnership) approval of such changes. The Authorized Officers (and each of them acting alone) are further authorized and directed to take any other action and to execute such other documents as may be required to be taken or executed by Home Forward, on behalf of itself or as general partner of the Partnership, under the provisions of or as necessary to carry out the transactions contemplated by the Partnership Documents. From and after the date the Partnership Documents are executed, the Authorized Officers (and each of them acting alone) are authorized and directed, without further Board approval, to take such actions on behalf of Home Forward that are required to be taken by the general partner of the Partnership. In particular, Home Forward is authorized to spend available Home Forward funds on the Development to satisfy any requirement of the Partnership Documents that Home Forward contribute capital and/or make loans to the Partnership and to otherwise cause the Development to be completed, and initial operations thereof to commence, in the manner anticipated in the various agreements authorized by this resolution.

2. Approval of Tax-Exempt Bond Documents. Home Forward has been presented with drafts of the documents listed in Exhibit A under the heading "Tax-Exempt Bond Documents" (the "Tax-Exempt Bond Documents") in connection with the Partnership and the Development, which documents are on file with Home Forward's Secretary. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) (a) the Tax-Exempt Bond Documents substantially in the form on file with Home Forward and (b) any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the Tax-Exempt Bond Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward's behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft Tax-Exempt Bond Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final Tax-Exempt Bond Documents shall be construed as Home Forward's (acting on its own behalf or as general partner of the Partnership) approval of such changes.

3. Approval of Tax Credit Documents. Home Forward has been presented with drafts of the documents listed in Exhibit A under the heading “Tax Credit Documents” (the “Tax Credit Documents”) in connection with the Partnership and the Development, which documents are on file with Home Forward’s Secretary. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) (a) the Tax Credit Documents substantially in the form on file with Home Forward and (b) any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the Tax Credit Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward’s behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft Tax Credit Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer’s signature on the final Tax Credit Documents shall be construed as Home Forward’s (acting on its own behalf or as general partner of the Partnership) approval of such changes.

4. Approval of the PHB Loan Documents. Home Forward has been presented with drafts of the documents listed in Exhibit A under the heading “PHB Loan Documents” (the “PHB Loan Documents”) in connection with the Partnership and the Development, which documents are on file with Home Forward’s Secretary. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) (a) the PHB Loan Documents substantially in the form on file with Home Forward and (b) any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the PHB Loan Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward’s behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft PHB Loan Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer’s signature on the final PHB Loan Documents shall be construed as Home Forward’s (acting on its own behalf or as general partner of the Partnership) approval of such changes.

5. Approval of Construction Loan Documents and Permanent Loan Documents. Home Forward has been presented with drafts of the documents listed in Exhibit A under the headings “Construction Loan Documents” (the “Construction Loan Documents”) and “Permanent Loan Documents” (the “Permanent Loan Documents”) in connection with the Partnership and the Development, which documents are on file with Home Forward’s Secretary. Home Forward (acting on its own behalf or as general partner of the Partnership), is authorized to borrow the Construction Loan and the Permanent Loan. The Authorized Officers (and each of them acting alone) are authorized and directed to: (a) cause the Partnership to borrow money under the Construction Loan Documents and the Permanent Loan Documents; (b) execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), the Construction Loan Documents and the Permanent Loan Documents substantially in the form on file with Home Forward; (d) execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the Construction Loan Documents and the Permanent Loan Documents, including any trust deeds, subordination agreements and other documents required in connection with Construction Loan and the Permanent Loan. Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward’s behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft Construction Loan Documents and the draft Permanent Loan Documents (including material changes, changes to parties and changes to the title of any such document) and the final amount(s), if any, to be borrowed (subject to Section 13 of this resolution), and such Authorized Officer’s signature on the final Construction Loan Documents and Permanent Loan Documents shall be construed as Home Forward’s (acting on its own behalf or as general partner of the Partnership) approval of such changes and final loan amount(s).
6. Approval of Master Loan Documents. Home Forward has been presented with drafts of the documents listed in Exhibit A under the heading “Master Loan Documents” (the “Master Loan Documents”) in connection with the Partnership and the Development, which documents are on file with Home Forward’s Secretary. Home Forward is authorized to lend to the Partnership, pursuant to the terms of the Master Loan Documents, up to \$13,000,000 in the form of seller financing and one or more loans of Home Forward’s available funds. The Authorized Officers (and each of them acting alone) are authorized and directed to:

(a) determine on behalf of Home Forward the source (or sources) of funds for each loan contemplated under the Master Loan Documents; (b) cause the Partnership to borrow money under the Master Loan Documents; (c) execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), the Master Loan Documents substantially in the form on file with Home Forward; (d) execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the Master Loan Documents, including any trust deeds, subordination agreements and other documents required in connection with the sources of funding for Home Forward's loans to be made thereunder. Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward's behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft Master Loan Documents (including material changes, changes to parties and changes to the title of any such document) and the final amount(s), if any, to be borrowed and lent (subject to Section 13 of this resolution), and such Authorized Officer's signature on the final Master Loan Documents shall be construed as Home Forward's (acting on its own behalf or as general partner of the Partnership) approval of such changes and final loan amount(s).

7. Approval of Real Estate Documents. Home Forward has been presented with drafts of the documents listed in Exhibit A under the heading "Real Estate Documents" (the "Real Estate Documents") in connection with the Partnership and the Development, which documents are on file with Home Forward's Secretary. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership), the Real Estate Documents, and such other agreements and documents as are necessary for Home Forward to transfer and the Partnership to acquire the Development. Any Authorized Officer may approve on Home Forward's behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft Real Estate Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer's signature on the final Real Estate Documents shall be construed as Home Forward's (acting on its own behalf or as general partner of the Partnership) approval of such changes.

8. HAP Documents. Home Forward has been presented with drafts of the documents listed in Exhibit A under the heading “HAP Documents” (the “HAP Documents”) in connection with the Housing Assistance Payments Contract for the Project Based Section 8 Vouchers for the Development. The Authorized Officers (and each of them acting alone) are authorized and directed to execute and deliver, on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) (a) the HAP Documents substantially in the form on file with Home Forward and (b) any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the HAP Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein). Notwithstanding the foregoing, any Authorized Officer may approve on Home Forward’s behalf (acting on its own behalf or as general partner of the Partnership) any further changes to the draft HAP Documents (including material changes, changes to parties and changes to the title of any such document) and such Authorized Officer’s signature on the final HAP Documents shall be construed as Home Forward’s (acting on its own behalf or as general partner of the Partnership) approval of such changes.
9. Assignments. The Authorized Officers (and each of them acting alone) are authorized on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) to execute and deliver one or more instruments (i) assigning to the Partnership all or a portion of Home Forward’s rights under any construction contract, the architects’ contracts, contracts with the general contractor, geotechnical consultant contracts, and other development contracts, as such rights pertain to the Development, and (ii) assigning to lenders and others the Partnership’s interests in such contracts.
10. Tax Credit Documents. The Authorized Officers (and each of them acting alone) are authorized on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) to execute, deliver and/or file (or cause to be delivered and/or filed) all documents deemed necessary or appropriate to allow the Partnership to qualify for and obtain federal low-income housing tax credits in connection with the Development and for the purchaser of certain of the Bonds to receive Oregon Affordable Housing Tax Credit Program tax credits in connection with such purchase including, without limitation, the filing of one or more applications with OHCS, and the execution of all necessary and related documents, including without limitation letters of award, reservation agreements,

regulatory agreements, operating agreements, declarations and restrictive covenants. Additionally, The Authorized Officers (and each of them acting alone) are authorized on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) to execute, deliver and/or file (or cause to be delivered and/or filed) all documents deemed necessary or appropriate to allow the Partnership to qualify for and obtain federal historic tax credits tax credits in connection with the Development, including, without limitation, the filing of one or more applications with the State Historic Preservation Office, the National Register of Historic Places, National Park Service, and the execution of all necessary and related documents.

11. Grant Documents. The Authorized Officers (and each of them acting alone) are authorized on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) to execute, deliver and/or (or cause to be delivered and/or filed) all documents (i) those documents listed in Exhibit A under the heading “Grant Documents” (collectively, the “Grant Documents”), with such changes, including any material changes, as the Authorized Officer executing such documents deems necessary or advisable; and (ii) any other documents reasonably required to be executed by Home Forward or the Partnership to carry out the transactions contemplated by the Grant Documents (including the amendment of any such documents if necessary to further the purposes thereof or resolve ambiguities therein).
12. ORS 456.153 Determinations. On behalf of Home Forward, the Board finds and determines that a substantial number of persons of eligible income in the area served by Home Forward cannot obtain housing for 30% of less or their income. Based on the foregoing determination, the Board hereby declares, on behalf of Home Forward, the need for additional housing for persons or families of lower income that can be addressed by Home Forward participating in the financing, development, ownership, management and/or operation of mixed income housing projects;
13. Supplemental Authorization. The Authorized Officers, and each of them acting alone, are authorized on behalf of Home Forward (acting on its own behalf or as general partner of the Partnership) to: (i) determine that any document authorized by this resolution is, at the time such document otherwise would be executed, no longer necessary or desirable and, based on such determination,

- cause Home Forward and/or the Partnership not to execute or deliver such document; (ii) execute and deliver and, if applicable, file (or cause to be delivered and/or filed) any government forms, affidavits, certificates, letters, documents, agreements and instruments that such officer determines to be necessary or advisable to give effect to this resolution and to consummate the transactions contemplated herein and/or further the acquisition, rehabilitation, development, financing, construction, and leasing of the Development; and (iii) cause Home Forward and/or the Partnership to expend such funds as are necessary to pay for all filing fees, application fees, registration fees and other costs relating to the actions authorized by this resolution. Without limiting the scope of such authorization, such documents may include lease-up and marketing agreements, partnership management services agreements, development agreements, construction guaranty agreements, repayment guarantees, cash pledge agreements, environmental indemnity agreements, property management agreements, architect agreements, contractor agreements, housing assistance payment contracts, irrevocable consents and appointments of attorneys for service of process.
14. Increase in Home Forward Participation. Each Authorized Officer is authorized to decrease the principal amount of any loan or capital contribution authorized by this resolution by any amount, or to increase the principal amount of any such loan or capital contribution by an amount up to \$1,000,000 more than the maximum principal amount for the loan or capital contribution stated in this resolution. The Board directs the Executive Director to report to the Board if the total amount borrowed by the Partnership for the Development exceeds the aggregate maximum principal amount stated in this resolution for all loans to the Partnership.
15. Execution of Duties and Obligations. The Board authorizes Home Forward's Executive Director to cause Home Forward (whether acting on its own behalf or in its capacity as general partner of the Partnership, as applicable) to fulfill Home Forward's duties and obligations, and cause the Partnership to fulfill the Partnership's duties and obligations under the various agreements authorized by this resolution.
16. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board, Home Forward's Executive Director, Home Forward's Chief Administrative Officer, Home Forward's Chief Financial Officer, or Home Forward's Chief Operating Officer may, in the absence of such person, be taken

by the duly authorized acting Chair of the Board, acting Executive Director of Home Forward, acting Chief Administrative Officer, acting Chief Financial Officer, or acting Chief Operating Officer, respectively.

17. Changes to Titles or Parties. While the titles of and parties to the various documents listed in Exhibit A hereto may change, no change to such titles or parties shall affect the authority conferred by this resolution to execute, deliver, file (if required), enforce and perform the documents in their final form.
18. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.
19. Ratification and Confirmation. Any actions of Home Forward or its officers prior to the date hereof and consistent with the terms of this resolution (including, without limitation, the formation of the Partnership) are ratified and confirmed.

ADOPTED: DECEMBER 17, 2019

Attest:



Michael Buonocore, Secretary

Home Forward:



Mary Ann Herman, Chair

STAFF REPORTS

Procurement & Contracts Department
MONTHLY CONTRACT REPORT
Contracts Approved 10/01/21 - 11/30/21

PUBLIC IMPROVEMENT
(CONSTRUCTION & MAINTENANCE SERVICES)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2872	0	KO Construction	\$ 7,000.00	Mounting block installs for radon mitigation systems at Powellhurst	DCR	11/2/2021	3/30/2022
C2873	0	KO Construction	\$ 8,800.00	Mounting block installs for radon mitigation systems at Floresta	DCR	11/2/2021	3/30/2022
Subtotal			\$ 15,800.00				2

GOODS & SERVICES

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2859	0	Environmental Works	\$ 45,000.00	Radon mitigation for Tillicum North, Hunter's Run	DCR	10/14/2021	12/30/2021
C2670	0	M.C. Dean Inc.	\$ 2,800.00	Humboldt annual maintenance - lighting inverter and battery strings	Property Management	10/20/2021	10/31/2022
C2843	0	Purcor Pest Solutions	\$ 150,000.00	On-call pest control services; Replacing HALT Pest Control (C2524) due to name change	IFS	10/22/2021	5/3/2025
C2863	0	Diversity Alliance Protection Agency (DAPA)	\$ 66,000.00	Security Services at Humboldt	Property Management	10/25/2021	10/31/2022
C2864	0	Hibu Inc.	\$ 20,000.00	Social media marketing for the Landlord Guarantee Program	Executive	10/27/2021	6/30/2022
C2870	0	ValleyScapes Landscape Solutions	\$ 6,590.00	Landscaping at Project Open Door and Nathaniel's Way	Property Management	11/3/2021	10/31/2022
C2874	0	Environmental Works	\$ 37,000.00	Radon mitigation Powellhurst	DCR	11/3/2021	3/30/2022
C2875	0	Environmental Works	\$ 42,000.00	Radon mitigation Floresta	DCR	11/3/2021	3/30/2022
C2871	0	Teufel Landscape	\$ 50,352.00	Landscape services at SCC; including BioSwales and ecco roof	Property Management	11/8/2021	12/31/2022

C2867	0	Jason Strand	\$ 1,500.00	Graphic Design services	Executive	11/9/2021	12/31/2021
C2878	0	Carbonell Cleaning Solutions	\$ 150,000.00	On-Call Maintenance Repair Services	Property Management	11/15/2021	11/30/2024
C2887	0	Treecology Inc.	\$ 2,660.00	Pruning at Celilo	Property Management	11/18/2021	12/31/2021
C2880	0	Allied Systems NW	\$ 150,000.00	On-Call Maintenance Repair Services	Property Management	11/19/2021	11/30/2024
C2886	0	Asset Protection Partnership LTD	\$ 4,552.72	Re-key NMW	IFS	11/23/2021	6/15/2022
C2888	0	Echelon	\$ 10,000.00	Security services at NMW	IFS	11/23/2021	11/30/2022
C2890	0	Water Solutions NW Inc.	\$ 3,480.00	Monthly chemical water treatment for cooling towers at NMW	IFS	11/23/2021	11/30/2022
Subtotal			\$ 741,934.72				16

PERSONAL SERVICE CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2847	0	Cogan Consulting Partners LLC	\$ 50,000.00	Re-design of employee orientation and on-boarding program	Talent & Organizational Development	10/4/2021	1/31/2022
C2853	0	Cascade Radon Inc.	\$ 550.00	Additional radon testing at select Humboldt Gardens units	DCR	10/5/2021	3/31/2022
C2855	0	PBS Engineering & Environmental, Inc.	\$ 20,500.00	Wetland delineation and vegetation report of the Troutdale Site and a contingency scope to provide a joint permit application	DCR	10/7/2021	10/1/2022
C2860	0	PBS Engineering & Environmental, Inc.	\$ 7,250.00	Environmental Health and Safety (EH&S) consulting services at New Market West located at 135 SW Ash Street in Portland, Oregon.	IFS	10/20/2021	1/31/2022
C2861	0	KPFF Consulting Engineers	\$ 11,500.00	KPFF will be helping Home Forward with complying with the requirements of the approved DEQ WPCF Permit for Underground Injection Control (UIC) systems. This includes training of Home Forward staff.	DCR	10/20/2021	4/30/2022
C2856	0	Motus Recruiting & Staffing Inc.	\$ 20,000.00	Temporary staffing for HR Admin	HR	10/25/2021	3/31/2022
C2866	0	Moffet Energy Modeling, LLC	\$ 16,050.00	Energy modeling and earth advantage cert for Troutdale project	DCR	10/27/2021	12/1/2024

C2862	0	Cuenta Conmigo LLC	\$ 14,087.00	Administrative support and executive assistance to the Director of Equity	Executive	11/12/2021	1/31/2022
C2884	0	TRC Environmental Corporation	\$ 5,000.00	Asbestos and lead survey for Fairfield	DCR	11/15/2021	3/31/2022
C2883	0	Applied Archaeological Research, Inc.	\$ 5,860.00	Consultation Services: built environment study, archaeological assessment and documentation for Grace Peck	DCR	11/19/2021	12/31/2022
C2885	0	Elevate Energy	\$ 12,500.00	Sustainability consulting services for Grace Peck Terrace	DCR	11/19/2021	12/31/2024
Subtotal			\$ 163,297.00				11

PROFESSIONAL SERVICE CONTRACTS (A&E)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2846	0	MKE Associates, Inc	\$ 4,000.00	Update original construction documents to create permit docs at Schiller Way	DCR	10/4/2021	12/31/2021
C2852	0	Geotechnical Resources, Inc. (GRI)	\$ 105,000.00	Geotechnical construction administrative services for Powell	DCR	10/4/2021	10/1/2023
C2826	0	Professional Associates Construction Services Inc.	\$ 1,600.00	PML Report for Powell Apartments	DCR	10/15/2021	9/27/2021
C2858	0	Interface Engineering, Inc.	\$ 3,200.00	Domestic hot water investigation at Schrunk	DCR	10/19/2021	3/31/2022
Total			\$ 113,800.00				4

AMENDMENTS TO EXISTING CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C2533	4	KASA Architects, inc	\$ 1,900.00	Additional design services for structural engineering for Head Start Clegg Child Care Facility, 1425 NE Dekum.	DCR	10/5/2021	7/2/2022
C2417	4	Forensic Building Consultants	\$ 4,575.00	Additional services to perform the ventilation and microbial growth assessment at Schiller Way.	DCR	10/7/2021	1/2/2022

C2533	5	KASA Architects, inc	\$ 1,330.00	Additional service agreement for reviewing the contractor payment applications for Head Start Clegg Child Care Facility, 1425 NE	DCR	10/12/2021	7/2/2022
C2774	1	KPFF Consulting Engineers	\$ 4,500.00	Added scope of Baldwin foundation survey and extending contract time for final survey once building is complete.	DCR	10/12/2021	12/31/2021
C2255	12	Walsh Construction Co.	\$ 148,602.00	Window Panel Ports, 4th and 5th floor unit upgrades for Dahlke	DCR	10/14/2021	7/12/2022
C2556	1	Arrakis Professional Services	\$ -	On-call security for Gallagher Plaza & Sellwood; amended to add time	Prop Mgmt	10/19/2021	1/31/2022
C2795	2	Colas Construction	\$ 67,348.00	ODOT PGE Paving for powerlines across Powell	DCR	10/25/2021	11/30/2021
C2109	7	Holst Architecture	\$ 69,615.00	Powell A&E scope amendment	DCR	10/26/2021	12/31/2023
C2779	1	Bryan Potter Design	\$ 710.00	Added scope, extending completion date for Schrunck mural signage	DCR	10/26/2021	3/31/2022
C1894	5	ValleyScapes Landscape Solutions	\$ 44,694.71	Landscaping at Stephen's Creek Crossing; amended to extend contract	Prop Mgmt	10/26/2021	12/31/2021
C2764	1	Walsh Construction Co.	\$ 1,295,865.00	Design phase for Grace Peck Design-Build	DCR	10/27/2021	2/28/2023
C2092	17	Lorentz Bruun Construction	\$ 182,067.00	Amending scope to Fountain Place Design build CO #15	DCR	10/29/2021	1/31/2022
C2327	8	LMC, Inc.	\$ 99,272.11	Group 7 GMP CO #5	DCR	10/29/2021	12/31/2022
C2327	9	LMC, Inc.	\$ 28,627.06	Group 7 GMP CO #6	DCR	10/29/2021	12/31/2022
C2327	10	LMC, Inc.	\$ 96,251.10	Group 7 GMP CO #7	DCR	10/29/2021	12/31/2022
C2851	1	PBS Engineering & Environmental, Inc.	\$ 4,400.00	Add inside air assessment for Phase II ESA for Fairfield	DCR	10/29/2021	12/31/2023
C2747	2	Fulcrum Construction & Building Services LLC	\$ 119,644.36	Adding scope and time	DCR	11/1/2021	3/10/2021
C2829	1	Cascade Radon Inc.	\$ 30,240.00	Radon Testing at Medallion and Williams; amending scope	DCR	11/2/2021	1/30/2022
C2827	1	Paul Brothers	\$ 24,011.00	Additional sewer line work/asbestos abatement in existing building for Head Start clegg Child Care facility	DCR	11/3/2021	3/16/2022
C2869	1	Shauna L. Adams LCSW	\$ 6,000.00	Facilitation of Troutdale Community Advisory Committee meetings	DCR	11/3/2021	11/30/2022
C2775	1	Washington State University	\$ 13,353.00	2021 FMR study additional surveys	Rent Assistance	11/5/2021	2/28/2022

C2241	7	Bridgewater Group Inc	\$ 12,550.00	Soil management oversight at Powell	DCR	11/8/2021	12/31/2022
C2462	4	SERA Architect and Design Services	\$ 14,668.00	Adding scope to Baldwin design project	DCR	11/8/2021	11/30/2022
C2456	3	NW Enforcement	\$ 1,150.00	Security services at Powell Project; amended to extend contract	Asset Management	11/9/2021	11/30/2021
C2327	11	LMC, Inc.	\$ 104,934.31	Group 7 GMP CO #8	DCR	11/12/2021	12/31/2022
C2255	13	Walsh Construction Co.	\$ 84,976.00	3rd, 2nd, 1st floor unit doors. Extension of 13 days in time for vent line replacement.	DCR	11/15/2021	7/25/2022
C2271	3	Colas Construction	\$ 48,519,952.00	Powell CMGC GMP Amendment	DCR	11/16/2021	4/30/2024
C2553	2	Equity Hub	\$ 3,312.00	Online proposal/bid submission tool-BidLocker Plus for 4 users; amended to extend contract	Procurement	11/17/2021	11/30/2022
C2493	7	Jani-King	\$ -	On-Call Cleaning Services for vacant units and common area/office cleaning; amended scope for Ruth Haefner	Property Management	11/18/2021	3/18/2023
C2718	1	Art Larger than Me, LLC	\$ 20,290.00	Art consulting services for Baldwin project; amended to increase scope of work	DCR	11/23/2021	11/1/2022
C2841	1	Prime Legacy	\$ -	Deck rebuild at Madrona; amended to add time	Property Management	11/24/2021	12/31/2021
C2835	1	Global Transportation Engineering	\$ 3,725.00	Parking study for the Troutdale Project; additional scope of work added	DCR	11/29/2021	1/31/2022
Subtotal			\$ 51,008,562.65				32

OTHER AGREEMENTS (Revenue contracts, 3rd Party contracts, MOU's, IGA's)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
GO2719	0	Human Solutions, Inc.	\$ 170,285.00	Provide resident services at 10506 E. Burnside Project; Rule 46-0340	Community Services	10/29/2021	10/31/2024
Subtotal			\$ 170,285.00				1
Total			\$ 52,213,679.37				66

**Procurement & Contracts Department
FUTURE FORMAL PROCUREMENTS
6-Month Look Ahead - December 2021**

Estimated Contract Amount	Description	Dept.	Solicitation Period
Approx. \$3 million	A&E for Peaceful Villa	Leslie-DCR	March 2022
Approx. \$60 million	CM/GC for Peaceful Villa	Leslie-DCR	March 2022
\$1.5 million	CHSP Housekeeping & Personal Care	Community Services	TBD

HOUSEHOLDS SERVED REPORT

Households Served

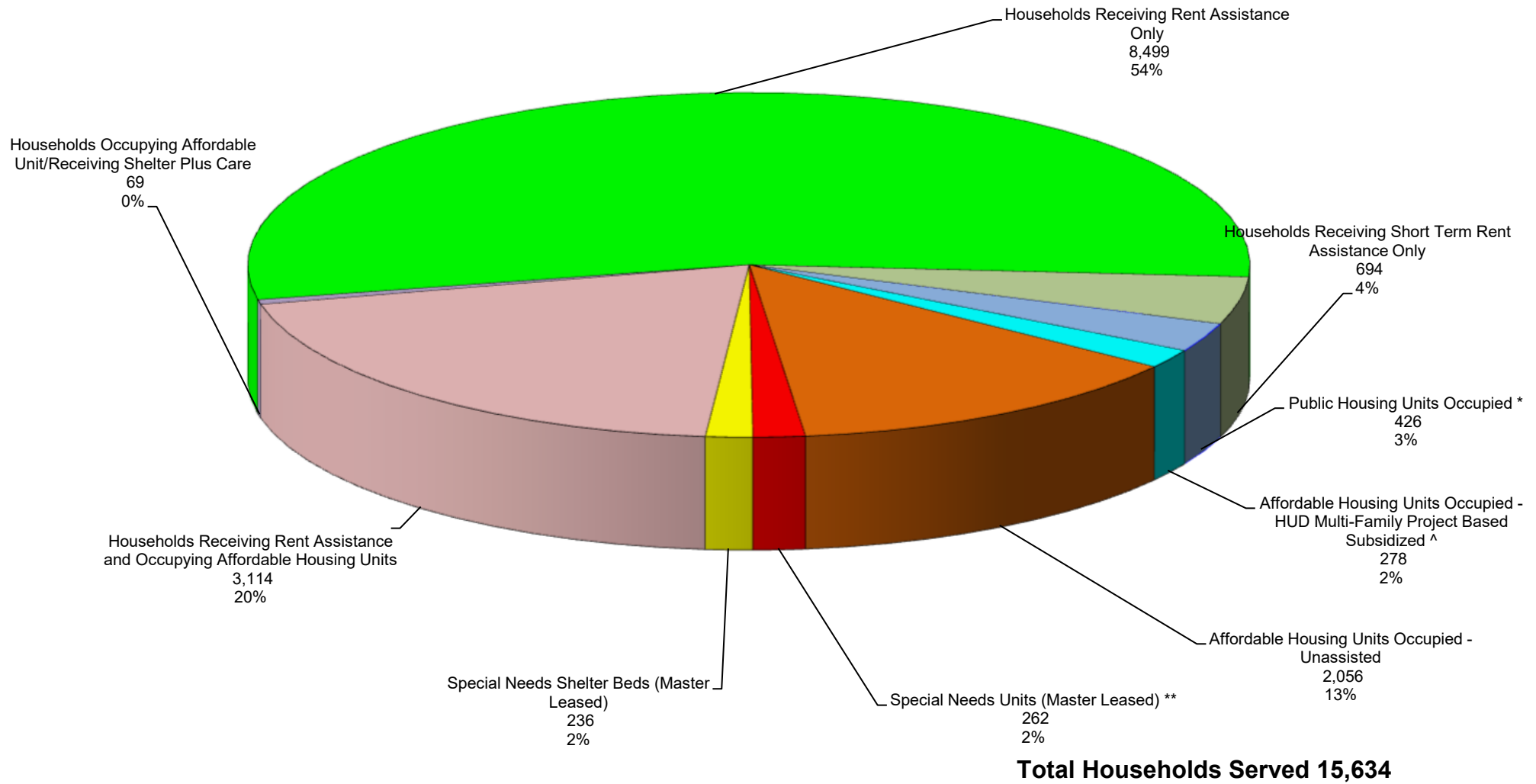
Households Served Through Housing Supports November 2021

Rent Assistance	All Programs	Moving to Work Programs	Non-MTW Programs
Rent Assistance Vouchers - Home Forward Fundec	11,613	9,301	1,954
Tenant Based Vouchers	5,056	5,056	
Project Based Vouchers	1,798	1,798	
Hi Rise Project Based Vouchers	1,099	1,099	
RAD Project Based Vouchers SRO MOD	358		
RAD Project Based Vouchers	1,348	1,348	
Single Room Occupancy (SRO)/MODS	120		120
Family Unification Program	219		219
Mainstream Vouchers	105		105
Veterans Affairs Supportive Housing (VASH)	720		720
Rent Assistance - PORT IN From Other Jurisdiction	790		790
Short Term Rent Assistance Programs	763	29	734
Shelter + Care	461		461
Locally Funded Short Term Rent Assistance	273		273
Earl Boyles	-	-	
MIF Funded Short Term Rent Assistance	-	-	
Alder School	24	24	
New Doors	-	-	
Employment Opportunity Program	5	5	
Work Systems Inc. - Agency Based Rent Assistance	-	-	
Total Rent Assistance	12,376	9,330	2,688
Subsidized Housing Units			
Public Housing Units Occupied	426	426	-
Traditional Public Housing units Occupied	426	426	
Affordable Housing Units Occupied (excluding PH subsidized)	5,517		5,517
Affordable Housing Units - Tenant Based Vouchers	227		227
Affordable Housing Units - Shelter + Care	69		69
Affordable Housing Units - Project Based Vouchers			-
Affordable Housing Units - Hi Rise Project Based Vouchers	1,099		1,099
Affordable Housing Units - RAD Project Based Vouchers	1,348		1,348
Affordable Housing Units - HUD Multi-Family Project Based	278		278
Affordable Housing Units - VASH Vouchers	416		416
Affordable Housing Units - Family Unification Program	-		-
Affordable Housing Units - Section 8 Port In	24		24
Affordable Housing Units - Unassisted	2,056		2,056
Special Needs	498		498
Special Needs Units (Master Leased) **	262		262
Special Needs Shelter Beds (Master Leased)	236		236
Total Households Occupying Housing Units	6,441	426	6,015
Total Housing Supports Provided to Household	18,817	9,756	8,703
Household Occupying Affordable Unit/Receiving Home Forward Rent Assistance	(3,114)		(3,114)
Households Occupying Affordable Unit/Receiving Shelter Plus Care	(69)		(69)
Total Households Served	15,634	9,756	5,520

Notes:

- ^A Consists of Grace Peck Terrace, Multnomah Manor, Plaza Townhomes, Rosenbaum Plaza, Unthank Plaza
- ** Special Needs are physical units as occupancy levels that are not reported to Home Forward by service providers master leasing these properties.

Total Households Served: Rent Assistance and Occupied Housing Units November 2021



^ Consists of Grace Peck Terrace, Multnomah Manor, Plaza Townhomes, Rosenbaum Plaza, Unthank Plaza

* Includes Local Blended Subsidy

** Special Needs are physical units as occupancy levels that are not reported to Home Forward by service providers master leasing these properties.

DASHBOARD REPORT

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	13	436	430	4	99.1%	8	207	129	86	6	0	436
Affordable Owned	26	2401	2,401	77	96.8%	867	704	618	182	30	0	2,401
Tax Credit Partnerships *	41	3,392	3,283	90	97.3%	969	1,186	660	422	138	17	3,392
Total Affordable Housing	67	5793	5684	167	97.1%	1,836	1890	1278	604	168	17	5,793
Combined Total PH and AH	80	6,229	6,114	171	97.2%	1,834	2,098	1,406	690	174	17	6,219
Special Needs (Master Leased)	27	262	262									
Special Needs (Shelter Beds)	3	236	236									
Total with Special Needs	110	6,727	6,612									

* Excludes Louisa Flowers- has not fully leased up yet

Financial

Public Housing
Affordable Owned
Tax Credit Partnerships

Fiscal YTD ending 9/30/21						09/30/21		
# of Properties/units Positive Net Operating Income (NOI)		# of Properties/units Negative Net Operating Income (NOI)		# of Properties/units Under Construction (NOI Does not Apply)		# of Properties meeting Debt Coverage	# of Properties not meeting DCR	# of Properties DCR Not Applicable
12	416	1	20					
23	1,430	4	971			16	3	7
26	1,647	10	748	997	5	17	7	17

Public Housing Demographics

Public Housing Residents

0 to 10% MFI
11 to 20%
21 to 30%
31 to 50%
51 to 80%
Over 80%
All

Households				% Family Type (head of household)				Race % (head of household)					
# 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 Islnd	Hispanic/ Latino
86	20.7%	2.3	2.0	50.0%	50.0%	22.1%	19.0%	26.7%	59.3%	5.8%	2.3%	1.2%	23.3%
180	43.4%	1.6	1.4	82.2%	18.0%	67.8%	70.0%	20.6%	67.8%	2.2%	6.7%	1.1%	10.6%
75	18.1%	2.0	1.7	72.0%	28.0%	60.0%	51.0%	17.3%	70.7%	1.3%	8.0%	1.3%	13.3%
51	12.3%	2.9	2.2	56.9%	43.0%	45.1%	31.0%	27.5%	60.8%	3.9%	2.0%		17.7%
20	4.8%	2.6	2.3	55.0%	45.0%	45.0%	40.0%	20.0%	70.0%		5.0%		20.0%
3	0.7%	3.0	2.3	66.7%	33.0%	66.7%	33.0%	33.3%	66.7%				33.3%
415	100%	2.0	1.7	69%	31%	53%	49.5%	22.2%	65.8%	2.9%	5.3%	1.0%	15.2%

Waiting List

0 to 10% MFI
11 to 20%
21 to 30%
31 to 50%
51 to 80%
Over 80%
All

3,784	42.7%	2.2	0.4	4.7%	50.2%	31.0%	2.8%	1.5%	5.2%	6.2%	177.6%	5.2%	6.7%	2.0%
2,959	33.4%	2.1	0.5	12.0%	51.8%	28.9%	5.5%	1.1%	4.7%	4.6%	166.5%	4.6%	4.4%	0.4%
1,256	14.2%	2.4	0.3	12.3%	47.2%	26.7%	6.2%	1.1%	6.3%	9.8%	189.9%	6.1%	7.9%	0.3%
661	7.4%	2.7	0.3	13.2%	49.2%	23.6%	10.7%	3.0%	4.8%	6.6%	208.7%	5.1%	8.2%	0.1%
130	1.5%	2.7	0.2	7.5%	47.4%	22.6%	8.3%	2.3%	3.0%	9.8%	210.5%	5.0%	5.9%	0.0%
78	0.9%	2.2	0.3	7.6%	35.4%	48.1%	6.3%	2.5%	3.8%	1.3%	175.9%	3.3%	6.7%	0.0%
All	8,868	100.0%	2.2	0.4		29.2%	4.9%	1.4%	5.1%	6.2%	178.4%	5.1%	6.2%	

Other Activity

Public Housing
Names pulled from Wait List
Denials
New rentals
Vacates
Evictions

162
2
4
4
0

Rent Assistance Performance Measures

Utilization and Activity

	Current Month Status						Current Month Activity				Calendar Year To Date				
	Authorized Vouchers	Utilized Vouchers	Utilization	Average Voucher	HUD Subsidy Over / (Under)	Remaining Waiting List	Waiting List Names	New Vouchers Leased	Vouchers Terminated	Voucher Inspections Completed	Utilization	Average Voucher	HUD Subsidy Over / (Under)	New Vouchers Leased	Vouchers Terminated
Tenant Based Vouchers	5,789	5,056	87%	\$794	-759,987	875	0	8	9	517	88%	\$787	-8,466,691	268	175
Project Based Vouchers	3,168	2,897	91%	\$874	-74,534			14	5	87	94%	\$871	-444,750	364	255
VASH Vouchers	1,045	720	69%	\$752	-19,913			2	2	97	69%	\$763	-85,503	91	35
FUP Vouchers	244	219	90%	\$969	36,661			1	0	18	88%	\$971	364,503	37	5
Mainstream Vouchers	229	105	46%	\$906	-70,489			3	0	27	41%	\$93	-1,726,299	32	6
RAD Project Based Vouchers	1,419	1,348	95%	\$720	-29,314			0	2	61	95%	\$65	-10,029,404	229	115
SRO/MOD Vouchers	130	120	92%	\$497	-1,177			0	1	4	94%	\$493	-4,970	19	24
Emergency Housing Vouchers	476	0	0%	\$0	0			0	0	0	0%	\$0	0	0	0
All Vouchers	12,500	10,465	84%	\$805	-918,753			28	19	811	88%	\$710	-20,393,113	1040	615

Home Forward - Dashboard Report For November of 2021

Demographics

	Households				% Family Type (head of household)				Race % (head of household)					
	# 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 Islnd	Hispanic/ Latino
Tenant Based Voucher Participants *														
0 to 10% MFI	1,166	17.6%	2.4	2.0	50.1%	50.0%	21.6%	30.0%	39.4%	47.3%	3.3%	2.0%	0.9%	9.3%
11 to 20% MFI	2,940	44.5%	1.8	1.7	79.2%	21.0%	62.3%	70.0%	33.2%	55.0%	1.8%	6.1%	0.4%	5.4%
21 to 30% MFI	1,324	20.0%	2.3	2.0	65.9%	34.0%	53.0%	56.0%	34.6%	55.1%	1.6%	3.9%	1.4%	7.2%
31 to 50% MFI	948	14.3%	2.8	2.3	50.2%	50.0%	37.0%	35.0%	44.2%	45.2%	2.2%	3.0%	1.6%	9.0%
51 to 80% MFI	211	3.2%	2.6	2.4	54.0%	46.0%	27.0%	30.0%	45.5%	43.1%	2.4%	2.8%	1.0%	8.5%
Over 80% MFI	20	0.3%	3.3	2.9	50.0%	50.0%	25.0%	20.0%	45.0%	40.0%		5.0%		5.0%
All	6,609	100%	2.2	1.9	66.3%	33.8%	48.4%	53.7%	36.6%	51.8%	2.1%	4.4%	0.9%	7.1%

* (Includes Tenant Based, FUP, VASH, Mainstream and Port In Vouchers)

Project Based Voucher Participants

	Households				% Family Type (head of household)				Race % (head of household)					
	# 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 Islnd	Hispanic/ Latino
0 to 10% MFI	1121	28.2%	2.0	1.2	62.8%	37.0%	28.8%	31.0%	22.1%	65.7%	4.3%	1.4%	1.4%	16.2%
11 to 20%	1885	47.4%	1.5	0.9	84.0%	16.0%	62.9%	70.0%	23.3%	66.0%	3.2%	3.3%	0.8%	9.1%
21 to 30%	578	14.5%	2.1	1.3	71.6%	28.0%	57.8%	54.0%	22.7%	67.8%	2.1%	2.9%	0.7%	10.0%
31 to 50%	323	8.1%	2.7	1.9	52.9%	47.0%	39.0%	29.0%	30.0%	57.9%	3.4%	1.6%	1.9%	22.3%
51 to 80%	63	1.6%	2.9	2.3	50.8%	49.0%	39.7%	22.0%	36.5%	50.8%	4.8%	4.8%		25.4%
Over 80%	8	0.2%	3.9	2.9	37.5%	63.0%	37.5%	13.0%	12.5%	87.5%				50.0%
All	3,978	100%	1.9	1.2	73%	27%	50%	52.5%	23.6%	65.3%	3.4%	2.6%	1.0%	12.6%

Waiting List

	Households				% Family Type (head of household)				Race % (head of household)						Not Reported
	# 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 Islnd	Hispanic/ Latino	
0 to 10% MFI	224	32.2%	2.0				2.9%	26.0%	30.3%	56.3%	4.0%	2.3%	0.9%	7.0%	0.6%
11 to 20%	234	27.2%	1.9				17.6%	55.4%	26.0%	59.8%	2.0%	5.7%	1.4%	4.6%	0.7%
21 to 30%	138	20.3%	2.0				18.6%	43.0%	19.5%	67.9%	0.9%	3.6%	0.9%	5.3%	0.9%
31 to 50%	88	16.7%	2.5				9.9%	23.6%	27.5%	55.5%	3.9%	5.0%	1.1%	5.5%	0.6%
51 to 80%	9	2.9%	2.2				16.1%	19.4%	41.9%	35.5%		6.5%		10.3%	3.2%
Over 80%	2	0.6%	2.9						28.6%	42.9%			14.3%	4.6%	
All	695	100.0%	2.1				12.0%	38.8%	26.5%	59.4%	2.6%	4.1%	1.1%	5.7%	1.0%

Short Term Rent Assistance

	# of Households Participating	\$ Amount of Assistance Provided	Average Cost per Household
Shelter Plus Care	461	444,257	\$963.68
Short Term Rent Assistance	302	277,434	\$919

Resident Services

Resident Programs

Housing Program Served	Households Served/	Monthly Funding Amount	Average Funds per Participant
Congregate Housing Services	Public Housing	146	\$80,273
* as of previous month			\$549.81

Resident Services Coordination Public Housing

# Services	# of Programs	# Event Attendees	# Notice/Violation Meetings	# Eviction Notices	# Housing Stability Meetings
662	40	448	4	3	26

Development/Community Revitalization**New Development / Revitalization**

	Units	Construction Start	Construction End	Current Phase	Total Cost	Cost Per Unit
North Group Rehab Project	350	18-Dec	30-Sep	Post -Construction	\$101,323,805	\$289,496
East Group Rehab Project	315	19-Jun	21-Mar	Construction	\$79,925,247	\$253,731
Fountain Place Rehab Project	74	20-Mar	21-Dec	Construction	\$32,804,443	\$443,303

Capital Improvement

Gretchen Kafoury Windows Replacem	N/A	21-Mar	21-Sep	Pre-Construction	\$875,000	N/A
Sequoia Elevated Deck	N/A	21-Mar	21-Sep	Pre-Construction	\$1,822,000	N/A
Schiller Way Elevated Deck Project	N/A	21-Mar	21-Jun	Pre-Construction	\$204,000	N/A
Kelly Place Elevated Deck	N/A	21-Mar	21-Jun	Pre-Construction	\$136,016	N/A