

## **PUBLIC NOTICE:**



Home Forward  
BOARD OF COMMISSIONERS  
will meet on  
Tuesday, December 19, 2023  
At 5:30 pm  
Zoom Register here:

<https://homeforward.zoom.us/j/88189870948?pwd=niOU0CdtanlvMRhP7Lko66pxy3o2d.1>



**MEMORANDUM**

To: Community Partners Date: December 13, 2023

From: Ivory N. Mathews, Chief Executive Officer Subject: Home Forward Board of Commissioners December Meeting

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The Board of Commissioners of Home Forward will meet on Tuesday, December 19 at 5:30 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:  
<https://homeforward.zoom.us/j/88189870948?pwd=niOU0CdtanltvMRhP7Lko66pxy3o2d.1>

The commission meeting is open to the public.

# AGENDA



**BOARD OF COMMISSIONERS MEETING**

**HOME FORWARD  
135 SW ASH STREET  
PORTLAND, OREGON**

<https://homeforward.zoom.us/j/88189870948?pwd=niOU0CdtanltvMRhP7Lko66pxy3o2d.1>

**VIA ZOOM**

**DECEMBER 19, 2023, 5:30 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 21, 2023 Board of Commissioners Virtual Meeting |

**REPORTS AND RESOLUTIONS**

| Following Reports and Resolutions: |  |                             |                              |
|------------------------------------|--|-----------------------------|------------------------------|
| 23-12                              | Topic  | Presenter/POC               | Phone #                      |
| 02                                 | Authorize Fiscal Year 2024 Budget  | Kandy Sage                  | 503.802.8585                 |
| 03                                 | Authorize Home Forward Insurance Renewals  | Kandy Sage                  | 503.802.8585                 |
| 04                                 | Authorize Construction Contract and Funding Increase for Hazel Ying Lee Apartments | Amanda Saul<br>Patrick Rhea | 503.802.8552<br>503.802.8311 |

|    |   |                             |                              |
|----|---|-----------------------------|------------------------------|
| 05 | <b>Authorize Sponsor Loan for 3000<br/>Powell Limited Partnership</b> | Amanda Saul<br>Patrick Rhea | 503.802.8552<br>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 2024 Board Work Sessions will be quarterly with the next meeting in February 2024 date yet to be confirmed. The next Board of Commissioners meeting will be Tuesday, January 16, 2024.

**EXECUTIVE SESSION**

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

**HOME FORWARD INSURANCE GROUP LLC BOARD**

The Home Forward Insurance Group LLC Board will meet following to the December 19, 2023, Board of Commissioners meeting.

**ADJOURN**

# MINUTES



BOARD OF COMMISSIONERS MONTHLY MEETING  
HOME FORWARD  
HELD VIRTUALLY  
135 SW Ash Street Portland, OR 97204  
November 21, 2023

**COMMISSIONERS PRESENT**

Chair Damien Hall, Vice Chair Matthew Gebhardt, Treasurer Jenny Kim, Commissioners TomiRene Hettman, Rakeem Washington

**STAFF PRESENT**

Elise Anderson, Dena Ford-Avery, Ian Davie, Juli Garvey, Carolina Gomez, Biljana Jesic, Ivory Mathews, Kitty Miller, Kandy Sage, Amanda Saul, Kellie Shaw, Ian Slingerland, Celia Strauss, Jonathan Trutt, Linda Uppinghouse, Nikolai Ursin, Terren Wing

**LEGAL COUNSEL**

Sarah Stauffer Curtiss

Chair Damien Hall convened the meeting of the Board of Commissioners at 5:35 PM.

Cathy Millis, Dahlke Manor resident said there is a settled feeling at the property and residents are getting acquainted with the new property manager Hani. She addressed resident's frustration with the community room unavailable during weekends, holidays or when management is not on site. They are hopeful for a positive outcome and recognize it is out of their control.

Chair Damien Hall thanked Millis for her continuing updates and hoped that things will smooth out with the new manager.

Shaun Irelan, resident at Medallion Apartments for eleven years shared concerns around access to the kitchen, BBQ, laundry, and community rooms. After undergoing improvements two years ago, access by the residents has not been restored to the levels previously enjoyed. According to Irelan, property management doesn't provide a clear explanation of "reasonable use" and feels there is a disconnect between what is said and

what is outlined in the property management plan. Restricted access is unreasonable and when the issue is addressed, residents feel there is retaliatory action. Speaking directly to staff has failed. Irelan is requesting the Board to follow up with these concerns. Chair Damien Hall thanked Irelan for bringing the concerns to the commissioners and will ask staff to investigate the concerns raised.

Jesse O'Brien resident at Unthank Plaza raised safety concerns at the property. He has been subjected to mold, exposure to an illegal chemical used for bedbugs and generator smoke. He has requested a reasonable accommodation. There have been three fires at the property and in some cases proper mediation did not happen. Due to these fires, he has lost property, been hospitalized and displaced. There is a list of residents who share his concerns for their safety but are scared to say something in fear of retaliation. He thanked the Board for the hearing the resident concerns at Unthank.

Chair Hall thanked O'Brien for speaking, saying it is tough to hear what you've gone through. He welcomed hearing O'Brien was in a safe place and assured him the board would work with staff to address the issues he brought forth.

## **MEETING MINUTES**

### **Minutes of the October 17, 2023 Board of Commissioners Virtual**

Chair Damien Hall requested a motion authorizing approval of the minutes for the October 17, 2023 Board of Commissioners Meeting.

There being no discussion, Vice Chair Matthew Gebhardt moved to approve the meeting minutes. 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 TomiRene Hettman—Aye  
Commissioner Rakeem Washington—Aye

## **BOARD OF COMMISSIONERS NOMINATING COMMITTEE REPORT**

Chair Damien Hall presented the proposed slate of officers for 2024. Convening the Executive Committee consisting of Chair Hall, Vice Chair Gebhardt and Treasurer Kim the succession plan for 2024 will be Chair Matthew Gebhardt, Vice Chair Jenny Kim, Chair



Emeritus and Treasurer Damien Hall. Hall is the interim treasurer until interest in joining the board materializes. Chair Hall opened it up for discussion. Commissioner Rakeem Washington appreciated all three for taking on their new roles. Chair Hall congratulated Commissioners Gebhardt and Kim and he is looking forward to the new year having Gebhardt and Kim running with it. There was unanimous support from the commissioners for the 2024 slate of officers.

## RESOLUTIONS

### **Resolution 23-11-01 Clarity the Language of Home Forward Bylaws Article VIII, Section 1.1 to Align with “Housing Project” as Defined in Oregon Revised Statutes**

Ian Davie, Chief Operating Officer presented the resolution as a prudent measure of clarification. With Treasurer Kim’s recent employment with Partners in Diversity and Home Forward being a member, Treasurer Kim asked for clarity there was no conflict of interest. Following guidance from Stoel Rives the amended bylaws clarifies the conflict of interest and Davie highlighted these changes, adding the proposed changes were reviewed with the board’s executive committee. Davie noted that we can anticipate some other bylaws housing keeping in the new year.

Chair Hall appreciated the leadership on this, the work counsel Curtiss provided, and Commissioner Kim for asking the question to be sure we are in good stead.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 23-11-01. Vice Chair Matthew Gebhardt moved to adopt Resolution 23-11-01. Commissioner TomiRene Hettman seconded the motion.

The vote was as follows:

- Chair Damien Hall—Aye
- Vice Chair Matthew Gebhardt—Aye
- Treasurer Jenny Kim—Abstained
- Commissioner TomiRene Hettman—Aye
- Commissioner Rakeem Washington—Aye

### **Resolution 23-11-02 Authorize Actions Necessary to Provide Property Tax Exemption Terracina Vista Apartments**

Jonathan Trutt, Development Director presented the resolution and the request to provide Terracina Vista with a property tax exemption. Trutt explained the patchwork of property tax exemptions throughout the area. He reminded the board that we have developed policy guidelines with help from the Real Estate and Development Committee describing

how we as a housing authority can participate as a special limited partner within an ownership structure. In 2021, we entered into an Intergovernmental Agreement with the City of Gresham and the board passed Resolution 21-09-03 which extends through June 30, 2024. Trutt reviewed the key facts of the Terracina Vista project and in closing noted the READ Committee as been reviewing the progress for several months, as has our legal counsel.

Before requesting a motion, Chair Damien Hall said he will be recusing himself from the vote, as two clients of his firm are involved in the project. There being no further discussion, Chair Hall requested a motion to approve Resolution 23-11-02. Treasurer Jenny Kim moved to adopt Resolution 23-11-02. Commissioner TomiRene Hettman seconded the motion.

The vote was as follows:

Chair Damien Hall—Abstained  
Vice Chair Matthew Gebhardt—Aye  
Treasurer Jenny Kim—Aye  
Commissioner TomiRene Hettman—Aye  
Commissioner Rakeem Washington—Aye

### **Resolution 23-11-03 Authorize Execution of a Contract for Professional Architecture and Engineering Services for Civic Drive**

Development Director Jonathan Trutt presented the resolution noting that there were two resolutions highlighted in the memo. Trutt introduced Nikolai Ursin, new Project Manager for Civic Drive. Civic Drive is a new construction project on a site owned by Metro in Gresham. Home Forward has eyed this property since 2017, and Trutt gave a rundown of how we got here. The project will provide approximately 60 affordable homes for families all with project-based rental assistance. We have an agreement with culturally specific provider, Immigrant and Refugee Coalition of Oregon (IRCO), Trutt walking through IRCO's agreement. One point of interest is that all homes will come with rent assistance provided through HUD's Faircloth to RAD initiative. No household will pay more than 30% of its total income for housing and utilities.

Following the 2017 competitive processes and the similarities today, RFPs for Architectural/Engineering Services and Construction Manager/General Contractor Services were issued. Treasurer Jenny Kim appreciated staff fostering the partnership with a community organization. Vice Chair Gebhardt agreed and was excited for the Faircloth to

RAD project-based assistance and hearing lessons learned and what the future supply of project-based vouchers looks like.

Chair Hall agreed with his fellow commissioners and expressed appreciation to Trutt and his team for staying out in front of new innovations to make programs work.

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 23-11-03 requesting contract authorization for architecture and engineering services with Hacker Architects in the amount of not-to-exceed \$1,400,000. Commissioner TomiRene Hettman moved to adopt Resolution 23-11-03. Vice Chair Matthew Gebhardt seconded the motion.

The vote was as follows:

Chair Damien Hall—Aye

Vice Chair Matthew Gebhardt—Aye

Treasurer Jenny Kim—Abstained

Commissioner TomiRene Hettman—Aye

Commissioner Rakeem Washington—Aye

There being no further discussion, Chair Damien Hall requested a motion to approve Resolution 23-11-04 requesting authorization for pre-construction services from Bremik and its subcontractors in an amount not-to-exceed \$200,000. Trutt noted that the dollar amount is under the \$1 million board threshold. At a later date, staff will be presenting a contract amendment for a construction guaranteed maximum price.

Vice Chair Matthew Gebhardt moved to adopt Resolution 23-11-04. Commissioner Rakeem Washington seconded the motion.

There being no further business, Chair Damien Hall adjourned the meeting at 6:15 PM.

**Celia M. Strauss**

**Recorder, on behalf of**

**Ivory N. Mathews, Secretary**

ADOPTED: DECEMBER 19, 2023

Attest:

Home Forward:

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Ivory N. Mathews, Secretary

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Damien R. Hall, Chair

# RESOLUTIONS



**MEMORANDUM**

To: Board of Commissioners

Date: December 19, 2023

From: Kandy Sage  
Chief Financial Officer  
503.802.8585

Subject: Fiscal Year 2024 Budget  
Resolution 23-12-02

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The Board of Commissioners is requested to approve Home Forward's Fiscal Year (FY) 2024 budget the period of January 1 to December 31, 2024.

The budget is comprised 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 47)
- D. Additional Attachments (pages 48 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 approximately 17,598 households.
- Housing choice voucher department will implement new payment standards at a minimum of 100% of 2024 Fair Market Rent for our 3 East County Zones, 105% for SRO, Studio, and 1-bedroom units, and 110% for 2-bedroom and larger units in

the rest of Multnomah County. Special Purpose Vouchers (EHV, Stability Vouchers, and VASH) will continue to have payment standards set at 120% of Fair Market Rent.

- Occupancy is budgeted at forecasted levels by property and averages 98% for public housing units and 97% for the remainder of the portfolio.
- Staffing levels are expected to decrease 6.7 in full time equivalents to 363.4 as a result of thorough review of our position control system. In 2023 Home Forward migrated to a fully integrated position control software in our ADP payroll system. At the time of conversion, corrections were made to position control to close previously eliminated positions and to remove duplicate positions from the system.
  - Agency funded 299.9
  - Other legal entity funded 63.5

Key financial highlights for the Fiscal Year 2024 budget include (numbers may differ slightly from source documents due to rounding):

- Annual operating revenues are projected to be \$262.1 million, an increase of \$20.8 million driven primarily by an increase in funding in our locally funded long-term rent assistance program and an increase in developer fee earnings.
  - Dwelling rental is estimated to be \$27.8 million, an increase of \$2.6 million from FY 2023.
  - HUD subsidies will provide over \$173.6 million in funding, an estimated increase from FY 2023 of \$3.6 million.
  - State, Local & Other grants are estimated to be \$30.9 million, an increase of \$15.1 million from FY 2023.
- Annual operating expenses are projected to be \$262.1, an increase of \$29.1 million driven primarily by increases in housing assistance payment standards for FY2024 and personnel expense as a result of the 2023 compensation study and new living wage floor.
  - Housing assistance payments are estimated to be approximately \$171.2 million, an increase from FY 2023 of \$20.5 million.
  - Personnel expense is expected to be approximately \$42 million, an increase from FY 2023 of \$4.9 million.

- Earned developer fees are expected to total \$13.7 million with \$12.5 million in cash payments anticipated during this fiscal year.
- Based on the impact of items above, Home Forward anticipates a net operating loss for the year in the amount of \$257 thousand.
- Investment income is expected to yield \$454 thousand along with \$2.0 million in interest expense in FY 2024.
- Capital contributions are estimated to be \$991 thousand for the year, a decrease of \$3.3 million.
- The combined impact yields a \$614 thousand increase in change to net position after reserve funding.
- 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.

## CONCLUSION

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.





RESOLUTION 23-12-02

**RESOLUTION 23-12-02 APPROVING AND ADOPTING HOME FORWARD'S BUDGET FOR THE FISCAL YEAR ENDING DECEMBER 31, 2024**

**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 2024 budget to administer the programs and accomplish the objectives of the Agency for the period beginning January 1, 2024 and ending December 31, 2024; 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, 2024.

Adopted: December 19, 2023

Attest:

Home Forward:

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Ivory N. Mathews, Secretary

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Damien R. Hall, Chair



**home**forward

# FY24 Budget

January 1, 2024, through December 31, 2024

Original Submission:  
December 15, 2023



# Table of Contents

|   |           |
|---|-----------|
| <b>Management Discussion</b>  | <b>1</b>  |
| <hr/>   |           |
| <b>Operating Statement &amp; Summary of Funding Flow</b>                                  | <b>7</b>  |
| <hr/>   |           |
| <b>Line Item Analysis &amp; Assumptions</b>   | <b>9</b>  |
| <hr/>   |           |
| <b>Operating and Administrative Segment Review</b>  | <b>14</b> |
| <hr/>   |           |
| FY24 Operating Statement by Operating Group.....  | 14        |
| FY24 Funding Flow Analysis By Operating Group .....                                       | 15        |
| FY24 Staffing Summary by Operating Group .....  | 16        |
| Budget Commentary – Rent Assistance.....  | 17        |
| Budget Commentary – Public Housing Portfolio .....  | 23        |
| Budget Commentary – Affordable Housing Portfolio .....                                    | 25        |
| Budget Commentary – Asset Management .....  | 27        |
| Budget Commentary – Property Management.....  | 28        |
| Budget Commentary – Safety.....   | 31        |
| Budget Commentary – Integrated Facilities Services.....                                   | 33        |
| Budget Commentary – Development & Community Revitalization .....                          | 35        |
| Budget Commentary – Community Services.....   | 42        |
| Budget Commentary – Administration .....  | 45        |
| Budget Commentary – Real Estate Finance.....  | 47        |
| <br>  |           |
| <b>Attachments</b>  | <b>48</b> |
| <hr/>   |           |
| Summary of Moving to Work Initiative Funds.....   | 48        |
| FY24 Estimated Households Served by Category .....  | 51        |
| FY24 Estimated Rent Assistance Households Served by Category .....                        | 52        |
| Subsidy Proration Trends.....   | 53        |
| Cumulative Change in HCV Funding vs. Cumulative Change in Metro Area Apartment Rent ..... | 54        |
| Acronym Key .....   | 55        |
| FY24 Operating Statement by Operating Group.....  | 58        |
| FY24 Funding Flow Analysis by Operating Group.....  | 59        |

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# Management Discussion

**This document presents the planned activities and financial budget for Home Forward for the twelve months beginning January 1, 2024, and ending December 31, 2024 (FY24).**

## 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 Board appoints the Chief Executive Officer and is responsible for the daily functioning of Home Forward.

Home Forward is one of only 39 original public housing authorities in the country (out of more than 3,000) that had been selected by the US 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 specific federal requirements, enabling the merger of Housing Choice Voucher & administrative funds and Public Housing Operating & Capital Funds into a single fund, which allows Home Forward to create and implement innovative programs across its five main mission-based business lines.

The main mission-based business lines are:

- Real Estate Properties – Home Forward owns, manages, or is a partner in 111 properties with 6,536 units. Of these, 42 properties with 3,352 units are owned through tax credit partnerships, of which Home Forward is the minority owner. This document does not include the forecasted and budgeted results of these 42 tax credit properties.

For public housing properties, revenue is generated from two primary 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 creates revenue from overseeing affordable properties our jurisdictional partners own.

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Home Forward's Property Management group oversees the daily operations, compliance, and maintenance at 46 properties (3,275 physical units). The group generates property management fees to cover costs and 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. Home Forward provides rent assistance to over 14,000 households through these programs annually. These short-term initiatives began in FY20 and will continue into the FY24 fiscal year.

The Housing Choice Voucher Program (Section 8) is the most extensive 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 and administration of community housing and service partnerships throughout Multnomah County. Programs include congregate supportive housing and family self-sufficiency programs. Cost reimbursement grants and property fees typically fund these programs.
- Development – includes work on large-scale development projects such as 85 Stories (part of Home Forward's public housing preservation initiative), Metro Bond housing affordable housing developments, and improvement of our existing properties using capital grants, local grants, and mainstream financing products. Revenue for this group is generated from developer fees, which may be earned in one reporting period but paid in a different period.

## 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 a Generally Accepted Accounting Principle (GAAP) format and a Funding Flow (simplified operating cash basis) format. The reader must understand this distinction, as specific revenue and expense items may be recorded in one fiscal year. At the same time, 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's 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 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 2023 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 selling real estate are generally dedicated to acquiring, developing, and preserving real estate assets.

## Budget Summary

### Key Activities and Financial Highlights for Fiscal Year 24

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

Key activities planned for Fiscal Year 24 include:

- Development will provide development services to 3000 Powell LP, Dekum 2 LP, Fairfield PSH LP, Killingsworth Housing LP, GPT LP, Peaceful Villa Redevelopment, Troutdale Housing, and other capital projects. Development is projected to earn \$13.7 million in developer fees from these projects.
- Public Housing will serve 381 households in 9 public housing properties, with an expected occupancy of 98%. Public Housing units continue to decline as they convert to voucher-based units through the RAD/Section 18 program.
- Home Forward's Affordable Portfolio properties will serve 6,346 households, given the expected average occupancy rate of 97%. Home Forward-owned affordable properties are expected to serve 2,302 families, tax credit limited partnerships will serve 3,352 households, and master leased properties will serve 501 households.
- In FY23, Home Forward exhausted the current waitlist and opened a new waitlist for the first time since FY16. Over 19,000 households applied, and 2,000 were selected and placed on the waiting list. Selection of these households to receive a Housing Choice Voucher will start in FY24, with a projected 1,200 households being pulled from the waitlist.

Financial highlights of the upcoming budget include:

- Annual operating revenues are projected to be \$262 million. This is mainly due to the following:
  - \$13.7 million in developer fee revenue from 3000 Powell LP (\$5.0 million), Dekum 2 LP (\$2.6 million), Fairfield PSH LP (\$0.8 million), GPT LP (\$1.7 million), Killingsworth Housing LP (\$2.5 million), Peaceful Villa Redevelopment (\$0.8 million), and Troutdale Housing LP (\$0.3 million) projects.
  - Public Housing Operating Subsidy revenue of \$5.4 million, including \$776 thousand in Asset Repositing Fees, reflects an estimated proration of 95.
  - HUD funding for Housing Choice Vouchers is projected to maintain a proration level of 100%.
  - Admin fees will increase by \$187 thousand due to increased HUD proration.

- Annual operating expenses are projected to be \$262.0 million. This is mainly due to the following:
  - Of the \$262.0 million operating expenses, \$171.2 million represents rent assistance payments made directly to landlords on behalf of Home Forward participants. Home Forward's operating expenses would be \$90.8 million without rent assistance payments.
  - Personnel expenses will be \$45.4 million for the upcoming budget year.
  - Other administrative expenses will be \$16.3 million, primarily due to investment in Home Forward's information technology infrastructure, including activity related to additional development within Yardi Voyager, property management fees of \$1.4 million, and third-party payroll costs of \$2.4 million.
  - Other tenant services expenses will be \$4.2 million, primarily due to \$1.5 million related to the Congregate Housing Services Program (CHSP) and \$501 thousand for support services at Bud Clark Commons.
  - Other maintenance expenses will be \$9.1 million due to significant maintenance projects at multiple affordable properties in FY24.
- Based on the impact of the above items, operating loss is projected to be \$257 thousand.
- Investment income is expected to yield \$463 thousand and \$2.0 million in interest expense in FY24.
- The combined impact yields a \$614 thousand increase in change to net position.

### Impact on Funding Flow

As noted in the Budget Principles section, the agency presents its budget in a GAAP presentation and 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. Development activities will (at a minimum) break even throughout the life of its various projects.

A funding flow summary by operating group is presented below:

|                                | Operating<br>Income/(Loss)<br>after Overhead | Department<br>Capital and<br>Financing<br>Uses | Non-Reserve<br>Funding Flow<br>Adjustments | Unrestricted<br>Cash from<br>Current<br>Operations | Additions to<br>Reserves | Other Reserve<br>Transfers<br>In/(Out) to<br>Fund Current<br>Activities | Net funding<br>Flow |
|--------------------------------|--|--|--|--|--------------------------|---|---------------------|
| <b>Program Group</b>           |  |  |  |  |                          |   |                     |
| Rent Assistance                | 5,902,559                                    | -  | -  | -  | -                        | (5,902,559)   | -                   |
| Public Housing Properties      | 1,754,641                                    | -  | 629,939                                    | -  | (100,000)                | (2,284,580)   | -                   |
| Affordable Housing Properties  | 4,707,385                                    | -  | 710,206                                    | 2,573,464  | (600,001)                | (7,391,054)   | -                   |
| Asset Management               | (4,321,271)                                  | -  | -  | -  | -                        | 4,321,271   | -                   |
| Property Management            | (6,009,169)                                  | -  | 8,482                                      | -  | -                        | 6,000,687   | -                   |
| Safety                         | (1,719,701)                                  | -  | -  | -  | -                        | 1,719,701   | -                   |
| Integrated Facilities Services | (199,816)                                    | -  | -  | -  | -                        | 199,816   | -                   |
| Community Services             | (5,264,935)                                  | -  | -  | 475,224  | -                        | 4,789,711   | -                   |
| Other                          | (2,396,788)                                  | -  | (72,868)                                   | 551,463  | -                        | 1,918,193   | -                   |
| <b>Program Group Total</b>     | <b>(7,547,095)</b>                           | <b>-</b>                                       | <b>1,275,759</b>                           | <b>3,600,151</b>                                   | <b>(700,001)</b>         | <b>3,371,186</b>  | <b>-</b>            |
| <br>                           |  |  |  |  |                          |   |                     |
| Development                    | 7,290,480                                    | -  | (13,715,300)                               | 13,716,360   | -                        | (7,291,540)   | -                   |
| <b>Total Agency</b>            | <b>(256,615)</b>                             | <b>-</b>                                       | <b>(12,439,541)</b>                        | <b>17,316,511</b>                                  | <b>(700,001)</b>         | <b>(3,920,354)</b>  | <b>-</b>            |

“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” reflects 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 the current year's 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 in agency reserves.

Net reserves are dedicated to the following identified purposes:

- \$12.5 million of collected development fee revenue is transferred to reserves and is used to cover department operations and fund project costs that span multiple fiscal years.
- To ensure adequate reserve levels for Home Forward, \$100 thousand will be directed to an insurance reserve, and \$600 thousand will be contributed to a capital reserve for the Affordable portfolio.

### Staffing Update

Home Forward staff provide services 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 |                |                |                          |
|--|----------------|----------------|--------------------------|
|  | FY23<br>Budget | FY24<br>Budget | Increase /<br>(Decrease) |
| Agency Funded                                  | 307.7          | 297.9          | (7.8)                    |
| Other Legal Entity Funded                      | 63.3           | 63.5           | 0.1                      |
| <b>Total Agency-Managed Positions</b>          | <b>371.1</b>   | <b>363.4</b>   | <b>(7.7)</b>             |

*Numbers may be off slightly due to rounding.*

In total, full-time equivalent employees have decreased by 7.7 FTE. While this budget reflects the FTEs of Home Forward, it does not include Home Forward paying the financial impact of the 63.5 FTE, but whose costs are reflected in the Tax Credit Portfolio.



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## 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 January 19, 2024, for Housing and Urban Development funding, 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 (4.9% increase for HCV programs), and historical trends, use program reserves as needed, and prepare to implement budget revisions as soon as more accurate information is available.

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

In addition to funding volatility, there is the potential for a weather-related incident/natural disaster in any given year 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. There is the potential for new program development and implementation in any given year beyond the programs established with this budget.

## Conclusion

For the Fiscal Year 2024, Home Forward will continue its efforts to transition from a traditional public housing platform to a more responsive affordable housing platform. 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 2024 Operating Statement

| <u>Operating Statement</u>                           | <u>FY23 Budget</u> | <u>FY24 Budget</u> | <u>Increase/<br/>Decrease</u> |
|--|--------------------|--------------------|-------------------------------|
| Dwelling Rental                                      | 25,576,608         | 27,831,905         | 2,255,297                     |
| Non-dwelling Rental                                  | 1,530,033          | 1,716,078          | 186,045                       |
| HUD Subsidies - Housing Assistance                   | 140,600,422        | 144,608,136        | 4,007,714                     |
| HUD Subsidies - Admin Fee                            | 14,866,542         | 15,053,373         | 186,831                       |
| HUD Subsidies - Public Housing                       | 6,337,202          | 5,427,842          | (909,360)                     |
| HUD Grants   | 8,256,706          | 8,521,842          | 265,136                       |
| Development Fee Revenue, Net                         | 10,540,955         | 13,716,360         | 3,175,405                     |
| State, Local & Other Grants                          | 15,774,350         | 30,853,512         | 15,079,162                    |
| Other Revenue  | 16,812,445         | 13,631,883         | (3,180,562)                   |
| Total IA Revenue                                     | -                  | 433,271            | 433,271                       |
| <b>Total Operating Revenues</b>                      | <b>240,956,314</b> | <b>261,794,204</b> | <b>20,837,890</b>             |
| Housing Assistance Payments                          | 150,653,244        | 171,155,390        | (20,502,146)                  |
| Administration                                       | 25,760,430         | 32,474,162         | (6,713,732)                   |
| Administrative Personnel Expense                     | 13,268,413         | 16,157,852         | (2,889,439)                   |
| Other Admin Expenses                                 | 12,492,015         | 16,316,310         | (3,824,295)                   |
| Tenant Services                                      | 7,223,515          | 9,859,632          | (2,636,117)                   |
| Tenant Svcs Personnel Expense                        | 4,409,688          | 5,621,240          | (1,211,552)                   |
| Other Tenant Svcs Expenses                           | 2,813,827          | 4,238,393          | (1,424,566)                   |
| Program Expense                                      | 16,850,107         | 19,972,657         | (3,122,550)                   |
| Maintenance  | 12,011,826         | 12,827,420         | (815,594)                     |
| Maintenance Personnel Expense                        | 2,621,412          | 3,693,318          | (1,071,906)                   |
| Other Maintenance Expenses                           | 9,390,415          | 9,134,102          | 256,313                       |
| Utilities  | 5,569,195          | 5,820,614          | (251,419)                     |
| Total IA Expense                                     | (79,605)           | (251,899)          | 172,294                       |
| Depreciation   | 11,865,694         | 6,568,007          | 5,297,687                     |
| General  | 3,053,389          | 3,615,117          | (561,728)                     |
| <b>Total Operating Expenses</b>                      | <b>232,907,794</b> | <b>262,050,819</b> | <b>(29,143,025)</b>           |
| <b>Operating Income (Loss)</b>                       | <b>8,048,520</b>   | <b>(256,615)</b>   | <b>(8,305,135)</b>            |
| <b>Operating Income (Loss) after Overhead</b>        | <b>8,048,517</b>   | <b>(256,615)</b>   | <b>(8,305,132)</b>            |
| <b>Reserve Funding</b>                               | <b>-</b>           | <b>3,404,356</b>   | <b>3,404,356</b>              |
| <b>Operating Income (Loss) after Reserve Funding</b> | <b>8,048,517</b>   | <b>3,147,741</b>   | <b>(4,900,776)</b>            |
| Investment Income                                    | 125,660            | 463,503            | 337,843                       |
| Interest Expense                                     | (2,215,539)        | (2,005,831)        | 209,708                       |
| Amortization   | 1,428              | -                  | (1,428)                       |
| Gain (Loss) on Sale of Assets                        | 18,465             | -                  | (18,465)                      |
| <b>Net Other Income (Expense)</b>                    | <b>(2,069,986)</b> | <b>(1,542,328)</b> | <b>527,658</b>                |
| <b>Net Capital Contributions</b>                     | <b>2,306,000</b>   | <b>(991,000)</b>   | <b>(3,297,000)</b>            |
| <b>Change in Net Position</b>                        | <b>8,284,530</b>   | <b>614,413</b>     | <b>(7,670,117)</b>            |

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## Funding Flow Analysis

### Home Forward

#### Fiscal Year 2024 Funding Flow Analysis

| <u>Funding Flow Analysis</u>               | <u>FY23 Budget</u>  | <u>FY24 Budget</u> | <u>Increase/<br/>Decrease</u> |
|--|---------------------|--------------------|-------------------------------|
| <b>Funding Flow Analysis</b>               | <b>\$ 8,048,519</b> | <b>\$ 614,413</b>  | <b>\$ (7,434,106)</b>         |
| Funding Flow Analysis                      | (8,048,519)         | (614,413)          | 7,434,106                     |
| <b>Final Funding Source or (Shortfall)</b> | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>                   |

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# Line-Item Analysis & Assumptions

## Revenue

### Dwelling Rental \$27.8 million

- Public Housing Portfolio will earn \$1.0 million and continue to benefit from high occupancy rates, with an estimated offset of \$25 thousand for vacancies.
- Affordable Housing Portfolio will earn \$32.4 million due to high occupancy rates, with estimated offsets of \$1.5 million for vacancies and \$98 thousand in rent concessions.
- 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 3% to be applied in FY24.

### Non-dwelling Rental \$1.6 million

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

### HUD Subsidies - Housing Assistance \$144.6 million

- Due to expected continuing resolutions for a portion of the year, this funding is assumed to include a 4.9% funding increase and a projected proration level of 100.0%.
- RAD funding will be \$10.3 million for the 1,503 vouchers converted since FY19.
- Funding for the Section 18 Tenant Protection Vouchers will be \$4.8 million (694 units converted from Public Housing).
- The subsidies will fund 15,319 vouchers in the upcoming budget year.

### HUD Subsidies – Administrative Fees \$15.0 million

- Administrative Fees for HUD housing assistance are budgeted based on funding appropriations and assume 88% proration for FY24.

### HUD Subsidies - Public Housing \$5.4 million

- Funding includes \$600 thousand in Asset Repositioning Fees (ARF). ARF represents a temporary revenue stream (related to Section 18 conversions) to assist with converting Public Housing to Tenant Protection Vouchers.
- This line item includes \$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 \$13.7 million**

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

| Project                      | Accrued Developer Fee Revenue (In thousands) |
|------------------------------|--|
| Dekum Court Redevelopment    | \$2,648                                      |
| 3000 Powell LP               | 4,980  |
| Fairfield PSH LP             | 810  |
| GPT LP                       | 1,679  |
| Killingworth Housing LP      | 2,519  |
| Peaceful Villa Redevelopment | 750  |
| Troutdale Housing LP         | 290  |
| <b>Total</b>                 | <b>\$13,676</b>                              |

**State, Local & Other Grants \$30.9 million**

| Grant                                   | FY23 Budget (In thousands) | FY24 Budget (In thousands) | Increase/ (Decrease) |
|---|----------------------------|----------------------------|----------------------|
| <b>Short-Term Rent Assistance</b>       |                            |                            |                      |
| Multnomah County                        | \$3,056                    | \$5,360                    | \$2,304              |
| Homeless Family System of Care          | 3,451                      | 3,909                      | 458                  |
| City of Portland                        | 2,292                      | 1,135                      | (1,157)              |
| State of Oregon                         | 16                         | 2                          | (14)                 |
| PILOT Revenue                           | 200                        | 224                        | 24                   |
| <b>Short-Term Rent Assistance Total</b> | <b>9,015</b>               | <b>10,629</b>              | <b>1,614</b>         |
| Medicaid – CHSP                         | 711                        | 805                        | 95                   |
| Joint Office – Bud Clark Commons        | 549                        | 643                        | 94                   |
| <b>Long-Term Rent Assistance</b>        |                            |                            |                      |
| Metro                                   | 0                          | 163                        | 163                  |
| Affordable Connectivity Outreach        | 0                          | 332                        | 332                  |
| Teen Collaborative Grant                | 0                          | 20                         | 20                   |
| <b>Total</b>                            | <b>\$15,774</b>            | <b>\$30,854</b>            | <b>\$15,079</b>      |

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## Other Revenue \$13.6 million

| Other Revenue   | FY23 Budget<br>(In thousands) | FY24 Budget<br>(In thousands) | Increase/<br>(Decrease) |
|---|-------------------------------|-------------------------------|-------------------------|
| Portability Revenue   | \$10,830                      | \$7,542                       | (\$3,288)               |
| Integrated Facilities Services Fees                         | 1,742                         | 1,904                         | 161                     |
| Property-Related Income – Community Services                | 299                           | 361                           | 62                      |
| Property-Related Income – Operations                        | 994                           | 935                           | 154                     |
| Property-Related Income – Management & General Partner Fees | 1,659                         | 1,514                         | (145)                   |
| Home Forward Development Enterprises Contributions          | 451                           | 451                           | 0                       |
| Other Revenue   | 790                           | 910                           | 121                     |
| Fraud and Bad Debt Recovery                                 | 47                            | 14                            | (33)                    |
| Total   | \$16,812                      | \$13,632                      | (\$3,180)               |

## Expense

### Housing Assistance Payments \$171.2 million

- Includes Housing Assistance payments for the MTW Vouchers, RAD/Section 18 conversions, FUP Program, VASH program, Emergency Housing Vouchers, 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.

### Personnel Expense \$45.4 million

- Total full-time equivalents for agency-funded positions are budgeted to be 299.9. An additional 63.5 FTEs are funded directly from tax credit limited partnerships, and the expenses associated with these staff members are not included in this budget. Combined FTE is 363.4, a 7.7 FTE decrease from the FY23 budget. The expenses below reflect only activity recorded for Home Forward properties.

| Personnel Expense                 | FY23 Budget<br>(In millions) | FY24 Budget<br>(In millions) | Increase/<br>(Decrease) |
|-----------------------------------|------------------------------|------------------------------|-------------------------|
| Administrative Personnel Expense  | \$13.3                       | \$16.2                       | \$2.9                   |
| Tenant Services Personnel Expense | 4.4                          | 5.6                          | 1.2                     |
| Program Expense                   | 16.9                         | 20.0                         | 3.1                     |
| Maintenance Personnel Expense     | 2.6                          | 3.7                          | 1.1                     |
| <b>Total</b>                      | <b>\$37.1</b>                | <b>\$45.4</b>                | <b>\$8.3</b>            |

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

**Other Administrative Expenses \$16.3 million**

- The Affordable Housing portfolio's other administrative expenses include outside payroll expenses, management fees, and security patrol contracts.
- The Administration operating group has budgeted expenses of \$3.6 million due to software and licensing fees, additional projects related to the Yardi upgrade, and projects related to diversity and equity. This includes several costs associated with the hybrid work model and other agency expenses.

**Other Tenant Services Expenses \$4.2 million**

- Tenant services expenses are projected to include \$3.6 million in contracted resident services.

**Other Maintenance Expenses \$9.1 million**

- Public housing properties are expected to have \$3.0 million in repairs and other maintenance activities.
- Affordable housing properties are expected to have \$2.6 million in repairs and other maintenance activities.
- New Market West is projected to have \$239 thousand planned repairs and ongoing maintenance.

**Utilities \$5.8 million**

- Sewer and water rates are projected to rise by 7%, while other rates continue to increase, including electric rates ranging from 5% to 10% and natural gas increasing by 7%. Local waste haulers will provide garbage and recycling services.

**Depreciation \$6.6 million**

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

**General \$3.6 million**

- Insurance expenses will increase due to rising valuations and premium rates and are projected to be \$2.4 million.
- Based on historical debt, bad debt expense is projected to be \$723 thousand.

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## **Net Other Income (Expense)**

### **Investment Income \$464 thousand**

- Investment income is projected to increase based on higher interest rates than prior year estimates.

### **Interest Expense \$2.0 million**

- Interest expense (\$2.0 million) is primarily due to debt at Fairview (\$291 thousand), Lovejoy Station (\$202 thousand), Rockwood Station (\$119 thousand), St. Francis (\$112 thousand), The Alexis (\$136 thousand), Grethen Kafoury (\$133 thousand), Hamilton West (\$114 thousand), and Yards at Union Station (\$105 thousand).

## **Net Capital Contributions**

### **HUD Capital Contributions \$990 thousand**

- \$990 thousand in capital projects is budgeted for public housing properties, including those undergoing a RAD/Section 18 conversion.



# Operating and Administrative Segment Review

## FY24 Operating Statement by Operating Group\*

| <b>Home Forward</b>                                     |                     |                          |                      |                       |                       |                       |                       |                      |                       |                       |                       |                     |             |                    |                    |
|---|---------------------|--------------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|---------------------|-------------|--------------------|--------------------|
| Fiscal Year 2024 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   | \$ -                | \$ 1,019,282             | \$ 31,874,594        | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                 | \$ -                  | \$ -                  | \$ -                  | \$ -                | \$ -        | \$ (5,061,971)     | \$ 27,831,905      |
| Non-dwelling Rental                                     | -                   | 86,904                   | 1,869,566            | -                     | -                     | -                     | -                     | -                    | 217,760               | 64,431                | -                     | -                   | -           | (522,583)          | 1,716,078          |
| HUD Subsidies - Housing Assistance                      | 143,082,876         | -                        | 1,525,260            | -                     | -                     | -                     | -                     | -                    | -                     | -                     | -                     | -                   | -           | -                  | 144,608,136        |
| HUD Subsidies - Admin Fee                               | 14,444,571          | -                        | -                    | -                     | 608,802               | -                     | -                     | -                    | -                     | -                     | -                     | -                   | -           | -                  | 15,053,373         |
| HUD Subsidies - Public Housing                          | 250,000             | 4,800,696                | -                    | -                     | 169,000               | -                     | -                     | -                    | 208,146               | -                     | -                     | -                   | -           | -                  | 5,427,842          |
| HUD Grants  | 6,739,661           | -                        | -                    | -                     | 399,060               | -                     | -                     | -                    | 1,383,121             | -                     | -                     | -                   | -           | -                  | 8,521,842          |
| Development Fee Revenue, Net                            | -                   | -                        | -                    | -                     | -                     | -                     | -                     | 13,716,360           | -                     | -                     | -                     | -                   | -           | -                  | 13,716,360         |
| State, Local & Other Grants                             | 28,890,297          | -                        | -                    | -                     | -                     | -                     | -                     | 162,676              | 1,800,540             | -                     | -                     | -                   | -           | -                  | 30,853,512         |
| Other Revenue   | 7,542,080           | 19,557                   | 989,478              | -                     | 2,345,964             | -                     | 1,903,601             | -                    | 1,211,879             | -                     | -                     | -                   | -           | (380,676)          | 13,631,883         |
| Total IA Revenue  | -                   | -                        | -                    | -                     | -                     | -                     | -                     | -                    | 1,413,442             | -                     | -                     | -                   | -           | (980,169)          | 433,273            |
| <b>Total Operating Revenues</b>                         | <b>200,949,484</b>  | <b>5,926,439</b>         | <b>36,258,898</b>    | <b>-</b>              | <b>3,522,826</b>      | <b>-</b>              | <b>1,903,601</b>      | <b>13,879,036</b>    | <b>6,234,888</b>      | <b>64,431</b>         | <b>-</b>              | <b>-</b>            | <b>-</b>    | <b>(6,945,399)</b> | <b>261,794,204</b> |
| Housing Assistance Payments                             | 176,440,394         | -                        | -                    | -                     | -                     | -                     | -                     | -                    | -                     | -                     | -                     | -                   | -           | (5,285,004)        | 171,155,390        |
| Administrative Personnel Expense                        | 1,376,641           | -                        | -                    | 742,745               | 1,237,385             | 547,118               | 84,408                | 1,280,854            | 587,478               | 10,301,224            | -                     | -                   | -           | -                  | 16,157,852         |
| Other Admin Expenses                                    | 893,561             | 366,128                  | 7,274,545            | 137,704               | 375,429               | 136,959               | 40,041                | 229,745              | 639,182               | 6,520,840             | 9,000                 | -                   | -           | (306,824)          | 16,316,310         |
| Fees/overhead charged                                   | 522,583             | -                        | -                    | 2,256                 | 3,252                 | -                     | 3,408                 | -                    | -                     | 802                   | -                     | -                   | -           | (522,583)          | 9,718              |
| Tenant Svcs Personnel Expense                           | 75,227              | -                        | 735,149              | -                     | -                     | -                     | -                     | 399,940              | 4,311,834             | 99,089                | -                     | -                   | -           | -                  | 5,621,240          |
| Other Tenant Svcs Expenses                              | 200,710             | 167,375                  | 504,327              | -                     | -                     | -                     | -                     | -                    | 3,324,231             | 41,750                | -                     | -                   | -           | -                  | 4,238,393          |
| Program Expense   | 11,365,076          | 572,844                  | 751,551              | 1,233,547             | 2,476,414             | 105,605               | 275,470               | 2,324,306            | 766,230               | 101,615               | -                     | -                   | -           | -                  | 19,972,657         |
| Maintenance Personnel Expense                           | -                   | 723,198                  | 447,740              | -                     | 800,789               | 571,473               | 1,075,579             | -                    | -                     | 74,538                | -                     | -                   | -           | -                  | 3,693,318          |
| Other Maintenance Expenses                              | -                   | 823,214                  | -                    | -                     | (37,777)              | 131,098               | 104,920               | -                    | -                     | 244,549               | 26,646                | -                   | -           | -                  | 9,134,102          |
| Utilities   | -                   | 655,736                  | 5,032,857            | -                     | -                     | -                     | 40,000                | -                    | -                     | 84,800                | 7,221                 | -                   | -           | -                  | 5,820,614          |
| Total IA Expense  | -                   | -                        | 398,477              | -                     | -                     | -                     | -                     | -                    | 180,612               | -                     | -                     | -                   | -           | (830,988)          | (251,899)          |
| Depreciation  | -                   | 629,939                  | 5,437,233            | -                     | 8,482                 | -                     | -                     | 1,060                | -                     | 388,800               | 149,932               | -                   | -           | -                  | (47,440)           |
| General   | -                   | 233,364                  | 3,128,182            | -                     | 202,188               | 1,634                 | 19,115                | 10,000               | -                     | 10,634                | 10,000                | -                   | -           | -                  | 3,615,117          |
| <b>Total Operating Expenses</b>                         | <b>190,874,191</b>  | <b>4,171,798</b>         | <b>31,551,513</b>    | <b>2,116,252</b>      | <b>5,066,162</b>      | <b>1,493,887</b>      | <b>1,642,941</b>      | <b>4,245,905</b>     | <b>9,809,566</b>      | <b>17,868,642</b>     | <b>202,799</b>        | <b>-</b>            | <b>-</b>    | <b>(6,992,838)</b> | <b>262,050,819</b> |
| <b>Operating Income (Loss)</b>                          | <b>10,075,293</b>   | <b>1,754,641</b>         | <b>4,707,385</b>     | <b>(2,116,252)</b>    | <b>(1,543,336)</b>    | <b>(1,493,887)</b>    | <b>260,660</b>        | <b>9,633,131</b>     | <b>(3,574,678)</b>    | <b>(17,804,211)</b>   | <b>(202,799)</b>      | <b>-</b>            | <b>-</b>    | <b>47,440</b>      | <b>(256,615)</b>   |
| <b>Total Overhead Allocations</b>                       | <b>4,172,734</b>    | <b>-</b>                 | <b>-</b>             | <b>2,205,019</b>      | <b>4,465,833</b>      | <b>225,813</b>        | <b>460,476</b>        | <b>2,342,651</b>     | <b>1,690,256</b>      | <b>(15,562,782)</b>   | <b>-</b>              | <b>-</b>            | <b>-</b>    | <b>-</b>           | <b>-</b>           |
| <b>Operating Income (Loss) after Overhead</b>           | <b>5,902,559</b>    | <b>1,754,641</b>         | <b>4,707,385</b>     | <b>(4,321,271)</b>    | <b>(6,009,169)</b>    | <b>(1,719,701)</b>    | <b>(199,816)</b>      | <b>7,290,480</b>     | <b>(5,264,935)</b>    | <b>(2,241,429)</b>    | <b>(202,799)</b>      | <b>-</b>            | <b>-</b>    | <b>47,440</b>      | <b>(256,615)</b>   |
| <b>Reserve Funding</b>                                  | <b>-</b>            | <b>-</b>                 | <b>2,567,160</b>     | <b>-</b>              | <b>56,196</b>         | <b>-</b>              | <b>-</b>              | <b>6,351,844</b>     | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>(5,570,844)</b>  | <b>-</b>    | <b>-</b>           | <b>-</b>           |
| <b>Operating Income (Loss) after Reserve Funding</b>    | <b>5,902,559</b>    | <b>1,754,641</b>         | <b>7,274,545</b>     | <b>(4,321,271)</b>    | <b>(5,952,973)</b>    | <b>(1,719,701)</b>    | <b>(199,816)</b>      | <b>13,642,324</b>    | <b>(5,264,935)</b>    | <b>(2,241,429)</b>    | <b>(202,799)</b>      | <b>(5,570,844)</b>  | <b>-</b>    | <b>47,440</b>      | <b>3,147,741</b>   |
| Investment Income                                       | -                   | (720)                    | 452,223              | 12,000                | -                     | -                     | -                     | -                    | -                     | 90,000                | 106,859               | -                   | -           | -                  | 463,503            |
| Interest Expense  | -                   | -                        | (2,202,690)          | -                     | -                     | -                     | -                     | -                    | -                     | -                     | -                     | -                   | -           | -                  | (2,005,831)        |
| <b>Net Other Income (Expense)</b>                       | <b>-</b>            | <b>(720)</b>             | <b>(1,750,467)</b>   | <b>12,000</b>         | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>-</b>              | <b>90,000</b>         | <b>106,859</b>        | <b>-</b>            | <b>-</b>    | <b>-</b>           | <b>(1,542,328)</b> |
| HUD Nonoperating Contributions                          | -                   | 180,000                  | (600,000)            | -                     | -                     | -                     | -                     | -                    | -                     | 210,000               | -                     | -                   | -           | -                  | (210,000)          |
| Reserve Funded Capital Contributions                    | -                   | -                        | -                    | -                     | -                     | -                     | -                     | -                    | -                     | -                     | (5,838,181)           | 5,057,181           | -           | -                  | (781,000)          |
| <b>Net Capital Contributions</b>                        | <b>-</b>            | <b>180,000</b>           | <b>(600,000)</b>     | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>-</b>              | <b>210,000</b>        | <b>(5,838,181)</b>    | <b>5,057,181</b>    | <b>-</b>    | <b>-</b>           | <b>(991,000)</b>   |
| <b>Change In Net Position</b>                           | <b>\$ 5,902,559</b> | <b>\$ 1,933,921</b>      | <b>\$ 4,924,078</b>  | <b>\$ (4,309,271)</b> | <b>\$ (5,952,973)</b> | <b>\$ (1,719,701)</b> | <b>\$ (199,816)</b>   | <b>\$ 13,642,324</b> | <b>\$ (5,264,935)</b> | <b>\$ (1,941,429)</b> | <b>\$ (5,934,121)</b> | <b>\$ (513,663)</b> | <b>\$ -</b> | <b>\$ 47,440</b>   | <b>\$ 614,413</b>  |

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

## FY24 Funding Flow Analysis by Operating Group\*

### Home Forward

Fiscal Year 2024 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 |
|--|--------------------|--------------------------|----------------------|--------------------|---------------------|--------------------|-----------------------|--------------------|--------------------|--------------------|---------------------|-------------|-------------|-------------|--------------------|
| <b>Operating Income (Loss) after Overhead</b>      | \$ 5,902,559       | \$ 1,754,641             | \$ 4,707,385         | \$ (4,321,271)     | \$ (6,009,169)      | \$ (1,719,701)     | \$ (199,816)          | \$ 7,290,480       | \$ (5,264,935)     | \$ (2,241,429)     | \$ (202,799)        | \$ -        | \$ -        | \$ 47,440   | \$ 614,413         |
| <b>Real Estate Portfolio</b>                       |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Affordable Housing Properties Operating Activity   | -                  | -                        | (4,707,385)          | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | (4,707,385)        |
| Revenue from Properties to Home Forward            | -                  | -                        | (519,643)            | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | (519,643)          |
| Unrestricted Cash to HF                            | -                  | -                        | 2,573,464            | -                  | -                   | -                  | -                     | -                  | 475,224            | -                  | 551,463             | -           | -           | -           | 3,600,151          |
| Net Replacement Reserve Activity (New Market West) | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Net Replacement Reserve Activity (Special Needs)   | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| <b>Developer Fee - Impact to Funding Flow</b>      |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Developer Fee Revenue                              | -                  | -                        | -                    | -                  | -                   | -                  | -                     | (13,716,360)       | -                  | -                  | -                   | -           | -           | -           | (13,716,360)       |
| Developer Fee - Cash to HF (Net)                   | -                  | -                        | -                    | -                  | -                   | -                  | -                     | 12,472,382         | -                  | -                  | -                   | -           | -           | -           | 12,472,382         |
| <b>Financing/Investment Activity</b>               |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Principal & Interest - Special Needs               | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Principal & Interest - New Market West             | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | (394,384)          | -                   | -           | -           | -           | (394,384)          |
| <b>Capital Acquisitions</b>                        |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Fleet Vehicle                                      | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Fleet Vehicle Reserve Funding                      | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| <b>Non-Cash Operating Activity</b>                 |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Depreciation Expense                               | -                  | 629,939                  | 5,437,233            | -                  | 8,482               | -                  | -                     | 1,060              | -                  | 219,023            | 149,932             | -           | -           | (47,440)    | 6,398,229          |
| <b>Special Purpose Reserve Activity</b>            |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Inter Departmental Reserve Transfers               | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| 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          | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| DCR Operating Reserve                              | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Affordable Portfolio Reserve                       | -                  | -                        | (500,000)            | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | (500,000)          |
| Workforce Initiative Funding                       | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| 85 Stories Asset Repositioning Fee Reserve         | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Insurance Reserve                                  | -                  | (100,000)                | (100,000)            | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | (200,000)          |
| Capital Fund Program Contribution                  | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| <b>Funding Source or (Shortfall)</b>               | <b>5,902,559</b>   | <b>2,284,580</b>         | <b>7,391,054</b>     | <b>(4,321,271)</b> | <b>(6,000,687)</b>  | <b>(1,719,701)</b> | <b>(199,816)</b>      | <b>6,047,562</b>   | <b>(4,789,711)</b> | <b>(2,416,789)</b> | <b>498,596</b>      | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>2,676,376</b>   |
| <b>Funding Required or (Contributed) to Agency</b> | <b>(5,902,559)</b> | <b>(2,284,580)</b>       | <b>(7,391,054)</b>   | <b>4,321,271</b>   | <b>6,000,687</b>    | <b>1,719,701</b>   | <b>199,816</b>        | <b>(6,047,562)</b> | <b>4,789,711</b>   | <b>2,416,789</b>   | <b>(498,596)</b>    | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>(2,676,376)</b> |
| <b>Final Funding Source or (Shortfall)</b>         | <b>\$ -</b>        | <b>\$ -</b>              | <b>\$ -</b>          | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>           | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>        |

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

## FY24 Staffing Summary by Operating Group

### Home Forward

Fiscal Year 2024 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 2023 Budgeted FTE | 95.0            | 11.3                     | 4.3                  | 10.8             | 36.3                | 3.9    | 9.7                   | 22.0        | 46.9               | 67.6           | 307.7         | 62.1                 | 369.8          |
| FY 2024 Budgeted FTE | 99.0            | 11.3                     | 4.3                  | 10.8             | 32.8                | 9.3    | 9.7                   | 22.0        | 44.9               | 57.0           | 301.1         | 63.3                 | 364.4          |
| Changes              | 4.0             | -                        | -                    | -                | (3.5)               | 5.4    | -                     | -           | (2.0)              | (10.6)         | (6.7)         | 1.2                  | (5.5)          |

## Budget Commentary – Rent Assistance

| Summary Budget Data   | FY23 Budget     | FY24 Budget    | Increase/<br>(Decrease) |
|---|-----------------|----------------|-------------------------|
| Operating Revenue   | \$ 182,885,045  | \$ 200,949,484 | \$ 18,064,439           |
| Operating Expense   | 167,723,334     | 190,874,191    | 23,150,857              |
| Operating Income Before OH                                      | 15,161,711      | 10,075,293     | (5,086,418)             |
| Allocated Overhead  | 3,683,644       | 4,172,734      | 489,090                 |
| Operating Income After OH                                       | 11,478,067      | 5,902,559      | (5,575,508)             |
| Funding Flow Activity   | (11,478,067)    | (5,902,559)    | 5,575,508               |
| Funding Required or (Contributed) for Current Agency Activities | \$ (11,478,067) | \$ (5,902,559) | \$ 5,575,508            |
| Total Budgeted FTE  | 95.0            | 99.0           | 4.0                     |

### Rent Assistance Key Assumptions

Housing Assistance Payments for the agency are projected to be \$176.4 million, a \$20.5 million increase from last year due to new voucher awards and payment standard increases. \$2.1 million in housing assistance payments are related to Local Blended Subsidy payments to Home Forward consolidated properties and 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               | 7,676                     | \$964.98             | \$88,886,460      |
| Homeless Initiatives       | 1,606                     | 916.60               | 17,664,678        |
| Portability (Port-In)      | 590                       | 1,007.93             | 7,136,109         |
| RAD                        | 1,188                     | 725.91               | 10,348,572        |
| VASH                       | 737                       | 972.11               | 8,597,359         |
| Section 18 TPV RAD         | 584                       | 696.47               | 4,880,848         |
| Long-Term Rent Assistance  | 1,124                     | 1,359.73             | 18,340,029        |
| Emergency Housing Vouchers | 476                       | 841.54               | 4,806,876         |
| SRO/MOD RAD                | 382                       | 1,114.75             | 5,109,996         |
| FUP                        | 207                       | 1,386.99             | 3,445,286         |
| LBS                        | 284                       | 600.14               | 2,045,272         |
| Portability (Port-Out)     | 134                       | 1,087.50             | 1,748,700         |

| Program Cost/Expenses       | Average Utilized Vouchers | Average Voucher Cost | Total HAP Expense |
|-----------------------------|---------------------------|----------------------|-------------------|
| Mainstream                  | 177                       | 1,185.44             | 2,517,876         |
| SRO/MOD                     | 130                       | 468.04               | 730,140           |
| Flexible Rent Assistance    |                           | N/A                  | 100,000           |
| MTW Funded Rent Assistance  | 20                        | 342.47               | 82,193            |
| Subtotal: Gross HAP Expense |                           |                      | 176,440,394       |
| Less: Eliminations*         |                           | N/A                  | (5,285,004)       |
| Total HAP Expense           | 15,315                    |                      | 171,155,390       |

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

Administrative fees for administering vouchers are \$15.1 million, with \$608 reserved for RAD conversions, representing a \$186 thousand increase from last year with higher proration and administrative fees for new vouchers.

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 a high risk of housing instability. EHV's 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 be fully utilized in 2023.

FTEs – Rent Assistance has a net increase of 4.0 FTEs:

- Increases include:
  - 1 Housing Inspector
  - 1 Portability Coordinator
  - 1 Rent Assistance Program Specialist
  - 1 Rent Assistance Services Coordinator

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

Housing Choice Vouchers - \$132.2 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 the family's or individual's behalf, participants search for housing in the private market, including single-family homes, townhouses, and apartments. Home Forward administers several distinct HCV programs:

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- Moving to Work (MTW) Vouchers - \$87.9 million

Home Forward manages 8,418 Moving to Work Vouchers.

Home Forward opened the Housing Choice Voucher waitlist during the fiscal year 2023 after depleting the existing waitlist. The new waitlist additions will be pulled starting in 2024, and leasing will begin in early 2024. These adjustments will result in an incremental increase in housing assistance payments. Home Forward anticipates a utilization of 90.0% for the FY24 year.

Tenant-based attrition (vouchers returned) is projected to be 25 monthly vouchers. The \$11.4 million in program expense is a \$1.8 million increase due to increased utilization, waitlist pulls, and projected rent increases.

- RAD - \$10.3 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 buildings and units to an HCV subsidy allows the units to receive an HCV admin fee and converts the subsidy to fall under the HCV program.

- Portability (Port-In) - \$7.1 million

Portability, a significant 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 can bill expenses, both housing assistance payments and a prorated administrative fee, to the initial housing authority.

Home Forward anticipates administering five new monthly port-in vouchers in FY24 for an average of 585 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 - \$8.6 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%.

- SRO/MOD RAD - \$5.1 million

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

The \$5.1 million in program expense for this subset of RAD conversions is a \$736 thousand increase from the prior year due to OCAF increases.

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- Section 18 TPV RAD - \$4.9 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 an 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 \$4.9 million, an increase of \$81 thousand from the prior year due to OCAF funding increases.

- FUP - \$3.4 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. \$3.4 million in FUP program expense is a \$615 thousand increase from the prior year due to increased voucher utilization and per unit costs.

- Portability (Port-Out) - \$1.7 million

Portability, a significant 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 the administration of the receiving housing authority. The receiving housing authority can bill expenses, both housing assistance payments and a prorated administrative fee, back to Home Forward.

Port-out vouchers are projected to average 134 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 - \$2.5 million

Home Forward manages 229 Mainstream Vouchers; utilization of these projected vouchers is projected to be 70% as Mainstream continues its lease-up process with the new voucher increment.

The \$2.5 million in program expenses is a \$744 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 manages 130 SRO/MOD units that have not been converted under RAD. The \$730 thousand in program expenses is unchanged from the prior year.

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## Homeless Initiatives - \$17.7 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 \$17.7 million in program expenses is a \$2.3 million increase from the prior year due to increased rent assistance costs and more households served.

## Moving to Work (MTW) Initiatives - \$3.6 million

- As a Moving to Work agency, Home Forward has the flexibility to operate various 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) - \$2.0 million

LBS enhances funding for certain MTW Section 8 and RAD properties to subsidize units reserved for families earning 80% or below the area median income. These units may be new construction, rehabilitated, or existing housing. LBS has been utilized for 284 units at three properties, including 130 at Bud Clark Commons, 45 at Madrona Place, and 109 at Stephens Creek Crossing (64 at Stephens Creek North and 45 at Stephens Creek South).

- Short-Term Rent Assistance (STRA) - \$1.5 million

Home Forward will provide short to medium-term rent assistance and leverage support at community schools to improve 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. \$1.4 million in funding is an increase of 443 thousand from the prior year due to increased rental assistance costs.

- VASH Security Deposit - \$93 thousand

Home Forward offers security deposit assistance to participants leasing up with Veterans Affairs Supportive Housing (VASH) vouchers, pivotal support to finding housing for veterans, and increasing utilization of our VASH vouchers. \$28 thousand in program expenses is an increase of \$60 thousand from the prior year for the projection of new voucher issuances.

- 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 that 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.



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- The remaining MIF activity can be found in the Moving to Work Initiative Schedule in the attachments. Additional MIF expenses to support services and safety may be funded under Home Forward's approved single-fund flexibility and 2023 MTW Plan.

Personnel Expenses - \$11.3 million

- The personnel expenses of \$11.3 million support 99 FTE within Rent Assistance. This represents an increase of \$1.8 million from the prior year due to added FTE and planned compensation increases.

## Budget Commentary – Public Housing Portfolio

| Summary Budget Data   | FY23 Budget    | FY24 Budget    | Increase/<br>(Decrease) |
|---|----------------|----------------|-------------------------|
| Operating Revenue   | \$ 6,984,792   | \$ 5,926,439   | \$ (1,058,353)          |
| Operating Expense   | 4,224,751      | 4,171,798      | (52,953)                |
| Operating Income Before OH                                      | 2,760,041      | 1,754,641      | (1,005,400)             |
| Allocated Overhead  | -              | -              | -                       |
| Operating Income After OH                                       | 2,760,041      | 1,754,641      | (1,005,400)             |
| Funding Flow Activity   | (3,356,555)    | (2,284,580)    | 1,071,975               |
| Funding Required or (Contributed) for Current Agency Activities | \$ (3,356,555) | \$ (2,284,580) | \$ 1,071,975            |
| Total Budgeted FTE  | 11.3           | 11.3           | 0.0                     |

The Public Housing Portfolio includes the budget activity for 9 traditional public housing properties and 11.3 property-level staff. Home Forward's public housing stock provides an essential resource to the community by providing housing in 369 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 FY24, staff will continue integrating maintenance, property management, inspections, and services to improve efficiencies and reduce turnover time.

### Public Housing Key Assumptions

| Public Housing Portfolio Operating Subsidy Assumptions   |                |                |
|--|----------------|----------------|
|  | FY23<br>Budget | FY24<br>Budget |
| Physical Units in Public Housing Portfolio*              | 377            | 369            |
| Subsidized Units in Public Housing Portfolio             | 377            | 369            |
| Eligibility Per Unit Per Month                           | \$1,613        | \$1,532        |
| Eligibility Per Unit Per Month Per Month (Excluding ARF) | 1,398          | 1,497          |
| Proration  | 95%            | 95%            |
| Proration Per Unit Per Month**                           | \$1,328        | \$1,338        |
| Total subsidy*   | \$4,776,210    | \$5,883,572    |

\*As of January 1<sup>st</sup>, of the respective year. The new total will be 299 units post-conversion.

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

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70 units are expected to convert to RAD/Section 18 in FY24, resulting in a total subsidy decrease at Public Housing Properties. The per-unit subsidy is expected to remain relatively flat. The 70 units converting are located at Peaceful Villa.

Households Served – occupancy is assumed at 98%.

### **Public Housing Major Revenue and Expense Items**

Operating Revenue is \$5.9 million, down \$1 million from FY23.

- Dwelling Rental is \$1.01 million, a decrease of \$32 thousand due to reductions in tenant rent.
- HUD Subsidies for public housing are \$4.8 million, a decrease of \$1.0 million due to the conversion of the Peaceful Villa.
- Non-dwelling rental is \$87 thousand from commercial rental income. This amount remains flat from FY23.
- Other revenue from laundry and other fees is \$20 thousand, an increase of \$7 thousand.

Operating Expenses are \$4.1 million, down \$683 thousand from FY23. RAD/Section 18 conversions removed \$618 thousand in expenses from the budget. This is offset by \$565 thousand in increased expenses at the remaining PH properties. The primary drivers of Operating Expenses are:

- Administration is \$366 thousand, a decrease of \$69 thousand. Administration includes \$329 thousand in property management fees charged by the Property Management department.
- Maintenance is \$1.5 million, down \$12 thousand. Maintenance includes \$723 thousand in Maintenance Personnel Expenses and \$824 thousand in Other Maintenance Expenses. The overall decrease in expense is due to the converting properties; there is \$84 thousand of increased expense in the remaining PH properties for personnel expenses.
- Program Expense is \$521 thousand, which covers personnel expenses and temporary help at properties. There is \$83 thousand in increased expenses in the remaining PH properties for personnel expenses.
- Tenant Services are \$167 thousand, an increase of \$119 thousand. The increase is due to a redesign of services to distribute Community Service resources across the portfolio. No properties saw a decrease in services, and most will see an increase in resources.
- Utilities are \$656 thousand, a decrease of \$117 thousand from FY23 due to property conversion.
- Depreciation is \$630 thousand, a decrease of \$67 thousand.
- General expenses of \$233 thousand in insurance are decreased by \$11 thousand.
- All personnel expenses include planned compensation increases.

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

### **Public Housing Funding Required for Current Agency Activities**

The Public Housing Portfolio provides \$2.3 million in projected cash flow for agency and property needs. \$100 thousand from operations will be contributed to an Insurance Reserve.

## Budget Commentary – Affordable Housing Portfolio

| Summary Budget Data   | FY23 Budget     | FY24 Budget    | Increase/<br>(Decrease) |
|---|-----------------|----------------|-------------------------|
| Operating Revenue   | \$ 36,113,087   | \$ 36,258,898  | \$ 145,811              |
| Operating Expense   | 33,835,817      | 31,551,513     | (2,284,304)             |
| Operating Income Before OH                                      | 2,277,270       | 4,707,385      | 2,430,115               |
| Allocated Overhead  | -               | -              | -                       |
| Operating Income After OH                                       | 2,277,270       | 4,707,385      | 2,430,115               |
| Funding Flow Activity   | (13,665,060)    | (7,391,054)    | 6,274,006               |
| Funding Required or (Contributed) for Current Agency Activities | \$ (13,737,365) | \$ (7,391,054) | \$ 6,346,311            |
| Total Budgeted FTE  | 4.3             | 3.5            | (0.9)                   |

The Affordable Housing Portfolio comprises 55 properties with 2,803 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 3.5 since much of the FTE is at the external property management companies. For the externally managed properties, \$5.4 million in personnel expenses are on the Home Forward financials, but the FTE is not included in the Home Forward head count. The operating results for the 3,352 tax credit units (including planned RAD/Section 18 conversion) need to be reflected in the Home Forward operating budget.

The Affordable Housing Portfolio significantly contributes 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 continuing inflation 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 FY24.

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

Insurance premiums are projected to be \$1.7 million (\$200 thousand increase).

### Affordable Housing Major Revenue and Expense Items

Operating Revenues are budgeted to be \$36.3 million, a \$146 thousand increase from FY23. The below comments highlight the major trends.

- 
- Dwelling rental is projected to be \$31.9 million, an increase of \$2.3 million.

Operating Expenses are projected to be \$31.6 million, a \$3.3 million decrease from the prior budget year.

- Utilities are projected to be \$5.0 million, an increase of \$362 thousand from the previous budget, due to rate increases for all utilities.
- Depreciation is budgeted at \$5.4 million, a decrease of \$5.4 million from the previous budget.
- Management fees for third-party-managed properties are expected to be \$1.4 million.
- Third-party-managed properties have budgeted \$5.4 million in payroll expenses.

### **Affordable Housing Funding Required for Current Agency Activities**

- The Affordable Housing Portfolio recognizes \$2.6 million of unrestricted cash flow.
- 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 for FY24.
- \$100 thousand from operations will be contributed to an Insurance Reserve.

## Budget Commentary – Asset Management

| Summary Budget Data   | FY23 Budget  | FY24 Budget  | Increase/<br>(Decrease) |
|---|--------------|--------------|-------------------------|
| Operating Revenue   | \$ 144,739   | \$ -         | \$ (144,739)            |
| Operating Expense   | 1,741,348    | 2,116,252    | 374,904                 |
| Operating Income Before OH                                      | (1,596,609)  | (2,116,252)  | (519,643)               |
| Allocated Overhead  | 2,208,002    | 2,205,019    | (2,983)                 |
| Operating Income After OH                                       | (3,804,612)  | (4,321,271)  | (516,659)               |
| Funding Flow Activity   | 3,804,612    | 4,321,271    | 516,659                 |
| Funding Required or (Contributed) for Current Agency Activities | \$ 3,804,612 | \$ 4,321,271 | \$ 516,659              |
| Total Budgeted FTE  | 10.8         | 10.4         | (0.4)                   |

The Asset Management group is responsible for overseeing the performance of the entire Home Forward portfolio with the following breakdown.

| 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 10.4 FTE. The Asset Management group also provides asset management services to properties owned by jurisdictional partners.

### Asset Management Funding Required for Current Agency Activities

The Asset Management department will require \$4.3 million to fully fund all planned operations, an increase of \$517 thousand from the prior budget year.

## Budget Commentary – Property Management

| Summary Budget Data   | FY23 Budget  | FY24 Budget  | Increase/<br>(Decrease) |
|---|--------------|--------------|-------------------------|
| Operating Revenue   | \$ 3,959,279 | \$ 3,522,826 | \$ (436,453)            |
| Operating Expense   | 4,303,895    | 5,066,162    | 762,267                 |
| Operating Income Before OH                                      | (344,616)    | (1,543,336)  | (1,198,720)             |
| Allocated Overhead  | 4,290,948    | 4,465,833    | 174,885                 |
| Operating Income After OH                                       | (4,635,564)  | (6,009,169)  | (1,373,605)             |
| Funding Flow Activity   | 4,626,474    | 6,000,687    | 1,374,213               |
| Funding Required or (Contributed) for Current Agency Activities | \$ 4,626,474 | \$ 6,000,687 | \$ 1,374,213            |
| Total Budgeted FTE  | 36.3         | 32.8         | (3.5)                   |

Property Management is the service department for Home Forward's self-managed properties. The Property Management group oversees the compliance and maintenance at 47 properties. These properties provide housing for 2,516 households and reflect the RAD/Section 18 conversions.

| Subsidy Type*            | Properties |
|--------------------------|------------|
| Public Housing           | 9          |
| Special Needs            | 3          |
| Tax Credit               | 33         |
| Affordable               | 2          |
| Total Properties Managed | 47         |

Overall, the Property Management group supervises 114 FTE. 62 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 11.3 FTE are budgeted at the traditional public housing properties, and the associated costs are within the Public Housing Portfolio budget. The 32.8 FTE captured in this budget includes management, compliance, and maintenance staff who provide peer training and backfill services.

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## Property Management Key Assumptions

FTEs – Property Management has a net decrease of 3.5 FTEs:

- Decreases include:
  - 1 Floating Property Manager
  - 1 Intake Specialist
  - 1 Program Supervisor
  - .3 Intern
  - .2 Maintenance Generalist

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

Property Management will support the remaining public housing properties pending future RAD/Section 18 application conversions. 70 units are expected to convert during FY24 at Peaceful Villa.

## Property Management Major Revenue and Expense Items

- Operating Revenue is \$3.5 million, down \$436 thousand from FY23. The significant contributors to Operating Revenue are:
  - Public Housing HUD Subsidies of \$169 thousand, which funds the Payment in Lieu of Taxes (PILOT).
  - Other Revenue of \$2.34 million includes property management fees, which are charged to properties instead of overhead.
    - Property Management fees are \$1.89 million, flat from FY23.
      - \$329 thousand from the Public Housing Portfolio.
      - \$1.6 million from management fees at tax credit properties.
    - 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 \$609 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 \$399 thousand from the Capital Fund Program grant.

Operating Expense is \$5.1 million, an increase of \$762 thousand from FY23. The significant drivers of Operating Expenses are:

- Administration Expenses are \$1.5 million, an increase of \$349 thousand from FY23.
  - \$1.2 million is in Administrative Personnel Expenses, a \$268 thousand increase that includes planned compensation increases.



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- \$375 thousand is in Other Admin Expenses, an increase of \$82 thousand.
  - Program Expense is \$2.5 million, which covers personnel expenses and temporary help. This is up \$269 thousand and includes planned compensation increases.
  - Maintenance Expenses are \$763 thousand, primarily in Maintenance Personnel Expenses for floating and on-call staff. This is an increase of \$74 thousand.
  - General Expenses are \$202 thousand, comprised mainly of PILOT expenses.

### **Property Management Funding Required for Current Agency Activities**

The Property Management Department requires \$6.0 million to fund all planned operations fully. This is an increase of \$1.4 million from FY23.

## Budget Commentary – Safety

| Summary Budget Data   | FY23 Budget | FY24 Budget  | Increase/<br>(Decrease) |
|---|-------------|--------------|-------------------------|
| Operating Revenue   | \$ -        | \$ -         | \$ -                    |
| Operating Expense   | 851,291     | 1,493,887    | 642,596                 |
| Operating Income Before OH                                      | (851,291)   | (1,493,887)  | (642,596)               |
| Allocated Overhead  | 85,494      | 225,813      | 140,319                 |
| Operating Income After OH                                       | (936,785)   | (1,719,701)  | (782,916)               |
| Funding Flow Activity   | 936,785     | 1,719,701    | 782,916                 |
| Funding Required or (Contributed) for Current Agency Activities | \$ 936,785  | \$ 1,719,701 | \$ 782,916              |
| Total Budgeted FTE  | 3.9         | 9.3          | 5.4                     |

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 to reducing losses, 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 has a net increase of 5.4 FTEs:

- Increases include:
  - 4 Resident and Community Services Coordinator - Affordable Connectivity Program (LD)
  - 1 Environmental and Emergency Coordinator
  - 1 LT Truck Driver
- Decreases include:
  - 0.7 Business Analyst

### 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.

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- Environmental safety at properties. This includes a project to install air conditioners in resident units and a project to install smart burners on resident stovetops.

### **Safety Major Revenue and Expense Items**

Safety has no revenue for FY24.

Operating Expenses are \$1.5 million, an increase of \$643 thousand over FY23. The primary drivers of Operating Expenses are expected to be:

- \$1.2 million in Personnel Expenses, an increase of \$642 thousand from compensation increases and the new maintenance team.
- \$137 thousand in other administrative expenses, an increase of \$8 thousand from FY23.
- \$131 thousand for maintenance expenses, an increase of \$13 thousand.

### **Safety Funding Required for Current Agency Activities**

The Safety Department requires \$1.7 million to fund all planned operations fully.

## Budget Commentary – Integrated Facilities Services

| Summary Budget Data   | FY23 Budget  | FY24 Budget  | Increase/<br>(Decrease) |
|---|--------------|--------------|-------------------------|
| Operating Revenue   | \$ 1,742,104 | \$ 1,903,601 | \$ 161,497              |
| Operating Expense   | 1,388,257    | 1,642,941    | 254,684                 |
| Operating Income Before OH                                      | 353,847      | 260,660      | (93,187)                |
| Allocated Overhead  | 418,866      | 460,476      | 41,610                  |
| Operating Income After OH                                       | (65,019)     | (199,816)    | (134,797)               |
| Funding Flow Activity   | 65,019       | 199,816      | 134,797                 |
| Funding Required or (Contributed) for Current Agency Activities | \$ 65,019    | \$ 199,816   | \$ 134,797              |
| Total Budgeted FTE  | 9.7          | 9.7          | 0.0                     |

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 remained flat from FY23.

### 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 provides services at rates that are competitive with market rates.

### Integrated Facilities Services Major Revenue and Expense Items

Revenue is \$1.9 million, an increase of \$161 thousand from FY23. All Revenue is forecasted to come from service fees charged to properties.

Operating Expenses are \$1.6 million, an increase of \$255 thousand from FY23. The significant drivers of Operating Expenses are expected to be:

- Maintenance Personnel Expense is \$1.1 million, a \$152 thousand increase.
- Program Personnel Expenses in support of department administration are \$275 thousand, an \$86 thousand increase.
- Administrative Personnel Expense is \$84 thousand, an \$18 thousand increase.
- All personnel expenses include planned compensation increases.
- Other Maintenance Expenses are \$105 thousand and include materials and vehicle expenses. This is a \$11 thousand increase.

- 
- Utilities are \$40 thousand for waste transfer station fees, the same as FY23.

### **Integrated Facilities Services Funding Required for Current Agency Activities**

Integrated Facilities Services has an operational need of \$200 thousand. This is an increase of \$135 thousand from FY23.

## Budget Commentary – Development & Community Revitalization

| Summary Budget Data   | FY23 Budget    | FY24 Budget    | Increase/<br>(Decrease) |
|---|----------------|----------------|-------------------------|
| Operating Revenue   | \$ 10,540,955  | \$ 13,879,036  | \$ 3,338,081            |
| Operating Expense   | 3,755,983      | 4,245,901      | 489,918                 |
| Operating Income Before OH                                      | 6,784,972      | 9,633,135      | 2,848,163               |
| Allocated Overhead  | 2,340,605      | 2,342,651      | 2,046                   |
| Operating Income After OH                                       | 4,444,366      | 7,290,485      | 2,846,119               |
| Funding Flow Activity   | (4,419,575)    | (7,291,540)    | (2,871,965)             |
| Funding Required or (Contributed) for Current Agency Activities | \$ (4,419,575) | \$ (7,291,540) | \$ (2,871,965)          |
| Total Budgeted FTE  | 22.0           | 22.0           | 0.0                     |

The Development and Community Revitalization (DCR) department undertakes the development of new affordable rental housing, plus the 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 current and future development activity costs.

- Active Projects: 14
- Active Projects Total Budget: \$679 million
- Staff FTE FY24: 22.0

### Development and Community Revitalization Key Assumptions

- DCR Staffing is budgeted to remain the same from the prior year.
- 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 FY24 (amounts in millions) |                |                               |                                   |
|--|----------------|-------------------------------|-----------------------------------|
| Project  | Project Budget | Accrued Developer Fee Revenue | Developer Fee Cash to be Received |
| Lloyd Housing LP   | \$74.1         | \$0.0                         | \$0.6                             |
| Fountain Place 2 LP  | 33.1           | 0.0                           | 2.9                               |
| Central Group LP   | 83.8           | 0.0                           | 4.3                               |
| Baldwin PSH LP   | 24.6           | 0.0                           | 0.8                               |
| 3000 Powell LP   | 83.8           | 5.0                           | 0.0                               |
| Dekum 2 LP   | 94.6           | 2.6                           | 2.0                               |
| Fairfield PSH LP   | 31.6           | 0.8                           | 0.8                               |
| GPT LP   | 49.9           | 1.7                           | 0.0                               |
| Killingsworth Housing LP                                       | 51.6           | 2.5                           | 0.0                               |
| Peaceful Villa Redevelopment                                   | 96.8           | 0.8                           | 0.8                               |
| Troutdale Housing LP   | 54.0           | 0.3                           | 0.3                               |
| <b>Total</b>   | <b>\$677.9</b> | <b>\$13.7</b>                 | <b>\$12.5</b>                     |

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

- Lloyd Housing LP (also known as The Louisa Flowers) – This project is a mixed-use new construction development. The Portland Housing Bureau awarded the land and funding to Home Forward. This tax credit partnership utilized four percent Low-Income Housing Tax Credits, bond funds, grants, and reserve funds. Construction finance closed in December 2017, and construction began in January 2018. The project was completed in March 2020. The final installment of the developer fee is estimated to be paid in November 2024.

| Lloyd Housing (In millions)    | FY 18  | FY 18 12-31-18 | FY 19  | FY 20 | FY 21 | Total  |
|--------------------------------|--------|----------------|--------|-------|-------|--------|
| Total Project Sources and Uses | \$14.0 | \$22.8         | \$26.3 | \$1.5 | \$9.5 | \$74.1 |

- 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 made the property seismically and structurally sound for years. This project utilized four percent Low-Income Housing Tax Credits, bond funds, OHCS grants, and reserve funds. Construction finance closed in March 2020, and construction began in April 2020. The project was completed in November 2022. The final installment of the developer fee is estimated to be paid in September 2024

| Fountain Place<br>(In millions) | FY 20  | FY21  | FY22  | FY23  | Total  |
|---------------------------------|--------|-------|-------|-------|--------|
| Total Project Sources and Uses  | \$14.8 | \$8.1 | \$8.8 | \$1.4 | \$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 utilized 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 was completed in December 2022. The final installment of the developer fee is estimated to be paid in March 2024.

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

- Baldwin PSH LP (also known as Hattie Redmond) – This redevelopment project provides safe shelter for 60 formerly homeless individuals. In collaboration with the Urban League of Portland, Home Forward renders support and stability for people of color experiencing chronic homelessness. This tax credit partnership utilized 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 was completed in March 2023. The final installment of the developer fee is estimated to be paid in June 2024.

| Baldwin PSH<br>(In millions)   | FY21  | FY22   | FY 23 | Total  |
|--------------------------------|-------|--------|-------|--------|
| Total Project Sources and Uses | \$8.5 | \$12.3 | \$3.8 | \$24.6 |

- 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 provides development services in constructing 206 new housing units. The site is located on SE Powell Boulevard and has two adjacent parcels. Home Forward owns one parcel, and PHB owns the other parcel. This tax credit partnership utilizes four percent Low-Income Housing Tax Credits, bond funds, Portland Housing Bureau (PHB) Bond funds, and reserve funds. Construction finance closed in November 2021, and construction began in December 2021. The project completion schedule is March 2024.

| 3000 Powell<br>(In millions)   | FY21   | FY22   | FY 23  | FY 24 | FY 25 | Total  |
|--------------------------------|--------|--------|--------|-------|-------|--------|
| Total Project Sources and Uses | \$19.4 | \$32.0 | \$20.6 | \$6.2 | \$5.6 | \$83.8 |

- Dekum 2 LP – This redevelopment project is divided into two phases. Phase 1 is a mixed-use new construction of 47 housing units. The households occupying 40 public housing units will move to the newly constructed property. Phase 2 is demolishing the existing property and building 141 housing units. This tax credit partnership utilizes four percent Low-Income Housing Tax Credits, Metro Housing Bond Proceeds, and reserve funds. Construction



finance closed in April 2022, and construction of Phase 1 began in May 2022. Phase 1 of the project was completed in October 2023, and construction of Phase 2 started in August 2023. The project completion schedule is December 2025.

| Dekum Court<br>(In millions)   | FY22   | FY 23  | FY 24  | FY 25  | FY 26 | Total  |
|--------------------------------|--------|--------|--------|--------|-------|--------|
| Total Project Sources and Uses | \$24.6 | \$29.1 | \$22.4 | \$10.6 | \$7.9 | \$94.6 |

- Fairfield PSH LP** – This redevelopment project provides a safe home to 82 of Portland's most vulnerable residents (formerly homeless and survivors of domestic violence with a culturally specific focus on African Americans). The Portland Housing Bureau transferred the ownership of the property to Home Forward at construction finance close. This tax credit partnership utilizes 9% Low-Income Housing Tax Credits, PHB funds, OHCS grants, and reserve funds. Construction finance closed in April 2023, and construction began in May 2023. The project completion schedule is June 2024.

| Fairfield PSH LP<br>(In millions) | FY 23  | FY 24 | FY 25 | Total  |
|-----------------------------------|--------|-------|-------|--------|
| Total Project Sources and Uses    | \$19.9 | \$9.2 | \$2.5 | \$31.6 |

- 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 utilizes four percent Low-Income Housing Tax Credits, bonds, and reserve funds. Construction finance closed in April 2023, and construction began in May 2023. The project completion schedule is July 2024.

| Grace Peck Terrace<br>(In millions) | FY23   | FY 24  | FY 25 | Total  |
|-------------------------------------|--------|--------|-------|--------|
| Total Project Sources and Uses      | \$30.4 | \$13.3 | \$6.2 | \$49.9 |

- PCC/Killingsworth Housing Project** – Home Forward is working with Portland Community College (PCC) to formulate a development partnership in which Home Forward will provide development services in the construction of 84 affordable housing units. Home Forward will be the developer, owner, and General Partner of the Low-Income Housing Tax Credit partnership. PCC owns the land, and the tax credit partnership will lease the land from PCC. This tax credit partnership will utilize four percent Low-Income Housing Tax Credits, Metro Bond Proceeds, OHCS grant, Local Innovation and Fast Track (LIFT), and reserve funds. Construction finance will close in February 2024, and construction will begin in March 2024. The project completion schedule is June 2025.

| PCC/Killingsworth<br>(In millions) | FY 24  | FY 25  | FY 26 | Total  |
|------------------------------------|--------|--------|-------|--------|
| Total Project Sources and Uses     | \$25.8 | \$18.5 | \$7.3 | \$51.6 |

- Peaceful Villa Redevelopment** – Peaceful Villa is one of the public housing properties included in the 85 Stories Initiative. Built in 1948, the property sits on four acres of land with 70 homes. The redevelopment anticipates

increasing units from 70 to 166. The redeveloped Peaceful Villa forges a new partnership with the Immigrant and Refugee Community Organization (IRCO) to deliver culturally specific services to immigrants. Home Forward will serve as developer and owner as General Partner of the Low-Income Housing Tax Credit partnership. This tax credit partnership will utilize four percent Low-Income Housing Credits, bond funds, OHCS grants, and reserve funds. Construction finance will close in June 2024 and begin in July 2024. The project completion schedule is May 2026.

| Peaceful Villa<br>(In millions) | FY 24  | FY 25  | FY 26  | Total  |
|---------------------------------|--------|--------|--------|--------|
| Total Project Sources and Uses  | \$29.0 | \$48.4 | \$19.4 | \$96.8 |

- Troutdale Housing Project - Home Forward and Multnomah County have entered into an intergovernmental agreement (IGA) to transfer the 3.58-acre site to Home Forward. The site is at SW 257th Avenue and East Historic Columbia River Street in Troutdale. This project will develop approximately 111 affordable housing units in Troutdale. Home Forward will serve as developer and owner as General Partner of the Low-Income Housing Tax Credit partnership. This tax credit partnership will utilize nine percent Low-Income Housing Tax Credits, Metro Bond Proceeds, OHCS grants, HUD CFP grants, and reserve funds. Construction finance is scheduled to close in May 2024, and construction will begin in June 2024. The project completion schedule is April 2026.

| Troutdale Housing<br>(In millions) | FY 24  | FY 25  | FY 26  | Total  |
|------------------------------------|--------|--------|--------|--------|
| Total Project Sources and Uses     | \$16.2 | \$27.0 | \$10.8 | \$54.0 |

- Capital Improvement Projects – There are three capital improvement projects in FY24. The total budget for these projects is \$0.8 million, utilizing the HUD capital fund project grant.

| Projects                            | Project Budget<br>(In millions) | Estimated Project Completion |
|-------------------------------------|---------------------------------|------------------------------|
| Ruth Haefner Sewer Line Replacement | \$0.1                           | June 2024                    |
| Holgate House Building Resealing    | \$0.1                           | September 2024               |
| Schiller Way Security Camera        | \$0.6                           | July 2024                    |
| Total                               | \$0.8                           |                              |

### Development and Community Revitalization Major Revenue and Expense Items

- Operating Revenue increased \$3.3 million from the FY23 Budget. The increase is primarily due to:
  - Developer Fee earnings increased by \$3.2 million from FY23. In FY24, DCR will earn \$13.7 million in developer fees from the following projects:

| Developer Fees (in millions) |               |               |
|------------------------------|---------------|---------------|
| Projects                     | Total         | FY24          |
| 3000 Powell LP               | 6.0           | 5.0           |
| Dekum 2 LP                   | 13.2          | 2.6           |
| Fairfield PSH LP             | 3.4           | 0.8           |
| Grace Peck Rehabilitation    | 5.2           | 1.7           |
| PCC/Killingworth Project     | 5.4           | 2.5           |
| Peaceful Villa Redevelopment | 5.4           | 0.8           |
| Troutdale Housing            | 6.0           | 0.3           |
| <b>Total</b>                 | <b>\$44.6</b> | <b>\$13.7</b> |

- Other Revenue increased by \$163 thousand from FY23.
- Total Operating Expenses are projected to be \$4.2 million, a \$490 thousand increase from the FY23 budget, The increase is primarily due to:
  - Personnel expenses of \$4.2 million.

### 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 fees over multiple fiscal years. The first installment of \$800 thousand was paid at the close of construction finance in March 2020. The second, third, and fourth installments of \$1.8 million due at project conversion and upon receipt of Form 8609 by the Limited Partner were withheld until AIA forms without GC exceptions are received, estimated to be June 2024. The final installment of \$1.1 million is due upon receipt of Historic Tax Credit Part 3 approval by the Limited Partner and is scheduled for September 2024. The remaining unpaid developer fee of \$947 thousand will be paid from the limited partnership cash flow from operations and proceeds available for distribution from capital transactions.
- Central Group's (85 Stories Group 7) rehabilitation project will generate \$8.0 million in developer fees 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 installments of \$4.3 million are due at project conversion to permanent status and upon receipt of IRS Form 8609 by the Limited Partner scheduled in March 2024. The remaining unpaid developer fee of \$2.5 million will be paid from 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 fees 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 due at construction completion, and the receipt of Federal Energy Credit Cost Certification was paid in August 2023. The third installment of \$246 thousand is due upon receipt of 100% permanent certificate of occupancy and project conversion to permanent status scheduled in March 2024. The fourth installment of \$482 thousand is due upon receipt of final certification of the project eligible basis and IRS

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Form 8609 by the Limited Partner scheduled in June 2024. The remaining unpaid developer fee of \$1.1 million will be paid from the limited partnership cash flow from operations and proceeds available for distribution from capital transactions.

- 3000 Powell project will generate \$6.0 million in developer fees over multiple fiscal years. The first installment of \$1.0 million was paid at the close of construction finance in November 2021. The second and third installments of \$1.9 million will be paid at project conversion to permanent status scheduled in March 2025. The final installment of \$700 thousand is due upon receipt of Form 8609 by the Limited Partner, planned in June 2025. The remaining unpaid developer fee of \$2.4 million will be paid from the limited partnership cash flow from operations and proceeds available for distribution from capital transactions.
- The Dekum Court Redevelopment project will generate \$13.2 million in developer fees over multiple fiscal years. The first installment of \$1.5 million is due at the close of construction finance in April 2022 but was delayed due to non-receipt of construction permit and expected to be paid in December 2023. The second installment of \$2.0 million is due at the project conversion of Phase 1 and is scheduled to be paid in May 2024. The third installment of \$6.1 million is due at the project conversion of Phase 2 and is expected to be born in April 2026. The final installment of \$500 thousand is due upon receipt of Form 8609 by the Limited Partner and is scheduled for May 2026. The remaining unpaid developer fee of \$3.1 million will be paid from the limited partnership cash flow from operations and proceeds available for distribution from capital transactions.
- Fairfield PSH project will generate \$3.4 million in developer fees over multiple fiscal years. The first installment of \$772 thousand was paid at the close of construction finance in April 2023. The second installment of \$872 thousand is due at construction completion, receipt of the fully executed PSH Supportive Services Agreement, written documentation supporting the Ten Percent (10%) Test, and preliminary Cost Certification scheduled in July 2024. The third installment of \$772 thousand is due upon receipt of 100% certificate of occupancy and project conversion planned in April 2025. The fourth and final installment of \$100 thousand is due upon receipt of IRS Form 8609 and delivery of Partnership tax returns scheduled in April 2025. The remaining unpaid developer fee of \$834 thousand will be paid from the limited partnership cash flow from operations and proceeds available for distribution from capital transactions.
- The Grace Peck Terrace project will generate \$5.2 million in developer fees over multiple fiscal years. The first installment of \$472 thousand was paid at the close of construction finance in April 2023. The second installment of \$955 thousand is due at construction completion, receipt of 100% certificate of occupancy, and project conversion scheduled in April 2025. The third and final installment of \$937 thousand is due upon receipt of IRS Form 8609 and delivery of Partnership tax returns planned in July 2025. The remaining unpaid developer fee of \$2.9 million will be paid from the limited partnership cash from operation and proceeds available for distribution from capital transactions.
- The PCC/Killingsworth Housing project is projected to generate \$5.4 million in developer fees over multiple fiscal years. The first installment of \$388 thousand is due at the close of construction finance scheduled in February 2024.
- The Peaceful Villa Redevelopment project is projected to generate \$5.4 million in developer fees over multiple fiscal years. The first installment of \$750 thousand is due at the close of construction finance scheduled in June 2024.
- Troutdale Housing Project is projected to generate \$6.0 million in developer fees over multiple fiscal years. The first installment of \$290 thousand is due at the close of construction finance scheduled in May 2024.

## Budget Commentary – Community Services

| Summary Budget Data   | FY23 Budget  | FY24 Budget  | Increase/<br>(Decrease) |
|---|--------------|--------------|-------------------------|
| Operating Revenue   | \$ 5,527,632 | \$ 6,234,888 | \$ 707,256              |
| Operating Expense   | 8,048,487    | 9,809,566    | 1,761,079               |
| Operating Income Before OH                                      | (2,520,856)  | (3,574,678)  | (1,053,822)             |
| Allocated Overhead  | 1,649,744    | 1,690,256    | 40,512                  |
| Operating Income After OH                                       | (4,170,600)  | (5,264,935)  | (1,094,335)             |
| Funding Flow Activity   | 3,419,434    | 4,789,711    | 1,370,277               |
| Funding Required or (Contributed) for Current Agency Activities | \$ 3,419,434 | \$ 4,789,711 | \$ 1,370,277            |
| Total Budgeted FTE  | 46.9         | 44.9         | (2.0)                   |

The Community Services department provides Home Forward residents services, utilizing in-house staff and contractors. In FY24, the Community Services team will continue to play a role in coordinating and delivering 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 has a net decrease of 2.0 FTEs:

- Increases include:
  - 2 Case Managers
- Decreases include:
  - 1 Floating Resident and Community Services Coordinator
  - 1 Intern
  - 1 Resident & Community Services Coord (Bilingual)
  - 1 Resident & Community Services Coordinator

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

Barrier Reduction and Opportunity Funds: \$70 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: \$49 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 \$6.2 million, a decrease of \$706 thousand from FY23. The significant contributors to Operating Revenue are:

- Non-dwelling rental is \$218 thousand from Land Lease revenue at Humboldt, an increase of \$178 thousand.
- HUD Subsidies -Public Housing of \$208 thousand funds \$57 thousand in the GOALS program and \$151 thousand in services at Dahlke, Holgate, Medallion, Ruth Haefner, Schrunk, and Williams.
- HUD grants are \$1.4 million, an increase of \$18 thousand.
- State, Local, & Other Grants are \$1.8 million, an increase of \$541 thousand.
  - \$805 thousand in Medicaid Revenue from senior/disabled support services (CHSP).
  - \$643 thousand from the Multnomah County for Bud Clark Commons programs.
  - \$331 thousand for a new federal grant program, The Affordable Connectivity Outreach Grant Program.
- Other Revenue and IA Revenue of \$2.6 million combined, a decrease of \$30 thousand from FY23, primarily consisting of:
  - Program Fees from properties are \$1.4 million, a decrease of \$228 thousand.
  - Tenant Fees of \$239 thousand for Congregate Housing Services Program (CHSP) participant fees, an increase of \$42 thousand.
  - \$850 in Community Services contract fees for services at properties in Clackamas County.

Operating Expenses are \$9.8 million, an increase of \$1.1 million from FY22. The primary drivers of Operating Expenses are:

- Administrative Expenses of \$1.2 million, an increase of \$222 thousand.
  - Personnel Expenses are \$587 thousand, an increase of \$151 thousand.
  - Other Admin Expenses of \$639 thousand, an increase of \$70 thousand.

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- Tenant Services expense is \$7.6 million, an increase of \$1.3 million.
    - Direct Community Services, Program Supplies, Contract Tenant Services, and other expenses are \$3.3 million. This is an increase of \$894 thousand primarily due to increased contracted services.
    - Tenant Services Personnel's expense is \$4.2 million, an increase of \$218 thousand.
  - Program Personnel Expense is \$766 thousand, an increase of \$229 thousand.
  - Inter-Agency expense is \$181 thousand for the Community Services department administration fee. This is an increase of \$42 thousand.

### **Community Services Funding Required for Current Agency Activities**

The Community Services department needs \$4.7 million to fund all planned operations fully, an increase of \$1.3 million. Service initiatives will be funded through Single Fund Flexibility.

## Budget Commentary – Administration

| Summary Budget Data   | FY23 Budget    | FY24 Budget  | Increase/<br>(Decrease) |
|---|----------------|--------------|-------------------------|
| Operating Revenue   | \$ 627,651     | \$ 64,431    | \$ (563,220)            |
| Operating Expense   | 14,045,285     | 17,868,642   | 3,823,357               |
| Operating Income Before OH                                      | (13,417,634)   | (17,807,211) | (4,385,577)             |
| Allocated Overhead  | (14,677,303)   | (15,562,782) | (885,479)               |
| Operating Income After OH                                       | 1,259,669      | (2,241,429)  | (3,501,098)             |
| Funding Flow Activity   | (1,115,170)    | 2,416,789    | 3,531,959               |
| Funding Required or (Contributed) for Current Agency Activities | \$ (1,115,170) | \$ 2,416,789 | \$ 3,456,959            |
| Total Budgeted FTE  | 67.6           | 57.0         | (10.6)                  |

The Administration group provides management and administrative support to Home Forward’s operating departments. The group comprises 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 has a net decrease of 10.6 FTEs:

- Decreases include:
  - 1 Associate Director of Education and Systems Alignment
  - 1 Employee Relations Analyst
  - 1 Equity Manager
  - 1 HR Business Partner
  - 1 Human Resources Assistant
  - 1 Human Resources Coordinator
  - 2 Intern
  - 1 Legal Coordinator
  - 1 Network Services Support Tech



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## Administration Major Programs/Initiatives/Activities and Estimated Budget Impact

During the year, Home Forward will continue to implement upgrades to YARDI Voyager 7s, including waitlist management, procurement, and other features to enhance and support Home Forward's work. 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 offer applicants and participants 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 \$64 thousand

Operating Expenses are budgeted at \$17.9 million.

- Personnel costs will be \$17.1 million, an increase of \$3.8 million. These costs reflect planned compensation increases and a higher PERS liability.
- Consulting expenses will be \$500 thousand primarily due continued development of Yardi Voyager 7s.
- There will be \$319 thousand for maintenance needs and utilities at New Market West.

## Budget Commentary – Real Estate Finance

| Summary Budget Data   | FY23 Budget  | FY24 Budget  | Increase/<br>(Decrease) |
|---|--------------|--------------|-------------------------|
| Operating Revenue   | \$ (608,356) | \$ -         | \$ 608,356              |
| Operating Expense   | -            | 202,799      | 52,867                  |
| Operating Income Before OH                                      | (608,356)    | (52,867)     | 555,489                 |
| Allocated Overhead  | -            | -            | -                       |
| Operating Income After OH                                       | (608,356)    | (52,867)     | 555,489                 |
| Funding Flow Activity   | 833,104      | (498,596)    | (1,331,700)             |
| Funding Required or (Contributed) for Current Agency Activities | \$ 1,026,883 | \$ (498,596) | \$ (1,525,479)          |
| 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 agency's operating activities. The activity includes land lease revenues, cell tower arrangements, and omnibus loans issued with real estate activity.

### Real Estate Finance Major Revenue and Expense Items

- Operating Expense is projected to be \$203 thousand, The primary drivers of Operating Expense are:
  - \$9 thousand for courtesy patrol contracts.
  - \$27 thousand for maintenance and building improvements.
  - \$7 thousand for utilities.
  - \$150 thousand in depreciation.
  - \$10 thousand for insurance.

# Attachments

## Summary of Moving to Work Initiative Funds

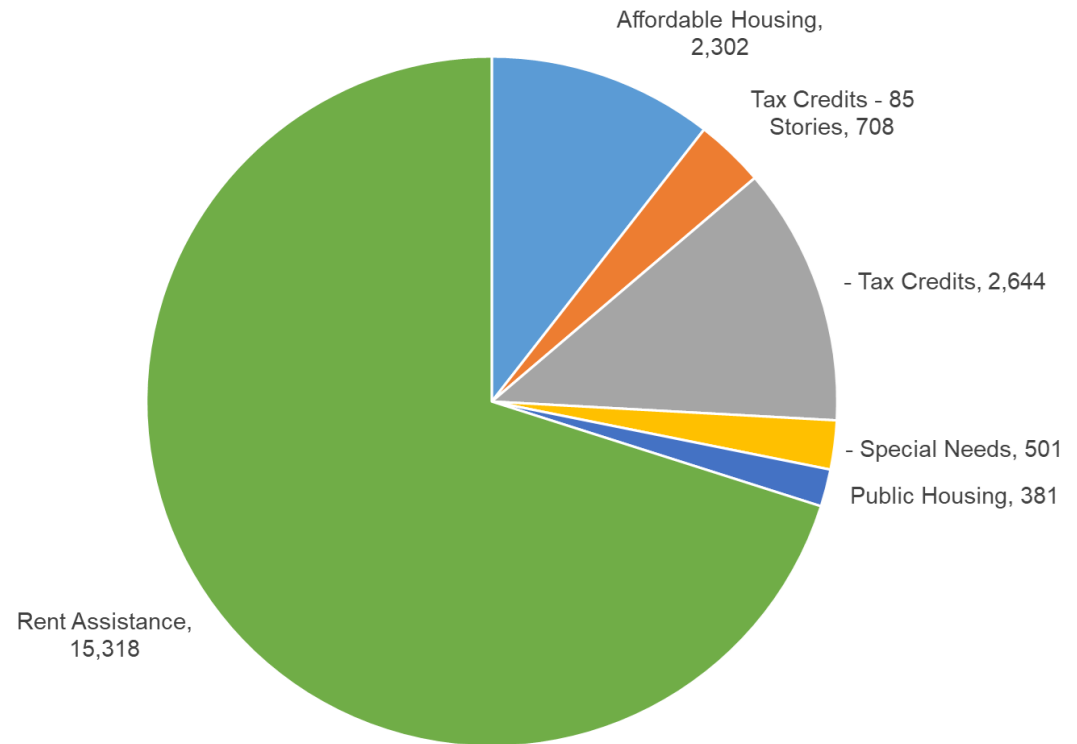
| Initiative                             | Description   | First Year   | FY23 Budget    | FY24 Budget    |
|--|---|--------------|----------------|----------------|
| STRA Funding                           | In collaboration with community partners, provide limited housing assistance to eligible households in Multnomah County who are at risk of eviction, are newly homeless, or are experiencing immediate crises in their housing. | FY 12        | \$ 919,452     | \$ 1,505,386   |
| <i>Home Forward STRA</i>               | <i>Home Forward will fund a portion of the Short-Term Rental Assistance program administered by the Joint Office of Homeless Services.</i>  | <i>FY 14</i> | <i>0</i>       | <i>572,250</i> |
| <i>Alder School</i>                    | <i>Home Forward will provide short to medium-term rent assistance and leverage school support at Alder School to improve academic outcomes and housing stability.</i>   | <i>FY 14</i> | <i>499,119</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>30,517</i>  | <i>44,201</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 to improve academic outcomes and housing stability.</i>   | <i>FY 17</i> | <i>246,754</i> | <i>246,754</i> |
| <i>Economic Opportunity Program</i>    | <i>Home Forward will provide support and Worksource and Human Solutions to aid unstably housed or homeless households successfully engaged in Worksource training or employment programs.</i>                                   | <i>FY 17</i> | <i>143,063</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.                         | FY 17        | 137,446        | 274,892        |

| Initiative                          | Description   | First Year | FY23 Budget | FY24 Budget |
|-------------------------------------|---|------------|-------------|-------------|
| Worksystems Liaison                 | Funds an agreement with Worksystems for residents in pursuit of economic advancement products.  | FY 17      | 47,000      | 47,000      |
| Barrier Reduction and Opportunities | Combines initiatives to promote asset-building and short-term respite care for resident impacted by community violence and assists the senior and disabled population age-in-place by maintaining their quality of life.  | FY 12      | 64,402      | 70,522      |
| 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      | 45,000      | 49,613      |
| Local Blended Subsidy (LBS)         | LBS uses a blend of MTW Section 8 and public housing operating funds to subsidize rental units. Leveraging subsidies allows for a more adequate revenue stream and increases the number of households that can be served. | FY 12      | 2,011,272   | 2,011,272   |
| VASH Security Deposit               | The initiative addresses a severe barrier to VASH Vouchers by providing security deposits for homeless veterans leasing units requiring deposits.   | FY 12      | 62,402      | 93,240      |
| 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 have not had a tenant in the prior 24 months.            | FY 13      | 35,700      | 35,700      |
| Domestic Violence Transfer Funds    | 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.       | 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     |
| Tenant Education                    | A program designed to help our tenants better understand the rental process.  | FY 16      | 81,270      | 87,945      |

| Initiative                     | Description  | First Year | FY23 Budget         | FY24 Budget         |
|--------------------------------|--|------------|---------------------|---------------------|
| Nesika Illahee                 | Locally funded rent assistance for Nesika Illahee. | FY21       | 81,270              | 86,303              |
| Mamook Tokatee                 | Locally funded rent assistance for Mamook Tokatee. | FY24       | 0                   | 83,160              |
| <b>Total – MTW Initiatives</b> |  |            | <b>\$ 3,600,714</b> | <b>\$ 4,460,533</b> |

## FY24 Estimated Households Served by Category

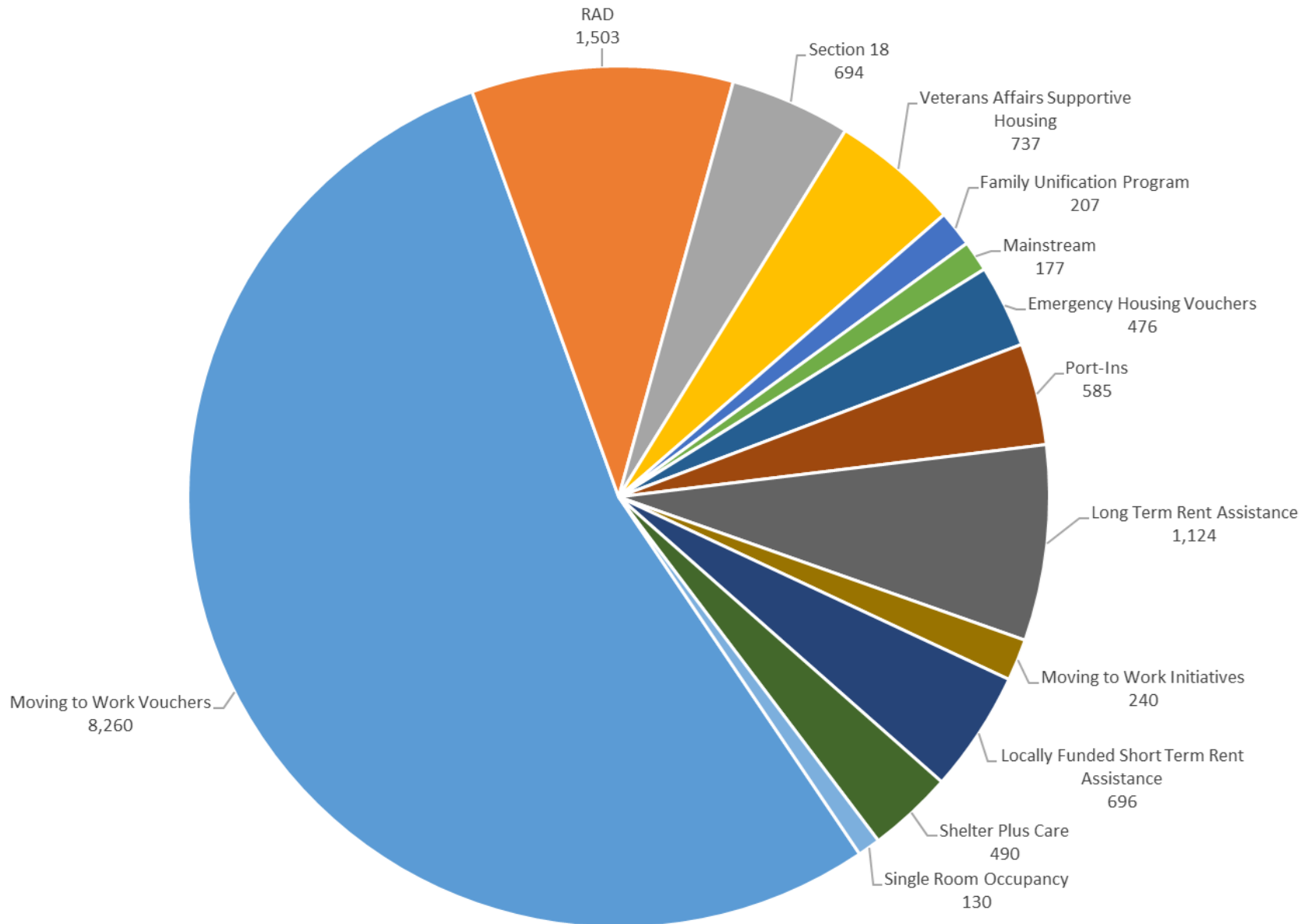
| Category  | Households Served | Percent     |
|---|-------------------|-------------|
| Affordable Housing  | 2,302             | 11%         |
| Special Needs   | 501               | 2%          |
| Tax Credits - 85 Stories  | 708               | 3%          |
| Tax Credits   | 2,644             | 12%         |
| Public Housing  | 381               | 2%          |
| Rent Assistance   | 15,318            | 70%         |
| <b>Total</b>  | <b>21,854</b>     |             |
| Rent Assistance Occupying Affordable Housing / Tax Credit Units | -4,256            | -24%        |
| <b>Unduplicated Total</b>                                       | <b>17,598</b>     | <b>100%</b> |



\*Rent Assistance Occupying Affordable Units represents voucher holders that live within our Affordable and Tax Credit properties. The 4,256 represents residents already included in the Rent Assistance / Affordable Housing / Tax Credit Portfolios. An adjustment is made to provide an unduplicated total.

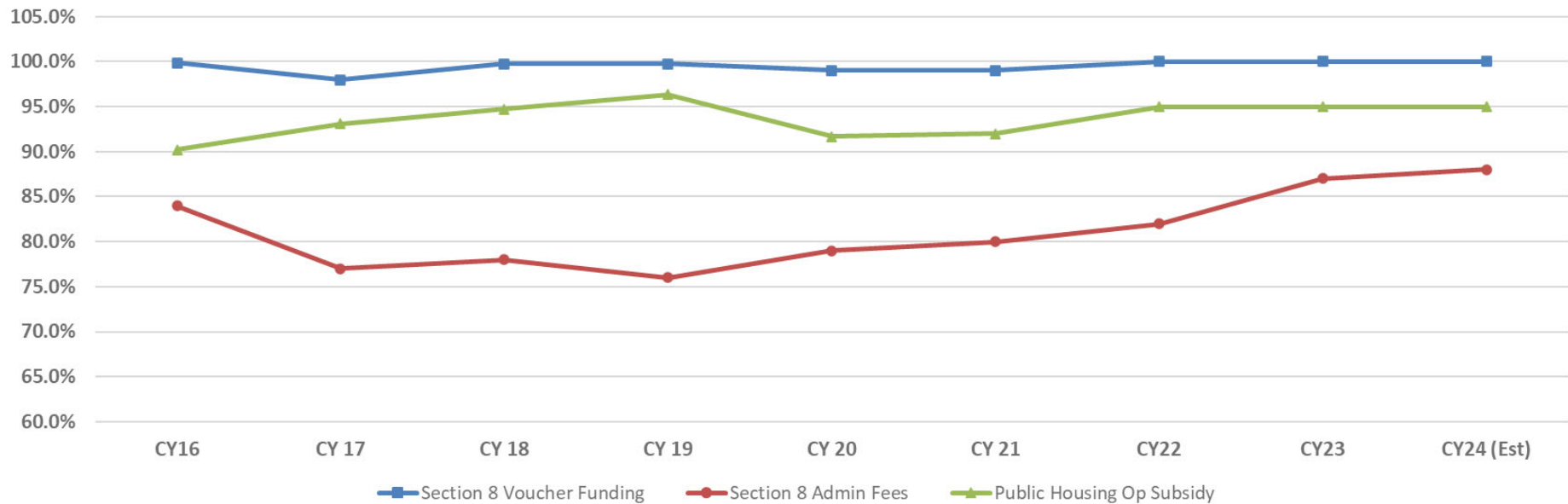
This includes the impact of RAD/Section 18 conversions.

## FY24 Estimated Rent Assistance Households Served by Category



## Subsidy Proration Trends

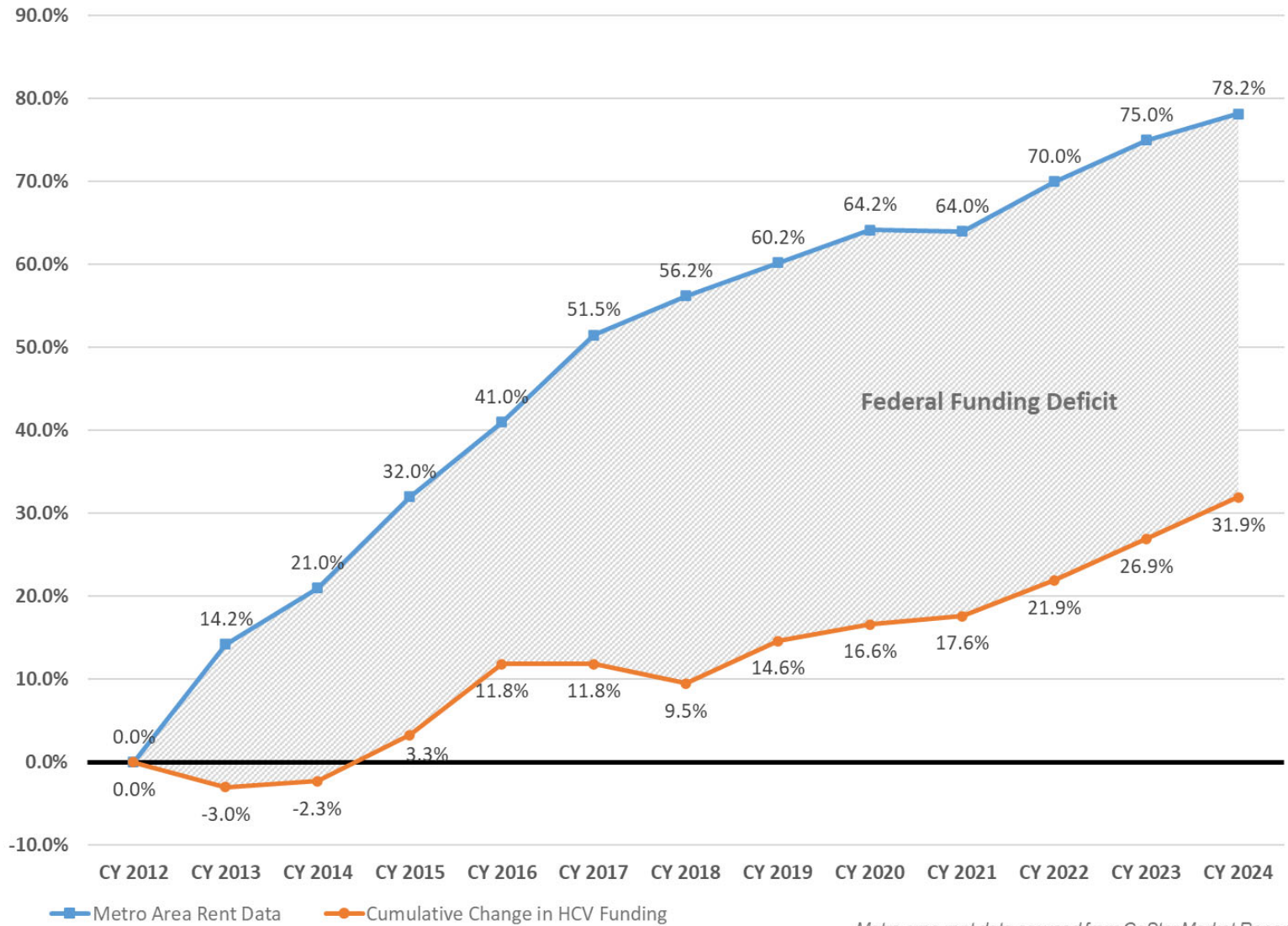
| Subsidy Proration Trends <sup>1</sup> |         |         |         |         |                     |         |        |        |             |
|---------------------------------------|---------|---------|---------|---------|---------------------|---------|--------|--------|-------------|
| Actual Funding Year                   | CY 16   | CY 17   | CY 18   | CY 19   | CY 20               | CY 21   | CY 22  | CY 23  | CY 24 (Est) |
| Home Forward Budget Year              | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2019<br>12/31 YE | FY 2021 | FY22   | FY23   | FY24        |
| Section 8 Voucher Funding             | 99.9%   | 98.0%   | 99.7%   | 99.7%   | 99.0%               | 99.0%   | 100.0% | 100.0% | 100.0%      |
| Section 8 Admin Fees                  | 84.0%   | 77.0%   | 78.0%   | 76.0%   | 79.0%               | 80.0%   | 82.0%  | 87.0%  | 88.0%       |
| Public Housing Operating Subsidy      | 90.2%   | 93.1%   | 94.7%   | 96.3%   | 91.7%               | 92.0%   | 95.0%  | 95.0%  | 95.0%       |



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



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



Metro area rent data sourced from CoStar Market Report

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## Acronym Key

**85 Stories:** Multi-year development initiative to change the subsidy structure for ten high-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 – the document that establishes guidelines for determining public housing eligibility and occupancy.

**AH:** Affordable Housing – properties owned in whole or partly by Home Forward and managed by outside property 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 50%.

**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 are 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 participants' skills and enable them to obtain employment.

**FTE:** Full-Time Equivalent measures how many full-time employees and organizations have 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.

**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 – the 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.

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**LIHTC:** Low-Income Housing Tax Credit is a program created by HUD in 1986 to provide tax credits for the acquisition, rehabilitation, 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 generally 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 to 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:** A group of four properties originally in the Public Housing Portfolio 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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**FY23 Operating Statement by Operating Group**

| <b>Home Forward</b>                                     |                     |                          |                      |                       |                       |                       |                       |                      |                       |                       |                       |                     |             |                    |                    |
|---|---------------------|--------------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|---------------------|-------------|--------------------|--------------------|
| Fiscal Year 2024 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   | \$ -                | \$ 1,019,282             | \$ 31,874,594        | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                 | \$ -                  | \$ -                  | \$ -                  | \$ -                | \$ -        | \$ (5,061,971)     | \$ 27,831,905      |
| Non-dwelling Rental                                     | -                   | 86,904                   | 1,869,566            | -                     | -                     | -                     | -                     | -                    | 217,760               | 64,431                | -                     | -                   | -           | (522,583)          | 1,716,078          |
| HUD Subsidies - Housing Assistance                      | 143,082,876         | -                        | 1,525,260            | -                     | -                     | -                     | -                     | -                    | -                     | -                     | -                     | -                   | -           | -                  | 144,608,136        |
| HUD Subsidies - Admin Fee                               | 14,444,571          | -                        | -                    | -                     | 608,802               | -                     | -                     | -                    | -                     | -                     | -                     | -                   | -           | -                  | 15,053,373         |
| HUD Subsidies - Public Housing                          | 250,000             | 4,800,696                | -                    | -                     | 169,000               | -                     | -                     | -                    | 208,146               | -                     | -                     | -                   | -           | -                  | 5,427,842          |
| HUD Grants  | 6,739,661           | -                        | -                    | -                     | 399,060               | -                     | -                     | -                    | 1,383,121             | -                     | -                     | -                   | -           | -                  | 8,521,842          |
| Development Fee Revenue, Net                            | -                   | -                        | -                    | -                     | -                     | -                     | -                     | 13,716,360           | -                     | -                     | -                     | -                   | -           | -                  | 13,716,360         |
| State, Local & Other Grants                             | 28,890,297          | -                        | -                    | -                     | -                     | -                     | -                     | 162,676              | 1,800,540             | -                     | -                     | -                   | -           | -                  | 30,853,512         |
| Other Revenue   | 7,542,080           | 19,557                   | 989,478              | -                     | 2,345,964             | -                     | 1,903,601             | -                    | 1,211,879             | -                     | -                     | -                   | -           | (380,676)          | 13,631,883         |
| Total IA Revenue  | -                   | -                        | -                    | -                     | -                     | -                     | -                     | -                    | 1,413,442             | -                     | -                     | -                   | -           | (980,169)          | 433,273            |
| <b>Total Operating Revenues</b>                         | <b>200,949,484</b>  | <b>5,926,439</b>         | <b>36,258,898</b>    | <b>-</b>              | <b>3,522,826</b>      | <b>-</b>              | <b>1,903,601</b>      | <b>13,879,036</b>    | <b>6,234,888</b>      | <b>64,431</b>         | <b>-</b>              | <b>-</b>            | <b>-</b>    | <b>(6,945,399)</b> | <b>261,794,204</b> |
| Housing Assistance Payments                             | 176,440,394         | -                        | -                    | -                     | -                     | -                     | -                     | -                    | -                     | -                     | -                     | -                   | -           | (5,285,004)        | 171,155,390        |
| Administrative Personnel Expense                        | 1,376,641           | -                        | -                    | 742,745               | 1,237,385             | 547,118               | 84,408                | 1,280,854            | 587,478               | 10,301,224            | -                     | -                   | -           | -                  | 16,157,852         |
| Other Admin Expenses                                    | 893,561             | 366,128                  | 7,274,545            | 137,704               | 375,429               | 136,959               | 40,041                | 229,745              | 639,182               | 6,520,840             | 9,000                 | -                   | -           | (306,824)          | 16,316,310         |
| Fees/overhead charged                                   | 522,583             | -                        | -                    | 2,256                 | 3,252                 | -                     | 3,408                 | -                    | -                     | 802                   | -                     | -                   | -           | (522,583)          | 9,718              |
| Tenant Svcs Personnel Expense                           | 75,227              | -                        | 735,149              | -                     | -                     | -                     | -                     | 399,940              | 4,311,834             | 99,089                | -                     | -                   | -           | -                  | 5,621,240          |
| Other Tenant Svcs Expenses                              | 200,710             | 167,375                  | 504,327              | -                     | -                     | -                     | -                     | -                    | 3,324,231             | 41,750                | -                     | -                   | -           | -                  | 4,238,393          |
| Program Expense   | 11,365,076          | 572,844                  | 751,551              | 1,233,547             | 2,476,414             | 105,605               | 275,470               | 2,324,306            | 766,230               | 101,615               | -                     | -                   | -           | -                  | 19,972,657         |
| Maintenance Personnel Expense                           | -                   | 723,198                  | 447,740              | -                     | 800,789               | 571,473               | 1,075,579             | -                    | -                     | 74,538                | -                     | -                   | -           | -                  | 3,693,318          |
| Other Maintenance Expenses                              | -                   | 823,214                  | -                    | -                     | (37,777)              | 131,098               | 104,920               | -                    | -                     | 244,549               | 26,646                | -                   | -           | -                  | 9,134,102          |
| Utilities   | -                   | 655,736                  | 5,032,857            | -                     | -                     | -                     | 40,000                | -                    | -                     | 84,800                | 7,221                 | -                   | -           | -                  | 5,820,614          |
| Total IA Expense  | -                   | -                        | 398,477              | -                     | -                     | -                     | -                     | -                    | 180,612               | -                     | -                     | -                   | -           | (830,988)          | (251,899)          |
| Depreciation  | -                   | 629,939                  | 5,437,233            | -                     | 8,482                 | -                     | -                     | 1,060                | -                     | 388,800               | 149,932               | -                   | -           | (47,440)           | 6,568,007          |
| General   | -                   | 233,364                  | 3,128,182            | -                     | 202,188               | 1,634                 | 19,115                | 10,000               | -                     | 10,634                | 10,000                | -                   | -           | -                  | 3,615,117          |
| <b>Total Operating Expenses</b>                         | <b>190,874,191</b>  | <b>4,171,798</b>         | <b>31,551,513</b>    | <b>2,116,252</b>      | <b>5,066,162</b>      | <b>1,493,887</b>      | <b>1,642,941</b>      | <b>4,245,905</b>     | <b>9,809,566</b>      | <b>17,868,642</b>     | <b>202,799</b>        | <b>-</b>            | <b>-</b>    | <b>(6,992,838)</b> | <b>262,050,819</b> |
| <b>Operating Income (Loss)</b>                          | <b>10,075,293</b>   | <b>1,754,641</b>         | <b>4,707,385</b>     | <b>(2,116,252)</b>    | <b>(1,543,336)</b>    | <b>(1,493,887)</b>    | <b>260,660</b>        | <b>9,633,131</b>     | <b>(3,574,678)</b>    | <b>(17,804,211)</b>   | <b>(202,799)</b>      | <b>-</b>            | <b>-</b>    | <b>47,440</b>      | <b>(256,615)</b>   |
| <b>Total Overhead Allocations</b>                       | <b>4,172,734</b>    | <b>-</b>                 | <b>-</b>             | <b>2,205,019</b>      | <b>4,465,833</b>      | <b>225,813</b>        | <b>460,476</b>        | <b>2,342,651</b>     | <b>1,690,256</b>      | <b>(15,562,782)</b>   | <b>-</b>              | <b>-</b>            | <b>-</b>    | <b>-</b>           | <b>-</b>           |
| <b>Operating Income (Loss) after Overhead</b>           | <b>5,902,559</b>    | <b>1,754,641</b>         | <b>4,707,385</b>     | <b>(4,321,271)</b>    | <b>(6,009,169)</b>    | <b>(1,719,701)</b>    | <b>(199,816)</b>      | <b>7,290,480</b>     | <b>(5,264,935)</b>    | <b>(2,241,429)</b>    | <b>(202,799)</b>      | <b>-</b>            | <b>-</b>    | <b>47,440</b>      | <b>(256,615)</b>   |
| <b>Reserve Funding</b>                                  | <b>-</b>            | <b>-</b>                 | <b>2,567,160</b>     | <b>-</b>              | <b>56,196</b>         | <b>-</b>              | <b>-</b>              | <b>6,351,844</b>     | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>(5,570,844)</b>  | <b>-</b>    | <b>-</b>           | <b>-</b>           |
| <b>Operating Income (Loss) after Reserve Funding</b>    | <b>5,902,559</b>    | <b>1,754,641</b>         | <b>7,274,545</b>     | <b>(4,321,271)</b>    | <b>(5,952,973)</b>    | <b>(1,719,701)</b>    | <b>(199,816)</b>      | <b>13,642,324</b>    | <b>(5,264,935)</b>    | <b>(2,241,429)</b>    | <b>(202,799)</b>      | <b>(5,570,844)</b>  | <b>-</b>    | <b>47,440</b>      | <b>3,147,741</b>   |
| Investment Income                                       | -                   | (720)                    | 452,223              | 12,000                | -                     | -                     | -                     | -                    | -                     | -                     | -                     | -                   | -           | -                  | 463,503            |
| Interest Expense  | -                   | -                        | (2,202,690)          | -                     | -                     | -                     | -                     | -                    | -                     | 90,000                | 106,859               | -                   | -           | -                  | (2,005,831)        |
| <b>Net Other Income (Expense)</b>                       | <b>-</b>            | <b>(720)</b>             | <b>(1,750,467)</b>   | <b>12,000</b>         | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>-</b>              | <b>90,000</b>         | <b>106,859</b>        | <b>-</b>            | <b>-</b>    | <b>-</b>           | <b>(1,542,328)</b> |
| HUD Nonoperating Contributions                          | -                   | 180,000                  | (600,000)            | -                     | -                     | -                     | -                     | -                    | -                     | 210,000               | -                     | -                   | -           | -                  | (210,000)          |
| Reserve Funded Capital Contributions                    | -                   | -                        | -                    | -                     | -                     | -                     | -                     | -                    | -                     | -                     | (5,838,181)           | 5,057,181           | -           | -                  | (781,000)          |
| <b>Net Capital Contributions</b>                        | <b>-</b>            | <b>180,000</b>           | <b>(600,000)</b>     | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>-</b>              | <b>210,000</b>        | <b>(5,838,181)</b>    | <b>5,057,181</b>    | <b>-</b>    | <b>-</b>           | <b>(991,000)</b>   |
| <b>Change In Net Position</b>                           | <b>\$ 5,902,559</b> | <b>\$ 1,933,921</b>      | <b>\$ 4,924,078</b>  | <b>\$ (4,309,271)</b> | <b>\$ (5,952,973)</b> | <b>\$ (1,719,701)</b> | <b>\$ (199,816)</b>   | <b>\$ 13,642,324</b> | <b>\$ (5,264,935)</b> | <b>\$ (1,941,429)</b> | <b>\$ (5,934,121)</b> | <b>\$ (513,663)</b> | <b>\$ -</b> | <b>\$ 47,440</b>   | <b>\$ 614,413</b>  |

\* Numbers may vary slightly due to rounding

**FY23 Funding Flow Analysis by Operating Group\***

| <b>Home Forward</b>                                     |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
|---|--------------------|--------------------------|----------------------|--------------------|---------------------|--------------------|-----------------------|--------------------|--------------------|--------------------|---------------------|-------------|-------------|-------------|--------------------|
| Fiscal Year 2024 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 |
| <b>Operating Income (Loss) after Overhead</b>           | \$ 5,902,559       | \$ 1,754,641             | \$ 4,707,385         | \$ (4,321,271)     | \$ (6,009,169)      | \$ (1,719,701)     | \$ (199,816)          | \$ 7,290,480       | \$ (5,264,935)     | \$ (2,241,429)     | \$ (202,799)        | \$ -        | \$ -        | \$ 47,440   | \$ 614,413         |
| <b>Real Estate Portfolio</b>                            |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Affordable Housing Properties Operating Activity        | -                  | -                        | (4,707,385)          | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | (4,707,385)        |
| Revenue from Properties to Home Forward                 | -                  | -                        | (519,643)            | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | (519,643)          |
| Unrestricted Cash to HF                                 | -                  | -                        | 2,573,464            | -                  | -                   | -                  | -                     | -                  | 475,224            | -                  | 551,463             | -           | -           | -           | 3,600,151          |
| Net Replacement Reserve Activity (New Market West)      | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Net Replacement Reserve Activity (Special Needs)        | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| <b>Developer Fee - Impact to Funding Flow</b>           |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Developer Fee Revenue                                   | -                  | -                        | -                    | -                  | -                   | -                  | -                     | (13,716,360)       | -                  | -                  | -                   | -           | -           | -           | (13,716,360)       |
| Developer Fee - Cash to HF (Net)                        | -                  | -                        | -                    | -                  | -                   | -                  | -                     | 12,472,382         | -                  | -                  | -                   | -           | -           | -           | 12,472,382         |
| <b>Financing/Investment Activity</b>                    |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Principal & Interest - Special Needs                    | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Principal & Interest - New Market West                  | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | (394,384)          | -                   | -           | -           | -           | (394,384)          |
| <b>Capital Acquisitions</b>                             |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Fleet Vehicle   | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Fleet Vehicle Reserve Funding                           | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| <b>Non-Cash Operating Activity</b>                      |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Depreciation Expense                                    | -                  | 629,939                  | 5,437,233            | -                  | 8,482               | -                  | -                     | 1,060              | -                  | 219,023            | 149,932             | -           | -           | (47,440)    | 6,398,229          |
| <b>Special Purpose Reserve Activity</b>                 |                    |                          |                      |                    |                     |                    |                       |                    |                    |                    |                     |             |             |             |                    |
| Inter Departmental Reserve Transfers                    | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| 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               | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| DCR Operating Reserve                                   | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Affordable Portfolio Reserve                            | -                  | -                        | (500,000)            | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | (500,000)          |
| Workforce Initiative Funding                            | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| 85 Stories Asset Repositioning Fee Reserve              | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| Insurance Reserve                                       | -                  | (100,000)                | (100,000)            | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | (200,000)          |
| Capital Fund Program Contribution                       | -                  | -                        | -                    | -                  | -                   | -                  | -                     | -                  | -                  | -                  | -                   | -           | -           | -           | -                  |
| <b>Funding Source or (Shortfall)</b>                    | <b>5,902,559</b>   | <b>2,284,580</b>         | <b>7,391,054</b>     | <b>(4,321,271)</b> | <b>(6,000,687)</b>  | <b>(1,719,701)</b> | <b>(199,816)</b>      | <b>6,047,562</b>   | <b>(4,789,711)</b> | <b>(2,416,789)</b> | <b>498,596</b>      | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>2,676,376</b>   |
| <b>Funding Required or (Contributed) to Agency</b>      | <b>(5,902,559)</b> | <b>(2,284,580)</b>       | <b>(7,391,054)</b>   | <b>4,321,271</b>   | <b>6,000,687</b>    | <b>1,719,701</b>   | <b>199,816</b>        | <b>(6,047,562)</b> | <b>4,789,711</b>   | <b>2,416,789</b>   | <b>(498,596)</b>    | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>(2,676,376)</b> |
| <b>Final Funding Source or (Shortfall)</b>              | <b>\$ -</b>        | <b>\$ -</b>              | <b>\$ -</b>          | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>           | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>        |

\* Numbers may vary slightly due to rounding.

Placeholder for Resolution 23-12-03  
Authorize Home Forward Insurance Renewals



**MEMORANDUM**

To: Board of Commissioners  
Date: December 19, 2023

From: Amanda Saul  
Assistant Director of General  
Obligation Bond Development  
503.802.8552  
Subject: Construction Contract and  
Funding Increase for Hazel Ying  
Lee Apartments  
Resolution 23-12-04

Patrick Rhea, Project Manager,  
Development  
503.802.8311

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The Board of Commissioners is requested to authorize the Chief Executive Officer or her designee to approve:

- Additional construction expenditures to complete the construction of Hazel Ying Lee Apartments (Powell Project). The requested authorization will increase construction expenditures by up to \$1,000,000, and;
- A new Sponsor Loan from Home Forward to the Limited Partnership in the amount of up to \$6,000,000. The source of the Sponsor Loan will be Portland Clean Energy Funds (PCEF) of \$3,022,016 and a Home Forward investment of up to \$2,977,982, for a total of loan of up to \$6,000,000.

These actions support Home Forward’s 2023-2026 Strategic Plan Goal to lead within the housing stability ecosystem and use our developmental expertise to advance innovative solutions that expand supply and address community needs.

**BACKGROUND**

Hazel Ying Lee (HYL)/Powell Project is a 206-unit Portland Bond funded project located at SE 30<sup>th</sup> and SE Powell. Rents will be affordable at multiple ranges: 138 homes will rent at or below 60% AMI (area median income) and 68 at or below 30% AMI. Fifty of these 68



30% AMI homes will be supported with Project-Based Section 8 rental assistance. Permanent Supportive Housing (PSH) services will be available for 30 families who have experienced homelessness where one person has a disabling condition. A full range of supportive services will be provided by the Immigrant and Refugee Coalition of Oregon (IRCO).

The project started construction in November of 2021. On August 17, 2021, Resolution 21-08-03 authorized \$48,860,604 in construction expenditures plus \$5,235,632 in owner contingencies. Construction is 81% complete. We anticipate receiving a Temporary Certificate of Occupancy on February 29, 2024. HYL has faced cost and schedule challenges addressed by the attached two resolutions.

**OVERVIEW**

HYL’s largest budget impacts stem from increases to construction costs and the construction period caused by increased material costs, building and site complexity, and cost of public improvements on SE 30th Avenue. The schedule delay impacted financing costs and insurance costs by extending the duration of our construction loan, leading to an increase in interest carrying costs, and extending the length of builder’s risk insurance coverage. We have managed these cost increases by reallocating unspent soft costs, and receiving competitive PCEF funding to cover the cost of solar cells and HVAC mini-splits, allowing other sources to cover construction interest cost increases and other increases. All costs and schedule impacts have been fully identified at this point and we do not anticipate any further changes.

To reach project completion, Home Forward will need to increase our construction expenditures above the \$54,096,236 amount authorized in Resolution 21-08-03. Per Home Forward’s Procurement policies, contract amendments in excess of \$500,000, beyond the previously approved amount, require Board authorization. Staff anticipates that up to \$1,000,000 of additional construction spending authorization is needed to complete construction of HYL. Home Forward will pay additional construction costs using the following funding sources:

|                            |             |
|----------------------------|-------------|
| Home Forward Funding       | \$2,977,984 |
| Portland Clean Energy Fund | \$3,022,016 |
|                            | <hr/>       |
|                            | \$6,000,000 |

The mechanism for providing these funds will be a Sponsor Loan from Home Forward to Hazel Ying Lee's limited partnership owner. Home Forward staff request that the Board authorize the Chief Executive Officer or her designee to sign Sponsor Loan documents that will loan up to \$6,000,000 (PCEF and Home Forward funding) to the 3000 Powell Limited Partnership. The Sponsor Loan terms will be 0% APR with maturity in 55 years. Home Forward will be repaid the Sponsor Loan if there is sufficient cashflow after the operating expenses and must-pay debt(s) are paid.

## **CONCLUSION**

Home Forward staff requests that the Board of Commissioners approve the resolutions increasing the construction contract amount by \$1,000,000 and approve and sign the Sponsor Loan documents and related documents.

The Real Estate and Development (READ) Committee of Home Forward's Board of Commissioners reviewed a draft of this resolution at its December 1, 2023 meeting.



RESOLUTION 23-12-04

RESOLUTION 23-12-04 AUTHORIZES THE CHIEF EXECUTIVE OFFICER OR HER DESIGNEE TO INCREASE CONSTRUCTION EXPENDITURES FOR 3000 POWELL LIMITED PARTERSHIP (HAZEL YING LEE APARTMENTS) BY \$1,000,000

**WHEREAS**, the Home Forward Board of Commissioners previously authorized the execution of a contract with Colas Construction for the construction of the Hazel Ying Lee Apartments;

**WHEREAS**, the Home Forward Board of Commissioners previously authorized the execution of \$54,096,236 of construction expenditures for the Hazel Ying Lee Apartments;

**WHEREAS**, cost increases at the Hazel Ying Lee require additional construction expenditure authorization to complete the project;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of Home Forward hereby authorizes the Chief Executive Officer, or her designee, to increase the amount of the Colas construction contract above the previously authorized level of \$54,096,236 by \$1,000,000 to complete Hazel Ying Lee's construction.

Adopted: December 19, 2023

Attest:

Home Forward:

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Ivory N. Mathews, Secretary

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Damien R. Hall, Chair



## RESOLUTION 23-12-05

**RESOLUTION 23-12-05 AUTHORIZES THE CHIEF EXECUTIVE OFFICER OR HER DESIGNEE TO SIGN A SPONSOR LOAN FOR 3000 POWELL LIMITED PARTNERSHIP FOR AN AMOUNT UP TO \$6,000,000**

**WHEREAS**, Home Forward is the general partner of 3000 Powell Limited Partnership (the “Partnership”), an Oregon limited partnership, which is the owner of Hazel Ying Lee Apartments, a 206-unit affordable apartment building located in the City of Portland (the “Project”);

**WHEREAS**, pursuant to Resolution 21-08-05, Home Forward, in its individual capacity as a public body and as the general partner of the Partnership, was authorized to execute various financing and loan documents with respect to the development of the Project;

**WHEREAS**, due to increases in construction costs and delays in the construction schedule, the Partnership received \$3,022,016 Portland Clean Energy Funds (PCEF);

**WHEREAS**, in addition to the PCEF funds, Home Forward will commit up to \$2,977,984 to the Partnership;

**WHEREAS**, to cover increased costs in the development of the Project, Home Forward desires to create a Sponsor Loan of up to \$6,000,000;

**WHEREAS**, the Board of Commissioners desires to authorize the Chief Executive Officer or her designee (the “Authorized Representative”) to execute and deliver such documents as may be required to document the Sponsor Loan; and

**WHEREAS**, the Board of Commissioners desires to ratify and affirm all actions previously taken or documents previously executed to accomplish the foregoing.

**NOW THEREFORE, BE IT RESOLVED**, that that the Board of Commissioners of Home Forward hereby authorizes Home Forward to create the Sponsor Loan totaling up to \$6,000,000 and for the Authorized Representative to execute and deliver all such documents as may be required to increase the Sponsor Loan up to \$6,000,000; and

FURTHER RESOLVED, that the Board of Commissioners ratifies and affirms all actions previously taken or documents previously executed to accomplish the foregoing.

ADOPTED: DECEMBER 19, 2023

Attest:

Home Forward:

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Ivory N. Mathews, Secretary

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Damien R. Hall, Chair

# STAFF REPORTS

**Procurement & Contracts Department  
MONTHLY CONTRACT REPORT  
Contracts Approved 10/01/23 - 11/30/23**

PUBLIC IMPROVEMENT  
(CONSTRUCTION & MAINTENANCE SERVICES)

| Contract #      | Amend # | Contractor             | Contract Amount      | Description   | Dept. | Execution Date | Expiration Date |
|-----------------|---------|------------------------|----------------------|---|-------|----------------|-----------------|
| C3214           | 0       | Air X LLC              | \$ 523,000.00        | St Francis HVAC Replacement   | DCR   | 10/3/2023      | 4/1/2025        |
| C3227           | 0       | Walsh Construction Co. | \$ 89,750.00         | Peter Paulson/Gretchen Kafoury Design-Build programming phase   | DCR   | 10/3/2023      | 6/30/2025       |
| C3225           | 0       | Lovett Inc             | \$ 1,930.00          | Commercial hydro jet and scope of the main sewer line to identify route and conditions at Gallagher Plaza. (to inform us of extent of damage) | DCR   | 10/10/2023     | 12/31/2023      |
| <b>Subtotal</b> |         |                        | <b>\$ 614,680.00</b> |   |       |                | <b>3</b>        |

GOODS & SERVICES

| Contract #      | Amend # | Contractor                        | Contract Amount     | Description  | Dept.               | Execution Date | Expiration Date |
|-----------------|---------|-----------------------------------|---------------------|--|---------------------|----------------|-----------------|
| C3239           | 0       | Carbonell Cleaning Solutions      | \$ 9,360.00         | Landscaping at Medallion & Williams  | Property Management | 10/5/2023      | 10/8/2024       |
| C3224           | 0       | Lovett Inc                        | \$ 1,930.00         | Commercial hydro jet and scope of the main sewer line to identify route and conditions at Ruth Haefner Plaza. (to inform us of extent of damage) | DCR                 | 10/10/2023     | 12/31/2023      |
| C3232           | 0       | Carahsoft Technology DBA DocuSign | \$ 13,249.20        | Electronic document signing  | Procurement         | 10/19/2023     | 7/31/2024       |
| C3238           | 0       | Enel X Way USA                    | \$ 3,518.00         | Provide electric vehicle charging stations at Powell   | DCR                 | 10/31/2023     | 3/30/2024       |
| C3242           | 0       | Pioneer Waterproofing             | \$ 2,581.00         | Cement repair of wall and floor at Sellwood  | Property Management | 11/7/2023      | 2/24/2024       |
| C3245           | 0       | Water Solutions NW Inc.           | \$ 7,680.00         | Monthly chemical water treatment for heating/cooling system at NMW   | IFS                 | 11/8/2023      | 11/30/2025      |
| C3248           | 0       | Anderson Heating & Cooling        | \$ 11,498.00        | Replace AC and Furnace at Jean's Place   | Asset Mgmt          | 11/16/2023     | 1/30/2024       |
| C3249           | 0       | Snugs Services                    | \$ 50,000.00        | Snow/Ice Removal Services  | Property Management | 11/17/2023     | 11/15/2024      |
| <b>Subtotal</b> |         |                                   | <b>\$ 99,816.20</b> |  |                     |                | <b>8</b>        |

PERSONAL SERVICE CONTRACTS

| Contract #      | Amend # | Contractor                     | Contract Amount      | Description  | Dept.     | Execution Date | Expiration Date |
|-----------------|---------|--------------------------------|----------------------|--|-----------|----------------|-----------------|
| C3233           | 0       | Epic Land Solutions            | \$ 295,600.00        | Resident Relocation at Peaceful Villa  | DCR       | 10/3/2023      | 4/30/2024       |
| C3237           | 0       | Hainline & Associates Inc      | \$ 25,000.00         | Fountain Place construction scheduling and claims dispute consulting   | DCR       | 10/10/2023     | 3/31/2024       |
| C3236           | 0       | Le Chevallier Strategies       | \$ 100,000.00        | Communications consulting related to media, messaging, and public engagement. Additional service may also include assistance with confidential public records requests. Rule 46-0340 | Executive | 10/16/2023     | 12/31/2025      |
| C3243           | 0       | James Reyes                    | \$ 5,000.00          | Template design for T&OD   | T&OD      | 10/30/2023     | 1/31/2024       |
| C3246           | 0       | Chocolate Milk Diplomacy       | \$ 9,200.00          | Career Development Program   | T&OD      | 11/13/2023     | 11/5/2024       |
| C3244           | 0       | Sasha Bartoo-Smith             | \$ 5,000.00          | Administrative Support for the Director of Equity  | Executive | 11/20/2023     | 5/31/2024       |
| C3241           | 0       | Robert Half International      | \$ 66,000.00         | Temp position: Desktop Support Analyst   | IT        | 11/27/2023     | 5/31/2024       |
| C3252           | 0       | Melody Martinez Consulting LLC | \$ 31,815.00         | Design and facilitate a series of Listening Sessions with prioritized stakeholders to inform policy development  | Executive | 11/27/2023     | 8/31/2024       |
| <b>Subtotal</b> |         |                                | <b>\$ 537,615.00</b> |  |           |                | <b>8</b>        |

PROFESSIONAL SERVICE CONTRACTS (A&E)

| Contract #   | Amend # | Contractor | Contract Amount | Description | Dept. | Execution Date | Expiration Date |
|--------------|---------|------------|-----------------|-------------|-------|----------------|-----------------|
|              |         |            |                 |             |       |                |                 |
| <b>Total</b> |         |            | <b>\$ -</b>     |             |       |                | <b>0</b>        |

AMENDMENTS TO EXISTING CONTRACTS

| Contract # | Amend # | Contractor                     | Contract Amount | Description  | Dept.     | Execution Date | Expiration Date |
|------------|---------|--------------------------------|-----------------|--|-----------|----------------|-----------------|
| C3170      | 1       | Melody Martinez Consulting LLC | \$ 7,375.00     | Equity Consultation; amended to update scope and extend contract | Executive | 10/2/2023      | 7/31/2024       |



|       |    |   |               |   |                                     |            |            |
|-------|----|---|---------------|---|-------------------------------------|------------|------------|
| C2769 | 9  | MWA Architects Inc  | \$ 55,800.00  | Due to the extension of the contract duration of an additional year, the fees for design and construction administration services have increased. This Mod compensates MWA for the added costs. | DCR                                 | 10/3/2023  | 4/1/2026   |
| C3118 | 1  | Performance Systems Integration (PSI)                                       | \$ 2,041.74   | HWE fire alarm extending project duration   | DCR                                 | 10/3/2023  | 12/31/2023 |
| C3026 | 7  | Bacharach Construction LLC  | \$ -          | Celilo court project schedule change  | DCR                                 | 10/4/2023  | 12/31/2023 |
| C3105 | 1  | Waste Management  | \$ -          | Garbage & Recycling Services; amending scope for dekum  | Property Management                 | 10/5/2023  | 3/31/2026  |
| C3009 | 3  | Carpenter Smith Consulting LLC  | \$ 250.00     | Beating Burnout and the Power of Belonging Workshops; amended to add workshop   | Talent & Organizational Development | 10/16/2023 | 11/5/2023  |
| C2964 | 6  | Bora Architecture Inc   | \$ 61,649.00  | Design services for Peaceful Villa; amended to increase scope of work   | DCR                                 | 10/18/2023 | 6/30/2026  |
| C2552 | 1  | Immigrant Refugee Community Organization (IRCO) International Language Bank | \$ -          | On-Call Interpreter and Translation Services for the Agency   | Rent Assistance                     | 10/19/2023 | 6/25/2025  |
| C2825 | 2  | KPFF Consulting Engineers   | \$ 5,800.00   | Group 7 post-construction ALTA survey for Eastwood Court  | Executive                           | 10/19/2023 | 12/21/2023 |
| C2976 | 10 | Walsh Construction Co.  | \$ 190,701.00 | Grace Peck CO #05   | DCR                                 | 10/19/2023 | 12/31/2024 |
| C2800 | 1  | First Response  | \$ 8,950.00   | Security Services at North Maryland; amended to extend contract   | Asset Mgmt                          | 10/23/2023 | 8/1/2024   |
| C2181 | 2  | Otis Elevator   | \$ 50,000.00  | Elevator Preventive Maintenance Hollywood East; amended to add funds  | Property Management                 | 10/24/2023 | 2/28/2024  |
| C2919 | 13 | Walsh Construction Co.  | \$ 138,378.00 | Fairfield Design-Build CO #06   | DCR                                 | 10/26/2023 | 12/31/2024 |
| C2984 | 3  | Central Geotechnical Services, LLC  | \$ 1,000.00   | Geotechnical Services for the Peaceful Villa Redevelopment; amended to update scope   | DCR                                 | 10/26/2023 | 12/30/2024 |
| C3145 | 1  | Hopworks Urban Brewery  | \$ 4,519.44   | Powell additional repair due to PGE power cutover   | DCR                                 | 10/27/2023 | 12/31/2023 |
| C3078 | 1  | Forensic Building Consultants   | \$ -          | Building Enclosure Rehabilitation consulting services for the Courtyard drain and waterproofing at BCC; amended to add time   | DCR                                 | 10/31/2023 | 8/20/2024  |
| C2868 | 15 | Walsh Construction Co.  | \$ 11,178.93  | Dekum CO #11  | DCR                                 | 11/2/2023  | 9/30/2025  |
| C3222 | 1  | Raynor Painting   | \$ 8,000.00   | North Façade Painting at Fountain Place CO#1  | DCR                                 | 11/2/2023  | 12/31/2023 |
| C2868 | 14 | Walsh Construction Co.  | \$ 103,119.08 | Dekum CO #10  | DCR                                 | 11/3/2023  | 9/30/2025  |
| C3177 | 1  | Gans, Gans & Associates   | \$ -          | Recruitment for Chief Communications Officer; amended to add time   | HR                                  | 11/3/2023  | 12/1/2023  |
| C2547 | 4  | PBS Engineering & Environmental, Inc.                                       | \$ 52,500.00  | Environmental services for Dekum Redevelopment Phase 2.   | DCR                                 | 11/6/2023  | 6/30/2025  |
| C3054 | 1  | Elevator Consulting Services  | \$ -          | Project management for modernization at Hamilton West; amended to extend contract   | Asset Mgmt                          | 11/7/2023  | 12/31/2024 |

|                 |    |   |                      |   |                     |            |            |
|-----------------|----|---|----------------------|---|---------------------|------------|------------|
| C3168           | 4  | Buildskape                                  | \$ 1,071.42          | Tenant Improvement at Louisa Flowers CO #04   | DCR                 | 11/7/2023  | 12/31/2023 |
| C3168           | 5  | Buildskape                                  | \$ 4,514.15          | Tenant Improvement at Louisa Flowers CO #05   | DCR                 | 11/7/2023  | 12/31/2023 |
| C2539           | 3  | NW Enforcement                              | \$ 8,580.00          | Security at Strong Properties; amended to extend contract   | Asset Management    | 11/8/2023  | 6/30/2024  |
| C3078           | 2  | Forensic Building Consultants               | \$ 4,000.00          | Building Enclosure Rehabilitation consulting services for the Courtyard drain and waterproofing at BCC; amended to add time   | DCR                 | 11/8/2023  | 8/20/2024  |
| C2716           | 2  | Spectrum Enterprises Inc.                   | \$ 11,000.00         | Move-In file audit for Group 7- Dahlke Manor, Fir Acres, Stark Manor and Eastwood Court; amended to extend contract   | Property Management | 11/13/2023 | 4/30/2026  |
| C2856           | 1  | Motus Recruiting & Staffing Inc.            | \$ -                 | Temporary staffing for HR Admin; amended to add time  | HR                  | 11/13/2023 | 1/31/2024  |
| C2931           | 1  | Jones and Roth                              | \$ -                 | Audits for Baldwin PSH Limited Partnership; amended to add time   | DCR                 | 11/13/2023 | 3/31/2024  |
| C3001           | 1  | QEDLAB Qualified Envelope Diagnostics, Inc. | \$ -                 | Powell window and storefront testing; amended to add time   | DCR                 | 11/14/2023 | 1/30/2024  |
| C2410           | 4  | Amanda Morris                               | \$ 2,400.00          | Foot care clinic at BCC; amended to extend contract   | Community Services  | 11/15/2023 | 12/31/2024 |
| C2976           | 11 | Walsh Construction Co.                      | \$ 143,190.00        | Grace Peck CO #06   | DCR                 | 11/15/2023 | 12/31/2024 |
| C2735           | 1  | Earth Advantage, Inc                        | \$ -                 | Provide Green Building professional services for Powell; amended to add time  | DCR                 | 11/17/2023 | 3/30/2024  |
| C2230           | 5  | AKS Engineering & Forestry, LLC             | \$ -                 | Surveying services for Powell; amended to add time  | DCR                 | 11/20/2023 | 4/30/2023  |
| C2852           | 1  | Geotechnical Resources, Inc. (GRI)          | \$ -                 | Geotechnical construction administrative services for Powell; amended to add time   | DCR                 | 11/20/2023 | 3/30/2024  |
| C3218           | 1  | Village Resiliency Project                  | \$ 15,000.00         | Trauma Workshop; amended to update scope  | T&OD                | 11/20/2023 | 12/31/2024 |
| C2606           | 2  | Pegasus Moving & Cleaning                   | \$ 25,000.00         | Packing and moving services for relocation; amended to extend contract and add funds  | DCR                 | 11/21/2023 | 12/31/2024 |
| C2607           | 3  | Lile Moving & Storage                       | \$ 25,000.00         | Packing and moving services for relocation; amended to add funds and extend contract  | DCR                 | 11/27/2023 | 12/31/2024 |
| C3114           | 1  | Walsh Construction Co.                      | \$ -                 | BCC repair upper courtyard storm water area drain; amended to add time  | DCR                 | 11/27/2023 | 9/29/2024  |
| C2922           | 1  | Great Northwest Environmental               | \$ -                 | Site observation and air monitoring during the building demolition of Dekum Court Redevelopment; amended to add time  | DCR                 | 11/29/2023 | 1/30/2024  |
| C2962           | 1  | Portland Tree Consulting                    | \$ -                 | Create a tree protection plan for a construction permit at Dekum Court Redevelopment project for Walsh Construction. Some site observations and close out report may be required under this contract; amended to add time | DCR                 | 11/30/2023 | 5/21/2025  |
| <b>Subtotal</b> |    |   | <b>\$ 941,017.76</b> |   |                     |            | <b>41</b>  |

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

| Contract #      | Amend # | Contractor | Contract Amount | Description | Dept. | Execution Date | Expiration Date |
|-----------------|---------|------------|-----------------|-------------|-------|----------------|-----------------|
|                 |         |            |                 |             |       |                |                 |
| <b>Subtotal</b> |         |            | \$ -            |             |       |                | 0               |
| <b>Total</b>    |         |            | \$ 2,193,128.96 |             |       |                | 60              |

**Procurement & Contracts Department  
FUTURE FORMAL PROCUREMENTS  
6-Month Look Ahead - December 2023**

| Estimated Contract Amount | Description                                       | Dept.                | Solicitation Period |
|---------------------------|---|----------------------|---------------------|
| TBD                       | Civic Station Housing A&E                         | DCR                  | In progress         |
| TBD                       | Civic Station Housing CM/GC                       | DCR                  | In progress         |
| TBD                       | Broadway Corridor A&E                             | DCR                  | In progress         |
| TBD                       | Broadway Corridor CM/GC                           | DCR                  | In progress         |
| \$6 million               | Sequoia Square Building Enclosure Rehab           | DCR                  | Oct 2023            |
| \$200k                    | Event Planning                                    | DCR                  | Nov 2023            |
| TBD                       | On-call Painting Services                         | IFS                  | Jan 2024            |
| TBD                       | STRA  | Homeless Initiatives | Jan 2024            |
| \$1.650 million           | A&E for N. Maryland                               | DCR                  | 2024                |
| \$13.2 million            | CM/GC for N. Maryland                             | DCR                  | 2024                |
| \$1.5 million             | CHSP Housekeeping & Personal Care                 | Community Services   | TBD                 |
| \$2.17 million            | Design and construction services for Sequoia      | DCR                  | TBD                 |
| \$910k                    | Design and construction services for Schiller Way | DCR                  | TBD                 |