

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

**TO:** HACSA Board of Commissioners  
**FROM:** Huu Dang, Finance Director  
**AGENDA ITEM TITLE:** ORDER/In the Matter of Adopting the 2011-2012 Budget and Making Appropriations  
**AGENDA DATE:** September 28, 2011

**I. MOTION**

IT IS MOVED THAT THE ORDER BE APPROVED WHICH ADOPTS THE 2011/2012 AGENCY BUDGET AND MAKES APPROPRIATIONS.

**II. ISSUE**

It is necessary for the Board to adopt the Agency FY 2012 budget prior to October 1, 2011.

**III. DISCUSSION**

A. Background

This Order approves the Agency's budget for the fiscal year beginning October 1, 2011.

B. Analysis

Attached is the Executive Director's memorandum transmitting the proposed HACSA budget for FY 2012 and the budget documents.

C. Alternatives/Options

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

D. Recommendation

Approval of the proposed Motion is recommended.

E. Timing

Upon Board approval, the proposed budget will become effective on October 1, 2011.

**IV. IMPLEMENTATION/FOLLOW-UP**

Same as Item III.E.

**V. ATTACHMENTS**

Memorandum  
Budget

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

**ORDER NO.**

**)IN THE MATTER OF ADOPTING  
)THE 2011/2012 BUDGET AND  
)MAKING APPROPRIATIONS**

WHEREAS, it is necessary for the Board to adopt a 2011/2012 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon; and

WHEREAS, the HACSA Executive Director has recommended approval of the proposed HACSA budget for the 2011/2012 fiscal year; and

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

ORDERED, that the 2011-2012 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon, as set forth below, is hereby adopted; and

FURTHER ORDERED, that the amounts for the fiscal year beginning October 1, 2011, and for the purposes shown below, are hereby appropriated:

GENERAL FUND

Community Services Division	\$ 7,496,700
Housing Division	7,235,500
Section 8 Division	<u>15,692,400</u>
Total	<u>\$30,424,600</u>

ADOPTED, by the Housing And Community Services Agency of Lane County, Oregon, this 28<sup>th</sup> day of September, 2011.

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Chairperson, HACSA Board of Commissioners

IN THE MATTER OF ADOPTING THE 2011/2012 BUDGET AND MAKING  
APPROPRIATIONS

APPROVED AS TO FORM  
Date 9-21-2011 by Stephen J. Baker  
OFFICE OF LEGAL COUNSEL

## HACSA MEMORANDUM

**TO:** HACSA Board of Commissioners

**FROM:** Larry Abel, Executive Director  
Huu Dang, Finance Director

**SUBJECT:** Transmittal of Proposed HACSA Budget for FY 2012

**DATE:** September 14, 2011

HACSA's FY 2012 budget is attached for your review and approval. It has been prepared in accordance with guidelines established by federal granting agencies, most particularly the Federal Department of Housing and Urban Development (HUD). All division budgets are balanced. Program summaries are shown for the Community Services, Housing, and Section 8 divisions. Federal funding accounts for 83% of HACSA's revenues. HUD funding alone comprises 66%.

This budget totals \$30,424,600, a net decrease of \$701,400 from the FY 2011 budget.

The Community Services Division has budgeted \$984,700 more than last year. The \$3,278,000 in expenditures related to rehabilitation of the Norseman Village Apartments more than offsets the decrease from the closure of the American Recovery and Reinvestment Act (ARRA) grant and completion of the Heeran Center rehabilitation.

The Housing Division has budgeted \$700,500 less than last year. The closure of the ARRA grant and the 25% reduction in the Capital Fund grant accounts for over \$600,000 of the decrease.

The Section 8 Division has budgeted \$985,600 less than last year. The decrease results from HUD's pro-ration of the Administrative Fee and Housing Assistance Payments (HAP).

As usual, the Agency's 708 units of public housing are included in the accompanying Housing Division proposed budget. Consequently, there are six public housing Asset Management Projects (AMP) budgets as well as a separate budget for the Central Office Cost Center (COCC). HUD requires Board approval for each of these budgets which are included in a separate agenda packet.

HUD's funding bill for next fiscal year (beginning October 1, 2011) has not yet been approved. The HACSA proposed budget has been prepared based on the information that we currently have. We will keep you apprised of future developments that result in significant changes.

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY, OREGON

COMPARATIVE SUMMARY OF RESOURCES AND EXPENDITURES

	<u>2008-09</u> <u>ACTUAL</u>	<u>2009-10</u> <u>ACTUAL</u>	<u>2010-11</u> <u>BUDGET</u>	<u>2011-12</u> <u>PROPOSED</u>
<b>RESOURCES</b>				
Fund Balance	\$ 1,736,600	\$ 523,400		
Loans			\$ 1,943,000	\$ 872,300
Revenues:				
Federal grants	20,499,000	23,693,300	24,774,500	25,195,000
Rent	3,143,300	3,251,800	3,281,400	3,267,400
Interest	276,000	85,400	100,000	78,700
Other	473,400	531,600	1,027,100	1,011,200
	<u>\$ 26,128,300</u>	<u>\$ 28,085,500</u>	<u>\$ 31,126,000</u>	<u>\$ 30,424,600</u>
<b>EXPENDITURES</b>				
Personal Services	\$ 5,517,700	\$ 6,027,073	\$ 6,351,800	\$ 6,206,400
Materials and Services	18,235,300	19,260,107	19,852,800	18,634,600
Capital Outlay	1,626,600	2,051,700	4,201,200	4,922,500
Debt Service	748,700	746,600	720,200	661,100
	<u>\$ 26,128,300</u>	<u>\$ 28,085,480</u>	<u>\$ 31,126,000</u>	<u>\$ 30,424,600</u>
<b>PROGRAM EXPENDITURES</b>				
Community Services	\$ 4,702,600	\$ 4,859,800	\$ 6,512,000	\$ 7,496,700
Housing	5,849,300	7,510,200	7,936,000	7,235,500
Section 8	15,576,400	15,715,480	16,678,000	15,692,400
	<u>\$ 26,128,300</u>	<u>\$ 28,085,480</u>	<u>\$ 31,126,000</u>	<u>\$ 30,424,600</u>
<b>FULL-TIME EQUIVALENT POSITIONS</b>				
	<u>79.50</u>	<u>83.00</u>	<u>84.05</u>	<u>81.80</u>

## **PROGRAM SUMMARY**

### **COMMUNITY SERVICES**

#### **STATEMENT OF PURPOSE**

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

#### **FISCAL YEAR 2011-2012 OBJECTIVES**

1. Provide comprehensive and cost effective weatherization services to 350 households.
2. Closeout third year of the American Recovery and Reinvestment Act (ARRA) weatherization assistance grant.
3. Install new “energy star” approved refrigerators and horizontal-axis washing machines for 100 households.
4. Present energy education program to residents of multifamily public housing complexes, families with a high energy burden, and to children in public school grades K-5.
5. Maintain strong partnerships with local utilities, municipalities, and service organizations.
6. Continue our commitment to install renewable energy systems as a proven strategy to reduce “baseload” energy costs for low-income households.
7. Continue providing operational assistance to the LIHEAP Furnace Crisis Program funded by the Lane County Human Services Commission.
8. Close the financing and begin construction of the Hawthorn-at-29<sup>th</sup> Apartments, a 35-unit acquisition/rehabilitation project in South Eugene for people with disabilities.
9. Close the financing and begin construction of the Norsemen Apartments, a 44-unit acquisition/rehabilitation project in Junction City for seniors and people with disabilities.
10. Collaborate on the design development of Bascom Village, a 104-unit phased apartment development in North Eugene in partnership with St. Vincent de Paul.
11. Investigate financing resources and development strategies for the HACSA-owned site at 48<sup>th</sup> & Main in Springfield.
12. Investigate new development opportunities, including the potential acquisition of a property in Florence, and a potential partnership with ShelterCare on a site at 52<sup>nd</sup> & Main in Springfield.

PROGRAM SUMMARY (continued)

COMMUNITY SERVICES

	<u>2008-09</u> <u>ACTUAL</u>	<u>2009-10</u> <u>ACTUAL</u>	<u>2010-11</u> <u>BUDGET</u>	<u>2011-12</u> <u>PROPOSED</u>
<b>EXPENDITURES</b>				
Personal Services	\$ 1,280,000	\$ 1,357,000	\$ 1,343,300	\$ 1,282,300
Materials and Services	2,159,200	3,092,900	2,953,800	2,656,400
Capital Outlay	990,500	131,500	1,943,000	3,278,000
Debt Service	272,900	278,400	271,900	280,000
	<u>\$ 4,702,600</u>	<u>\$ 4,859,800</u>	<u>\$ 6,512,000</u>	<u>\$ 7,496,700</u>
<b>FULL-TIME EQUIVALENT POSITIONS</b>				
	<u>15.80</u>	<u>17.05</u>	<u>16.17</u>	<u>15.75</u>

## **PROGRAM SUMMARY**

### **HOUSING**

#### **STATEMENT OF PURPOSE**

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

#### **FISCAL YEAR 2011-2012 OBJECTIVES**

1. Provide opportunities that will positively affect residents' quality of life and their involvement in Division activities, by continuing the use of newsletters, resident handbooks, notices, meetings and trainings. Also provide a multitude of services to residents, including leadership skills development, community organizing, access to computers and the internet, resident groups at individual housing developments, feedback from elected Resident Representatives at the Tenant Advisory Group (TAG) meetings, use of an Agency Hot Line, and the services of an Agency Ombudsman, as funding allows.
2. Continue to protect the Division's assets, through a concerted effort to maintain and upgrade Agency-owned housing units on a regular basis. In accordance with HUD's mandate, refine the project based/asset management reorganization for our 708 public housing units.
3. Utilize the capital fund grant to modernize our public housing units. Integrate the Agency's allocation of capital funds into all aspects of the Division's operations, including occupancy, management, and maintenance, as regulations allow.
4. Maintain our high achiever Public Housing Assessment System (PHAS) ratings.
5. Continue resident requested and planned physical improvements to Agency-owned housing units, required under Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act (ADA).
6. Family Self-Sufficiency Program: Continue to provide ongoing case management services and referrals to appropriate community services for enrolled families, under their Training and Services Plans (TSPs). Continue outreach efforts to Public Housing residents to encourage enrollment and growth toward self-sufficiency.
7. Utilize the FY 2010 ROSS Service Coordinator Grant to refer Public Housing residents to other community service providers, to assist with services such as preventative health and emergency response devices for senior and disabled residents, transportation, childcare, work clothes, and license and certification fees for residents involved in employment related activities. In addition, the Service Coordinator will supervise volunteers at two senior sites to provide ongoing delivery of food boxes for residents without transportation, as well as work with resident groups at these sites to develop social activities.
8. Continue providing safe and decent housing with extensive applicant screening, review of daily police calls for service and maintaining a zero tolerance for drug activity.



PROGRAM SUMMARY (continued)

**HOUSING**

	<b>2008-09 ACTUAL</b>	<b>2009-10 ACTUAL</b>	<b>2010-11 BUDGET</b>	<b>2011-12 PROPOSED</b>
<b>EXPENDITURES</b>				
Personal Services	\$ 2,497,300	\$ 2,828,500	\$ 3,082,700	\$ 3,180,700
Materials and Services	2,240,100	2,293,300	2,176,800	2,047,700
Capital Outlay	636,100	1,920,200	2,228,200	1,626,000
Debt Service	475,800	468,200	448,300	381,100
	<u>\$ 5,849,300</u>	<u>\$ 7,510,200</u>	<u>\$ 7,936,000</u>	<u>\$ 7,235,500</u>
<b>FULL-TIME EQUIVALENT POSITIONS</b>				
	<u>38.00</u>	<u>41.06</u>	<u>42.22</u>	<u>42.39</u>

## **PROGRAM SUMMARY**

### **SECTION 8**

#### **STATEMENT OF PURPOSE**

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

1. **Housing Choice Voucher:** This is the largest program in the division with 2723 families participating. Section 8 applicants who are at the top of the waiting list receive a voucher which is a rent subsidy grant based on their family size and income levels. This grant subsidy is paid directly to a participating landlord on the private rental market. While providing decent and safe housing for low income families, the rental subsidy will funnel approximately 13 million federal dollars to private landlords in Lane County during the next fiscal year.
2. **Home Ownership:** In the home ownership program the subsidy payment is paid directly to the bank to subsidize the mortgage payment. With Home Ownership we will increase the housing options for participants who have been on the program for a least one year and are in good standing.
3. **Family Self-Sufficiency (FSS).** In the Family Self-Sufficiency Program, participants also receive a package of supportive services, tailored to the individual family's need. The services are provided to assist the family in meeting its long term (up to 5 years) self-sufficiency goals. The goal of this program is to help families become self-sufficient of TANF and other government sponsored programs.
4. **Veterans Administration Supportive Housing (VASH).** In partnership with VA we now have 85 vouchers that are dedicated to homeless veterans. The VA selects the veteran, provides the case management and we provide the rental subsidy on the private rental market.

#### **FISCAL YEAR 2011-2012 OBJECTIVES**

1. With continued increases in area rents and reduction in funding, the Section 8 Division will strive to maximize limited resources to maintain a 100% lease rate which augments low income housing resources in the community.
2. The Section 8 waiting list is now closed. We anticipate opening the waiting list mid-October 2011.
3. Increase the number of participants in the home ownership program through education, counseling and partnership with local housing providers and lenders.
4. Continue to maintain positive working relationships with area property managers/owners to achieve a wide choice of housing opportunities for our low-income, elderly and disabled clients.
5. Emphasize self-sufficiency for clients and families, facilitating access to education, employment and services to assist them in reaching their self-sufficiency goals.
6. Continue to educate staff, landlords and other service providers regarding the laws and regulations pertaining to reasonable accommodation for disabled individuals.

PROGRAM SUMMARY (continued)

**SECTION 8**

	<b>2008-09 ACTUAL</b>	<b>2009-10 ACTUAL</b>	<b>2010-11 BUDGET</b>	<b>2011-12 PROPOSED</b>
<b>EXPENDITURES</b>				
Personal Services	\$ 1,740,400	\$ 1,841,600	\$ 1,925,800	\$ 1,743,400
Materials and Services	13,836,000	13,873,900	14,722,200	13,930,500
Capital Outlay	0	0	30,000	18,500
Debt Service				
	<u>\$ 15,576,400</u>	<u>\$ 15,715,500</u>	<u>\$ 16,678,000</u>	<u>\$ 15,692,400</u>
<b>FULL-TIME EQUIVALENT POSITIONS</b>				
	<u>25.70</u>	<u>24.89</u>	<u>25.66</u>	<u>23.66</u>