

A G E N D A

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METRO

Agenda

MEETING: METRO COUNCIL BUDGET WORK SESSION
DATE: April 7, 2004
DAY: Wednesday
TIME: 1:30 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. **Ordinance No. 04-1044, For the Purpose of Adopting the Annual Budget for Fiscal Year 2004-05, Making Appropriations, and Levying Ad Valorem Taxes, and Declaring an Emergency.**

ADJOURN

Department	#

AMENDMENT TO FY 2004-05 BUDGET

SPONSOR: Councilor Rex Burkholder

DRAFTER: Andy Cotugno and Chris Deffebach

DATE April 6, 2004

PROPOSED AMENDMENT (provide a brief summary of the requested action along with the specific line item affected)

This proposed amendment will add 1 FTE to the FY 2004-05 budget presented by Council President Bragdon. The additional FTE will allow Metro to fully support the commitments in the Urban Growth Management Functional Plan for Affordable Housing in Title 7.

Title 7 was adopted by Metro Council in 2000 after extensive consideration and recommendations by the ad hoc Affordable Housing Technical Advisory Committee (HTAC) members who represented diverse perspectives on housing issues. It requires local governments to ensure their comprehensive plans include strategies to ensure a wide range of housing types and to include measures to maintain the existing supply of affordable housing and to increase opportunities for households of all income levels to live within their jurisdictions. Title 7 also requires local jurisdictions to adopt voluntary affordable housing production goals and to consider tools and strategies to encourage production of affordable housing. The affordable housing program was designed as a three-year (Phase I) effort. Jurisdictions are required to submit progress reports for three consecutive years, with the final, most comprehensive report due June 2004. The program also requires Metro to evaluate the success of the program at the end of the third year, by December 2004, using local jurisdiction reports and other private sector data on housing production and rents. Along with these responsibilities, Metro is required to develop a new 20-year forecast of affordable housing need. Title 7 requires Metro to reconvene HTAC to review the results of the three-year effort, reevaluate need, and recommend possible changes to the program to the Council. Title 7 calls for HTAC to complete its work by December 2005.

After adoption of Title 7, Metro's staffing requirements for housing affordability decreased to a fraction of an FTE as the burden of responsibility shifted to the local jurisdictions. As Metro approaches the third year, beginning in July 2004 with the receipt of the third year progress reports and the responsibility to assess the region's effort and reevaluate housing need and reconvene HTAC, staffing requirements will increase to two FTE.

Metro's responsibilities in Title 7 for July 2004 – June 2005 are as follows:

1. Review the 3rd and final progress reports submitted by the jurisdictions to determine compliance with Title 7. In addition to the requirements of the first two reports, the third report includes the assessment of production of housing by public and private efforts.
2. Evaluate the region's overall effort in affordable housing production, including the assessment of affordable housing tools and strategies used by public and private, potential funding sources and legislative changes. This requires use of a privately-owned data base for the latest information on rents.
3. Estimate the region's 20-year affordable housing need. This will be the first reevaluation of housing need since 1998, when the first forecast was adopted, and will rely on the use of the 2000 census data.

4. Form the new Affordable Housing Technical Advisory Committee (HTAC) considering the mix of perspectives that are needed and define the committee roles and responsibilities. The committee would be formed in the fall and begin to meet in January 2005.
5. Beginning in January 2005 and lasting into the next fiscal year until December 2005, staff will support the new HTAC, including preparing the agenda and other materials and researching additional issues. As it did previously, HTAC may form subcommittees that will be reviewing in more detail those issues identified by HTAC. Some of the issues could include analysis of broader range of approaches to assist local jurisdictions in the implementation of various affordable housing strategies and preparation of a Best Practices Handbook that identifies existing availability of guidance for local jurisdictions and opportunities for implementing strategies recommended by HTAC. This process will conclude with recommendations by HTAC to the Metro Council.

DEPARTMENT(S)	FUND(S)	LINE ITEMS		
		Acct #	Account Title	Amount
Planning	140	5010	Regular FTE- Exempt	\$53,574
	140	5100	Fringe Benefits	\$18,126
	140	PERS	PERS Reserve	\$ 3,561
				\$75,234

PROGRAM/STAFFING IMPACTS

The additional 1 FTE will allow a mix of skills from different employees at Metro to support the housing affordability program. While the majority of the FTE (.84) resides in the long range planning section for evaluation of the housing affordability program, the FTE also includes administrative support for staffing HTAC and FTE in the Data Resource Center to prepare the forecasts of housing affordability need.

ARGUMENTS IN FAVOR OF PROPOSED AMENDMENT (not necessary for technical adjustments)

Title 7 defines specific responsibilities for Metro to complete and specifies a schedule. While the results of the first two progress reports begin to point towards lessons learned in the affordable housing program and the need for possible revisions, the activities in the third year of the program are intended to provide the most useful information for use by the Council and the housing community to evaluate Title 7. Successful completion of these tasks will require an additional 1 FTE for a total of 2 FTE. In addition, these tasks will require the use of designated funds to gather data and analyze the private sector efforts in affordable housing production.

Based on the previous experience, 2 FTE of staff resources will be needed during the fiscal year (July 2004 to June 2005) to complete the evaluation of the first three years of the affordable housing program and to form and staff the new HTAC.

OPTIONS FOR FUNDING THIS AMENDMENT – What reductions, credits, changes, or adjustments in other budget/program areas will be necessary to accommodate this amendment?

- General Fund Recovery Rate Stabilization Account

EFFECT ON KEY BUDGET ISSUES – Provide a brief response to each of the following questions

- Will this amendment increase/decrease fund balance draw? If so, which fund(s) and by how much?
No
- Will this amendment increase/decrease central overhead spending? If so, by how much?
No