



homeforward

FY25 Budget

January 1, 2025, through December 31, 2025



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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, 2025, and ending December 31, 2025 (FY25).

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 103 properties with 6,678 units. Of these, 40 properties with 3,340 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 40 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.

Home Forward's Property Management group oversees the daily operations, compliance, and maintenance at 44 properties. 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, 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 16,000 households through these programs annually. These short-term initiatives began in FY20 and will continue into the FY25 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 The Hattie Redmond and Dekum Court, Metro Bond housing affordable housing developments, and improvement of our existing properties such as 85 Stories (part of Home Forward's public housing preservation initiative) 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 2024 actual funding rates, congressional funding bill proposals, and a Fair Market Rent survey for the Portland area.

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- 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 25

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

Key activities planned for Fiscal Year 25 include:

- Development will provide development services to 3000 Powell LP, Dekum 2 LP, Fairfield PSH LP, Killingsworth Housing LP, Grace Peck Terrace LP, Peaceful Villa Redevelopment, Troutdale Housing, and other capital projects. Development is projected to earn \$15.3 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 6,155 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 opened a new HCV 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 continue in FY25 and will exhaust the waitlist from 2023. A new waitlist opening, and waitlist pulls are planned for FY25.

Financial highlights of the upcoming budget include:

- Annual operating revenues are projected to be \$298 million. This is mainly due to the following:
 - \$15.3 million in developer fee revenue from Dekum 2 LP (\$2.9 million), Goose Hollow (\$500 thousand), Gresham Civic Station (\$600 thousand), Killingsworth Housing LP (\$1.6 million), Peaceful Villa Redevelopment (\$6.4 million), and Troutdale Housing LP (\$3.3 million) projects.
 - Public Housing Operating Subsidy revenue of \$5.0 million, including \$42 thousand in Asset Repositing Fees, reflects an estimated proration of 95 percent.
 - HUD funding for Housing Choice Vouchers is projected to maintain a proration level of 100%.
 - Admin fees will increase by \$1.2 million due to increased HUD proration and increased voucher awards.
- Annual operating expenses are projected to be \$295 million. This is mainly due to the following:
 - Of the \$295 million operating expenses, \$199 million represents rent assistance payments made directly to landlords on behalf of Home Forward participants. Home Forward's operating expenses would be \$96 million without rent assistance payments.

- Personnel expenses will be \$45.9 million for the upcoming budget year.
 - Other administrative expenses will be \$17.7 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 \$1.8 million, and third-party payroll costs of \$3.4 million.
 - Other tenant services expenses will be \$4.7 million, primarily due to \$895 thousand related to the Congregate Housing Services Program (CHSP) and \$643 thousand for support services at Bud Clark Commons.
 - Other maintenance expenses will be \$9.2 million due to significant maintenance projects at multiple affordable properties in FY25.
- Based on the impact of the above items, operating income is projected to be \$3.1 million.
 - Investment income is expected to yield \$993 thousand and \$1.9 million in interest expense.
 - The combined impact yields a \$2.2 million 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:

Program Group	Operating Income/(Loss) after Overhead	Department Capital and Financing Uses	Non-Reserve Funding Flow Adjustments	Unrestricted Cash from Current Operations	Additions to Reserves	Other Reserve Transfers In/(Out) to Fund Current Activities	Net funding Flow
Rent Assistance	7,477,612	-	-	-	-	(7,477,612)	-
Public Housing Properties	2,451,292	-	-	-	-	(2,451,292)	-
Affordable Housing Properties	4,906,373	-	1,044,359	1,961,176	-	(7,911,908)	-
Asset Management	(4,598,530)	-	-	-	-	4,598,530	-
Property Management	(6,685,710)	-	-	-	-	6,685,710	-
Safety	(625,029)	-	-	-	-	625,029	-
Integrated Facilities Services	(1,003,365)	-	-	-	-	1,003,365	-
Community Services	(5,334,938)	-	-	-	-	5,334,938	-
Other	(1,573,397)	-	(1,134,020)	-	-	2,707,417	-
Program Group Total	(4,985,692)	-	(89,661)	1,961,176	-	3,114,177	-
Development	8,162,795	-	(15,318,688)	5,218,304	-	1,937,589	-
Total Agency	3,177,103	-	(15,408,349)	7,179,480	-	5,051,766	-

“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:

- \$5.2 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, \$1 million will be directed to a treasury reserve.

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			
	FY24 Budget	FY25 Budget	Increase / (Decrease)
Agency Funded	310.7	341.9	31.2
Other Legal Entity Funded	54.7	50.5	(4.2)
Total Agency-Managed Positions	365.4	392.4	27.0

Numbers may be off slightly due to rounding.

In total, full-time equivalent employees have increased by 34.2 FTE. While this budget reflects the FTEs of Home Forward, it does not include Home Forward paying the financial impact of the 54.7 FTE, but whose costs are reflected in the Tax Credit Portfolio.

Risks and Opportunities

As is the case every year, the level of Congressional appropriations determines federal funding. While this funding has been volatile over the last five years, there is extreme uncertainty as to what level of investment the federal government will continue to provide. Given the passage of several continuing resolutions, the latest of which expires December 20, 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 (5% 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 2025, 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 2025 Operating Statement

Operating Statement	FY24 Budget	FY25 Budget	Increase/ Decrease
Dwelling Rental	27,831,905	34,719,235	6,887,330
Non-dwelling Rental	1,716,078	1,460,724	(255,354)
HUD Subsidies - Housing Assistance	144,608,136	157,503,666	12,895,530
HUD Subsidies - Admin Fee	15,053,373	16,252,806	1,199,433
HUD Subsidies - Public Housing	5,427,842	4,978,758	(449,084)
HUD Grants	8,521,842	10,185,284	1,663,442
Development Fee Revenue, Net	13,716,360	15,319,748	1,603,388
State, Local & Other Grants	30,853,513	38,705,703	7,852,190
Other Revenue	13,631,883	17,107,818	3,475,935
Total IA Revenue	-	1,634,656	1,634,656
Total Operating Revenues	261,794,205	297,868,398	36,074,193
Housing Assistance Payments	171,155,390	199,352,978	(28,197,588)
Administration	32,474,162	33,752,567	(1,278,405)
Administrative Personnel Expense	16,157,853	16,065,375	92,478
Other Admin Expenses	16,316,310	17,687,192	(1,370,882)
Tenant Services	9,859,632	10,959,553	(1,099,921)
Tenant Svcs Personnel Expense	5,621,239	6,167,323	(546,084)
Other Tenant Svcs Expenses	4,238,393	4,792,229	(553,836)
Program Expense	19,972,658	19,995,356	(22,698)
Maintenance	12,827,420	12,966,620	(139,200)
Maintenance Personnel Expense	3,693,317	3,717,947	(24,630)
Other Maintenance Expenses	9,134,103	9,248,672	(114,569)
Utilities	5,820,614	6,556,957	(736,343)
Total IA Expense	(251,899)	438,891	(690,790)
Depreciation	6,568,006	6,029,382	538,624
General	3,615,117	4,227,830	(612,713)
Total Operating Expenses	262,050,818	294,738,736	(32,687,918)
Operating Income (Loss)	(256,613)	3,129,661	3,386,274
Operating Income (Loss) after Overhead	(256,615)	3,129,661	3,386,276
Reserve Funding	-	-	-
Operating Income (Loss) after Reserve Funding	(256,615)	3,129,661	3,386,276
Investment Income	463,503	993,954	530,451
Interest Expense	(2,005,831)	(1,924,671)	81,160
Amortization	-	4,620	4,620
Gain (Loss) on Sale of Assets	-	-	-
Net Other Income (Expense)	(1,542,328)	(926,147)	616,181
Net Capital Contributions	(991,000)	-	991,000
Change in Net Position	(2,789,943)	2,203,514	4,993,457

Funding Flow Analysis

Home Forward Fiscal Year 2025 Funding Flow Analysis

<u>Funding Flow Analysis</u>	<u>FY24 Budget</u>	<u>FY25 Budget</u>	<u>Increase/ Decrease</u>
Funding Flow Analysis	\$ 8,048,519	\$ 2,203,514	\$ (5,845,005)
Funding Flow Analysis	(8,048,519)	(2,203,514)	5,845,005
Final Funding Source or (Shortfall)	\$ -	\$ -	\$ -

Line-Item Analysis & Assumptions

Revenue

Dwelling Rental | \$34.7 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 \$33.5 million due to high occupancy rates, with estimated offsets of \$1.9 million for vacancies and \$38 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 5% to be applied in FY25.

Non-Dwelling Rental | \$1.5 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 | \$157.5 million

- Due to expected continuing resolutions for a portion of the year, this funding is assumed to include a 5% funding increase and a projected proration level of 100.0%.
- RAD funding will be \$16.4 million for the 1,503 vouchers converted since FY19.

HUD Subsidies - Administrative Fees | \$16.3 million

- Administrative Fees for HUD housing assistance are budgeted based on funding appropriations and assume 91% proration for FY25.

HUD Subsidies - Public Housing | \$5.0 million

- Funding includes \$42 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 \$369 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 | \$15.3 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	\$2,860
Killingworth Housing LP	1,628
Troutdale Housing LP	3,338
Peaceful Villa Redevelopment	6,404
Gresham Civic Station	600
Goose Hollow	445
St Francis Park LP	44
Total	\$15,319

State, Local & Other Grants | \$38.7 million

Grant	FY24 Budget (In thousands)	FY25 Budget (In thousands)	Increase/ (Decrease)
Short-Term Rent Assistance			
Multnomah County	5,360	9,241	3,881
Homeless Family System of Care	3,909	5,564	1,655
City of Portland	1,135	-	(1,135)
State of Oregon	2	-	(2)
PILOT Revenue	224	310	86
Short-Term Rent Assistance Total	10,629	15,115	4,485
Medicaid – CHSP	805	895	90
Joint Office – Bud Clark Commons	643	2,332	1,689
Long-Term Rent Assistance	18,261	20,344	2,083
Metro	163	-	(163)
Affordable Connectivity Outreach	332	-	(332)
Teen Collaborative Grant	20	20	-
Total	30,854	38,706	7,852

Other Revenue | \$17.1 million

Other Revenue	FY24 Budget (In thousands)	FY25 Budget (In thousands)	Increase/ (Decrease)
Portability Revenue	7,542	10,719	3,177
Integrated Facilities Services Fees	1,904	2,141	237
Property-Related Income - Community Services	361	456	95
Property-Related Income - Operations	935	911	(25)
Property-Related Income - Management & General Partner Fees	1,514	1,787	272
Home Forward Development Enterprises Contributions	451	-	(451)
Other Revenue	910	1,042	131
Fraud and Bad Debt Recovery	14	54	40
Total	13,632	17,108	3,476

Expense

Housing Assistance Payments | \$199.4 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 | \$45.9 million

- Total full-time equivalents for agency-funded positions are budgeted to be 341.9. An additional 50.5 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 392.4, a 27.0 FTE increase from the FY24 budget. The expenses below reflect only activity recorded for Home Forward properties.

Personnel Expense	FY25 Budget (In millions)
Administrative Personnel Expense	16.1
Tenant Services Personnel Expense	6.2
Program Expense	20.0
Maintenance Personnel Expense	3.7
Total	45.9

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

Other Administrative Expenses | \$17.7 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 \$2.5 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 | \$4.8 million

- Tenant services expenses are projected to include \$3.9 million in contracted resident services.

Other Maintenance Expenses | \$9.2 million

- Public housing properties are expected to have \$875 thousand in repairs and other maintenance activities.
- Affordable housing properties are expected to have \$5.0 million in repairs and other maintenance activities.
- New Market West is projected to have \$197 thousand planned repairs and ongoing maintenance.

Utilities | \$6.6 million

- Sewer and water rates are projected to rise between 5% and 10%, while other rates continue to increase, including electric rates ranging from 5% to 15% and natural gas increasing by 15%. Local waste haulers will provide garbage and recycling services.

Depreciation | \$6.0 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 | \$4.2 million

- Insurance expenses will increase due to rising valuations and premium rates and are projected to be \$2.9 million.
- Based on historical debt, bad debt expense is projected to be \$924 thousand.

Net Other Income (Expense)

Investment Income | \$933 thousand

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

Interest Expense | \$1.9 million

- Interest expense is primarily due to debt at Fairview Oaks & Woods (282 thousand), Lovejoy Station (219 thousand), Gretchen Kafoury Commons (208 thousand), Cecelia (143 thousand), The Alexis (133 thousand), Hamilton West (119 thousand), St Francis (118 thousand), Rockwood Station (114 thousand).

Operating and Administrative Segment Review

FY25 Operating Statement by Operating Group*

Home Forward															
Fiscal Year 2025 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	\$ -	\$ 1,073,676	\$ 33,645,559	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,061,971)	\$ 34,719,235
Non-dwelling Rental	-	82,261	1,721,377	-	-	-	-	-	217,740	(560,654)	-	-	-	(451,852)	1,460,724
HUD Subsidies - Housing Assistance	156,038,742	-	1,464,924	-	-	-	-	-	-	-	-	-	-	-	157,503,666
HUD Subsidies - Admin Fee	15,602,376	-	-	-	650,430	-	-	-	-	-	-	-	-	-	16,252,806
HUD Subsidies - Public Housing	-	4,601,592	-	-	169,000	-	-	-	208,166	-	-	-	-	-	4,978,758
HUD Grants	8,291,991	-	-	-	402,216	-	-	-	1,491,076	-	-	-	-	-	10,185,284
Development Fee Revenue, Net State, Local & Other Grants	35,458,627	-	-	-	-	-	-	15,319,748	-	-	-	-	-	-	15,319,748
Other Revenue	10,758,840	19,191	984,411	-	1,786,712	-	2,140,549	-	1,418,115	-	-	-	-	(380,676)	17,107,818
Total IA Revenue	-	-	-	-	-	-	-	-	1,634,658	-	-	-	-	(980,169)	1,634,658
Total Operating Revenues	226,150,575	5,776,720	37,816,271	-	3,008,358	-	2,140,549	15,319,748	8,216,832	(560,654)	-	-	-	(6,874,668)	297,868,398
Housing Assistance Payments	199,317,242	35,736	-	-	-	-	-	-	-	-	-	-	-	(5,285,004)	199,352,978
Administrative Personnel Expense	1,405,299	-	-	777,930	1,032,734	354,736	73,263	1,734,776	718,201	9,968,435	-	-	-	-	16,065,375
Other Admin Expenses	853,850	355,250	7,770,121	146,262	477,281	110,772	329,834	204,085	252,916	7,186,822	-	-	-	(306,824)	17,687,192
Fees/overhead charged	451,852	-	-	-	3,252	-	3,500	-	-	-	-	-	-	(451,852)	458,604
Tenant Svcs Personnel Expense	70,363	-	-	-	-	-	-	472,779	5,624,181	-	-	-	-	-	6,167,323
Other Tenant Svcs Expenses	170,420	76,041	522,930	-	-	-	-	-	3,800,639	222,200	-	-	-	-	4,792,229
Program Expense	11,592,663	472,357	598,937	1,180,870	2,451,157	-	472,581	2,118,354	815,887	31,699	260,851	-	-	-	19,995,356
Maintenance Personnel Expense	-	575,661	552,998	-	992,028	69,562	1,458,135	-	-	69,562	-	-	-	-	3,717,947
Other Maintenance Expenses	-	758,748	-	-	(37,776)	22,548	99,050	-	-	532,905	-	-	-	-	9,248,672
Utilities	-	733,442	5,732,015	-	-	-	-	-	-	91,500	-	-	-	-	6,556,957
Total IA Expense	-	40,596	211,572	-	-	-	-	-	186,723	-	-	-	-	(830,988)	438,891
Depreciation	-	-	5,939,542	-	-	-	-	1,060	-	-	88,780	-	-	(47,440)	6,029,382
General	-	277,598	3,708,585	-	202,188	2,378	20,350	10,000	-	6,731	-	-	-	-	4,227,830
Total Operating Expenses	213,861,689	3,325,428	32,909,898	2,105,062	5,120,864	559,996	2,456,713	4,541,054	11,398,546	18,109,855	349,632	-	-	(6,922,107)	294,738,736
Operating Income (Loss)	12,288,886	2,451,292	4,906,373	(2,105,062)	(2,112,506)	(559,996)	(316,165)	10,778,694	(3,181,714)	(18,670,509)	(349,632)	-	-	47,440	3,129,661
Total Overhead Allocations	4,811,274	-	-	2,493,469	4,573,204	65,033	687,201	2,615,899	2,153,224	(17,399,303)	-	-	-	-	-
Operating Income (Loss) after Overhead	7,477,612	2,451,292	4,906,373	(4,598,530)	(6,685,710)	(625,029)	(1,003,365)	8,162,795	(5,334,938)	(1,271,205)	(349,632)	-	-	47,440	3,129,661
Reserve Funding	-	-	2,863,748	-	-	-	-	(1,854,054)	-	-	-	1,854,054	-	-	-
Operating Income (Loss) after Reserve Funding	7,477,612	2,451,292	7,770,121	(4,598,530)	(6,685,710)	(625,029)	(1,003,365)	6,308,741	(5,334,938)	(1,271,205)	(349,632)	1,854,054	-	47,440	3,129,661
Investment Income	-	-	963,954	30,000	-	-	-	-	-	-	-	-	-	-	993,954
Interest Expense	-	-	(1,924,671)	-	-	-	-	-	-	-	-	-	-	-	(1,924,671)
Net Other Income (Expense)	-	-	(957,647)	30,000	-	-	1,500	-	-	-	-	-	-	-	(926,147)
HUD Nonoperating Contributions	-	-	(3,364,636)	-	-	-	-	-	-	-	1,963,000	-	-	-	(1,401,636)
Reserve Funded Capital Contributions	-	-	-	-	-	-	-	-	-	-	(9,072,710)	9,072,710	-	-	-
Net Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change In Net Position	\$ 7,477,612	\$ 2,451,292	\$ 6,812,474	\$ (4,568,530)	\$ (6,685,710)	\$ (625,029)	\$ (1,001,865)	\$ 6,308,741	\$ (5,334,938)	\$ (1,271,205)	\$ (349,632)	\$ 1,854,054	\$ -	\$ 47,440	\$ 2,203,514

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

FY25 Funding Flow Analysis by Operating Group*

Home Forward Fiscal Year 2025 Operating Statement by Operating Group

	Rent Assistance	Public Housing Portfolio	Affordable Portfolio	Asset Management	Property Management	Safety	Integrated Facilities	Development	Community Services	Administration	Real Estate Finance	Reserves	MIF	Elimination	Home Forward Total
Operating Income (Loss) after Overhead	\$ 7,477,612	\$ 2,451,292	\$ 4,906,373	\$ (4,598,530)	\$ (6,685,710)	\$ (625,029)	\$ (1,003,365)	\$ 8,162,795	\$ (5,334,938)	\$ (1,271,205)	\$ (349,632)	\$ -	\$ -	\$ 47,440	\$ 2,203,514
Real Estate Portfolio															
Affordable Housing Properties Operating Activity	-	-	(4,906,373)	-	-	-	-	-	-	-	-	-	-	-	(4,906,373)
Revenue from Properties to Home Forward	-	-	11,190	-	-	-	-	-	-	-	-	-	-	-	11,190
Unrestricted Cash to HF	-	-	1,961,176	-	-	-	-	-	-	-	-	-	-	-	1,961,176
Net Replacement Reserve Activity (New Market West)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Replacement Reserve Activity (Special Needs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Developer Fee - Impact to Funding Flow															
Developer Fee Revenue	-	-	-	-	-	-	-	(15,319,748)	-	-	-	-	-	-	(15,319,748)
Developer Fee - Cash to HF (Net)	-	-	-	-	-	-	-	5,218,304	-	-	-	-	-	-	5,218,304
Financing/Investment Activity															
Principal & Interest - Special Needs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal & Interest - New Market West	-	-	-	-	-	-	-	-	-	(394,384)	-	-	-	-	(394,384)
Capital Acquisitions															
Fleet Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fleet Vehicle Reserve Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Cash Operating Activity															
Depreciation Expense	-	-	5,939,542	-	-	-	-	1,060	-	219,023	88,780	-	-	(47,440)	6,200,965
Special Purpose Reserve Activity															
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Workforce Initiative Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
85 Stories Asset Repositioning Fee Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Fund Program Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Funding Source or (Shortfall)	7,477,612	2,451,292	7,911,908	(4,598,530)	(6,685,710)	(625,029)	(1,003,365)	(1,937,590)	(5,334,938)	(2,446,566)	(260,851)	-	-	-	(5,099,208)
Funding Required or (Contributed) to Agency	(7,477,612)	(2,451,292)	(7,911,908)	4,598,530	6,685,710	625,029	1,003,365	1,937,590	5,334,938	2,446,566	260,851	-	-	-	5,051,767
Final Funding Source or (Shortfall)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

FY25 Staffing Summary by Operating Group

Home Forward

Fiscal Year 2025 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 2024 Budgeted FTE	99.0	11.3	16.5	10.4	32.8	9.3	9.3	20.3	43.9	58.0	310.7	54.7	365.4
FY 2025 Budgeted FTE	109.0	9.6	6.7	12.6	34.8	2.5	17.7	23.3	66.0	59.9	341.9	50.5	392.4
Changes	10.0	(1.7)	(9.7)	2.1	1.9	(6.8)	8.4	3.0	22.1	1.9	31.2	(4.2)	27.0

Budget Commentary – Rent Assistance

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	200,949,484	226,150,575	25,201,091
Operating Expense	190,874,191	213,861,689	22,987,498
Operating Income Before OH	10,075,293	12,288,886	2,213,593
Allocated Overhead	4,172,734	4,811,274	638,540
Operating Income After OH	5,902,559	7,477,612	1,575,053
Funding Flow Activity	(5,902,559)	(7,477,612)	(1,575,053)
Funding Required or (Contributed) for Current Agency Activities	(5,902,559)	(7,477,612)	(1,575,053)
Total Budgeted FTE	99.0	109.0	10.0

Rent Assistance Key Assumptions

Housing Assistance Payments for the agency are projected to be \$199.3 million, a \$28.1 million increase from last year due to new voucher awards and payment standard increases. \$2.5 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 Households Served	Average Voucher Cost	Total HAP Expenses
MTW Vouchers	7,206	1,096.64	94,828,698
Homeless Initiatives	2,660	1,229.46	23,694,167
Long-Term Rent Assistance	1,162	1,464.96	20,427,430
VASH	848	1,083.95	11,030,237
Portability (Port-In)	676	1,253.23	10,166,170
RAD	1,188	706.60	10,073,352
FUP	231	1,914.03	5,305,689
SRO/MOD RAD	382	1,114.75	5,109,996
Section 18 TPV RAD	584	697.29	4,886,636
Emergency Housing Vouchers	476	841.54	4,806,876
Mainstream	214	1,451.45	3,727,332
LBS	284	740.60	2,523,960

Program Cost/Expenses	Average Households Served	Average Voucher Cost	Total HAP Expenses
Portability (Port-Out)	135	1,165.56	1,888,200
Stability Vouchers	77	438.46	405,141
SRO/MOD	130	183.69	286,562
MTW Funded Rent Assistance	20	361.65	86,796
Flexible Rent Assistance	N/A	N/A	70,000
Total HAP Expense	16,273		199,317,242

Administrative fees for administering vouchers are \$15.6 million, representing a \$1.2 million increase from last year with higher proration and administrative fees for new vouchers.

Rent Assistance has a net increase of 10 FTEs:

- Increases include:
 - 1 Assistant Director of Housing Choice Voucher Program
 - 1 Housing Navigator
 - 1 Portability Specialist
 - 1 Program Manager
 - 1 Program Supervisor
 - 1 Program Supervisor
 - 1 Project Manager
 - 1 Rent Assistance Program Analyst
 - 1 Rent Assistance Program Specialist
 - 2 Rent Assistance Services Coordinator
 - 3 Rent Assistance Specialist
 - 1 Senior Housing Inspector
- Decreases include:
 - 1 Portability Coordinator
 - 1 Project Manager
 - 1 Rent Assistance Services Coordinator Lead
 - 2 Special Program Coordinator - Limited Duration

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

Housing Choice Vouchers - \$152.4 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:

- Moving to Work (MTW) Vouchers - \$94.8 million

Home Forward will utilize 7,206 Moving to Work Vouchers.

Home Forward opened the Housing Choice Voucher waitlist during the fiscal year 2024 after depleting the existing waitlist. The new waitlist additions will be pulled starting in 2025, and leasing will begin in early 2025. These adjustments will result in an incremental increase in housing assistance payments. Home Forward anticipates a utilization of 94.4% for the FY25 year.

Tenant-based attrition (vouchers returned) is projected to be 24 monthly vouchers. The \$11.4 million in program expense is a \$45 thousand increase due to increased utilization, waitlist pulls, and projected rent increases.

- RAD - \$20.1 million

Home Forward will utilize 1,188 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) - \$10.2 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 six new monthly port-in vouchers in FY25 for an average of 676 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 - \$11.0 million

Home Forward will utilize 848 VASH Vouchers in partnership with the Department of Veterans Affairs. Utilization of these vouchers is anticipated to be 81.2%.

- SRO/MOD RAD - \$5.1 million

Home Forward will utilize 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 unchanged from the prior year.

Section 18 TPV RAD - \$4.9 million

Home Forward will utilize 584 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, unchanged from the prior year.

- FUP - \$5.3 million

Home Forward will utilize 231 FUP Vouchers. Utilization of these vouchers is anticipated to be 94.7% as vouchers continue to be leased with little turnover. \$5.3 million in FUP program expense is a \$1.8 million increase from the prior year due to increased voucher utilization and per unit costs.

- Portability (Port-Out) - \$1.9 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 135 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 - \$3.7 million

Home Forward will utilize 214 Mainstream Vouchers; utilization of these projected vouchers is projected to be 93.4% as Mainstream continues its lease-up process with the new voucher increment.

The \$3.7 million in program expenses is a \$1.2 million increase from the prior year due to increased voucher utilization.

- SRO/MOD - \$287 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 will utilize 130 SRO/MOD units that have not been converted under RAD. The \$443 thousand decrease in program expenses due to a RAD conversion.

Homeless Initiatives - \$23.7 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 \$23.7 million in program expenses is a \$6.0 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) - \$2.4 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) - \$1.6 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. \$1.5 million in funding is an unchanged from the prior year.

- VASH Security Deposit - \$42 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. \$42 thousand in program expenses is a decrease of \$51 thousand from the prior year.

- 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.

- 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 2025 MTW Plan.

Budget Commentary – Public Housing Portfolio

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	5,926,439	5,776,720	(149,719)
Operating Expense	4,171,798	3,325,428	(846,370)
Operating Income Before OH	1,754,641	2,451,292	696,651
Allocated Overhead	-	-	-
Operating Income After OH	1,754,641	2,451,292	696,651
Funding Flow Activity	(2,284,580)	(2,451,292)	(166,712)
Funding Required or (Contributed) for Current Agency Activities	(2,284,580)	(2,451,292)	(166,712)
Total Budgeted FTE	11.3	9.6	(1.7)

The Public Housing Portfolio includes the budget activity for 8 traditional public housing properties and 9.6 property-level staff. Home Forward's public housing stock provides an essential resource to the community by providing housing in 299 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 FY25, 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		
	FY24 Budget	FY25 Budget
Physical Units in Public Housing Portfolio*	369	299
Subsidized Units in Public Housing Portfolio	369	299
Eligibility per Unit Per Month	\$1,532	\$1,554
Eligibility per Unit per Month (Excluding ARF)	1,398	1,543
Proration	95%	95%
Proration per Unit per Month**	\$1,328	\$1,282
Total Subsidy	\$4,800,696	\$4,601,592

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

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

There are no expected RAD or Section 18 conversions in FY25; households served – occupancy is assumed at 98%.

Public Housing has a net decrease of 1.7 FTEs:

- 0.5 Maintenance Generalist
- 0.6 Maintenance Mechanic
- 0.6 Property Manager

Public Housing Major Revenue and Expense Items

Operating Revenue is \$5.8 million, down \$150 thousand from FY24.

- Dwelling Rental is \$1.1 million, up \$54 thousand due to increases in tenant rent portions.
- HUD Subsidies for public housing are \$4.6 million, a decrease of \$199 thousand.
- Non-dwelling rental is \$82 thousand from commercial rental income, a decrease of \$5 thousand.
- Other revenue from laundry and other fees is \$19 thousand, roughly flat from FY24.

Operating Expenses are \$3.3 million, down \$846 thousand from FY24. RAD/Section 18 conversions removed \$618 thousand in expenses from the budget. This is offset by increased expenses at the remaining PH properties. The primary drivers of Operating Expenses are:

- Housing Assistance Payments of \$35,736. This is a new budget item for FY25 for utility reimbursement payments to residents at properties that pay for their own utilities. Historically, there have been some residents who pay their electric and power bills depending on the property. In the interest of treating all residents equally, Home Forward will begin reimbursing a set amount of the residents' utility cost.
- Administration is \$355 thousand, for property management fees charged by the Property Management department. This is a decrease of \$11 thousand.
- Maintenance is \$1.3 million, down \$212 thousand. Maintenance includes \$576 thousand in Maintenance Personnel Expenses and \$759 thousand in Other Maintenance Expenses. The overall decrease in expense is due to the converting properties.
- Program Expense is \$472 thousand, a decrease of \$100 thousand. Program expense covers personnel expenses and temporary help at properties.
- Tenant Services are \$76 thousand, a decrease of \$91 thousand.
- Utilities are \$733 thousand, an increase of \$77 thousand.
- Depreciation has moved to the affordable and tax credit portfolios.
- General expenses of \$278 thousand in insurance are increased by \$44 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 \$2.5 million in projected cash flow for agency and property needs.

Budget Commentary – Affordable Housing Portfolio

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	36,258,898	37,816,271	1,557,373
Operating Expense	31,551,514	32,909,898	1,358,384
Operating Income Before OH	4,707,385	4,906,373	198,988
Allocated Overhead	-	-	-
Operating Income After OH	4,707,385	4,906,373	198,988
Funding Flow Activity	(7,391,054)	(5,950,732)	1,440,322
Funding Required or (Contributed) for Current Agency Activities	(7,463,359)	(5,950,732)	1,512,627
Total Budgeted FTE	16.5	6.7	(9.7)

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 (23 properties), 6 Limited Partnership properties, and 26 properties with master leases (with local service providers). 4 of the 6 partnership properties and 23 of the 26 master leased properties are managed by external property management companies. The FTE for this operating group is only 6.7 since much of the direct property management is done by external property management companies. For the externally managed properties, \$5.3 million in personnel expenses are on the Home Forward financials, but the FTE is not included in the Home Forward head count.

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 95%, consistent with actual property performance.

Peaceful Villa underwent RAD conversion in late FY24, and will not be budgeted for FY25.

The Cecelia and Woolsey properties at New Columbia are not included in the Affordable Portfolio in FY25. They will be budgeted as Tax Credit Limited Partnerships.

Affordable Portfolio has a net decrease of 9.7 FTEs:

- 0.6 Maintenance Generalist
- 0.4 Maintenance Mechanic
- 0.3 Project Manager

-
- 0.4 Property Manager
 - 8 Resident Specialist

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

Insurance premiums are projected to increase \$70 thousand from FY24. This is an improvement from the previous year-over-year increase of \$200 thousand.

Additional resources in the amount of \$82 thousand over FY24 is available to address security concerns at affordable properties.

OHCS Prevention grants are being utilized to address capital maintenance projects at several properties.

Affordable Housing Major Revenue and Expense Items

Operating Revenues are budgeted to be \$37.8 million, a \$1.5 million increase from FY24. This is primarily driven by:

- Dwelling Rental is projected to be \$33.6 million, an increase of \$1.8 million due to rent and higher occupancy at most properties.

Operating Expenses are projected to be \$32.9 million, a \$1.4 million increase from the prior budget year.

- Utilities are projected to be \$5.7 million, an increase of \$699 thousand from the previous budget.
- Depreciation increases by \$502 thousand to \$5.9 million.
- Management fees for third-party-managed properties are expected to be \$1.3 million.
- Third-party-managed properties have budgeted \$5.3 million in payroll expenses.

Affordable Housing Funding Required for Current Agency Activities

- The Affordable Housing Portfolio recognizes and increase to net position of \$6.8 million.

Budget Commentary – Asset Management

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	-	-	-
Operating Expense	2,116,252	2,105,062	(11,190)
Operating Income Before OH	(2,116,252)	(2,105,062)	11,190
Allocated Overhead	2,205,019	2,493,469	288,450
Operating Income After OH	(4,321,271)	(4,598,530)	(277,259)
Funding Flow Activity	4,321,271	4,598,530	277,259
Funding Required or (Contributed) for Current Agency Activities	4,321,271	4,598,530	277,259
Total Budgeted FTE	10.4	12.6	2.1

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	8	299
Special Needs	26	470
Affordable	29	2,569
Tax Credit	40	3,340
Total	103	6,678

Asset Management Key Assumptions

Asset Management FTE increased by 2.1 to 12.6 FTE. The increases include:

- 1 Associate Asset Manager
- 1 Preservation and Capital Needs Project Manager

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 \$4.6 million to fully fund all planned operations, an increase of \$277 thousand from the prior budget year.

Budget Commentary – Property Management

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	3,522,826	3,008,358	(514,468)
Operating Expense	5,066,162	5,120,864	54,702
Operating Income Before OH	(1,543,336)	(2,112,506)	(569,170)
Allocated Overhead	4,465,833	4,573,204	107,371
Operating Income After OH	(6,009,169)	(6,685,710)	(676,541)
Funding Flow Activity	6,000,687	6,685,710	685,023
Funding Required or (Contributed) for Current Agency Activities	6,000,687	6,685,710	685,023
Total Budgeted FTE	32.8	34.8	1.9

Property Management is the service department for Home Forward's self-managed properties. The Property Management group oversees the compliance and maintenance at 44 properties. These properties provide housing for 2,516 households and reflect the RAD/Section 18 conversions.

Subsidy Type*	Properties
Public Housing	8
Special Needs	3
Tax Credit	29
Affordable	4
Total Properties Managed	44

Overall, the Property Management group supervises 103.2 FTE. 50.5 FTE 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 17.9 FTE are budgeted at the traditional public housing, affordable and special needs properties, and the associated costs are within their respective budget. The 34.8 FTE captured in this Property Management budget includes management, compliance, and centralized maintenance staff.

Property Management Key Assumptions

FTEs – Property Management has a net increase of 1.9 FTE.

- Increases include:
 - 1 Administrative Supervisor
 - 3 Maintenance Mechanic
 - 0.4 Property Accountant
 - 1 Support Specialist
- Decreases include:
 - 0.3 Assistant Controller
 - 1 LT Maintenance Mechanic
 - 1 Onboarding and Training Coordinator
 - 1 Rent Assistance Specialist
 - 0.2 Site Manager

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. There are eight properties remaining public housing properties that will undergo conversion in future years, however, there are no expected conversions for FY25. Peaceful Villa will be offline for the majority of FY25 to undergo work and is therefore not budgeted for FY25.

Property Management Major Revenue and Expense Items

Operating Revenue is \$3.0 million, down \$514 thousand from FY24 due to not receiving a contribution from HFDE as in FY24. 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 \$1.8 million includes property management fees, which are charged to properties instead of overhead.
 - Property Management fees are \$1.8 million, down \$108 thousand from FY24.
 - \$266 thousand from the Public Housing Portfolio.
 - \$117 thousand from the Affordable Housing Portfolio
 - \$1.4 million from the Tax Credit Portfolio.
- HUD Subsidies are \$650 thousand from Rent Assistance Section 8 Admin. This administrative fee is earned on RAD conversions and will provide compliance on tax credit reviews.

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- HUD Grants are \$402 thousand from the Capital Fund Program grant.

Operating Expense is \$5.1 million, an increase of \$55 thousand from FY24. The significant drivers of Operating Expenses are:

- Administration Expenses are \$1.5 million, a decrease of \$103 thousand from FY24.
 - \$1.0 million is in Administrative Personnel Expenses, a \$205 thousand decrease due to staffing changes.
 - \$477 thousand is in Other Admin Expenses, an increase of \$102 thousand.
- Program Expense is \$2.5 million, which covers personnel expenses and temporary help. This amount is \$25 thousand higher than FY24.
- Maintenance Expenses are \$954 thousand, primarily in Maintenance Personnel Expenses for floating and on-call staff. This is an increase of \$191 thousand.
- General Expenses are \$202 thousand, comprised mainly of PILOT expenses.

Property Management Funding Required for Current Agency Activities

The Property Management Department requires \$6.7 million to fund all planned operations fully. This is an increase of \$733 thousand from FY24.

Budget Commentary – Safety

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	-	-	-
Operating Expense	1,493,887	559,996	(933,891)
Operating Income Before OH	(1,493,887)	(559,996)	933,891
Allocated Overhead	225,813	65,033	(160,780)
Operating Income After OH	(1,719,701)	(625,029)	1,094,672
Funding Flow Activity	1,719,701	625,029	(1,094,672)
Funding Required or (Contributed) for Current Agency Activities	1,719,701	625,029	(1,094,672)
Total Budgeted FTE	9.3	2.5	(6.8)

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 decrease of 6.8 FTEs.

- Increases include:
 - 0.2 Assistant Facilities Manager
- Decreases include:
 - 5 Maintenance staff, all Limited Duration – these positions moved from Safety to Integrated Facility Services.
 - 2 Environmental and Emergency staff – these positions moved from Safety to the newly created Sustainability and Environmental Services group under Integrated Facilities Services.

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.
- Creating and implementing safety policies and an emergency management plan to guide agency departments and staff.
- Environmental safety at properties such as safety assessments and inspections.

Safety Major Revenue and Expense Items

Safety has no revenue for FY25.

Operating Expenses are \$560 thousand, a decrease of \$934 thousand from FY24. The primary drivers of Operating Expenses are expected to be:

- \$424 thousand in Personnel Expenses, a decrease of \$694 thousand due to changes in FTE noted above.
- \$111 thousand in Other Administrative Expenses, a decrease of \$26 thousand from FY24.
- \$23 thousand for Other Maintenance Expenses, a decrease of \$108 thousand due to the completion of large safety projects to install air conditioners and safety burners in units.

Safety Funding Required for Current Agency Activities

The Safety Department requires \$625 thousand to fund all planned operations fully.

Budget Commentary – Integrated Facilities Services and Sustainability

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	1,903,601	2,140,549	236,948
Operating Expense	1,642,941	2,456,713	813,772
Operating Income Before OH	260,660	(316,165)	(576,825)
Allocated Overhead	460,476	687,201	226,725
Operating Income After OH	(199,816)	(1,003,365)	(803,549)
Funding Flow Activity	199,816	1,003,365	803,549
Funding Required or (Contributed) for Current Agency Activities	199,816	1,003,365	803,549
Total Budgeted FTE	9.3	17.7	8.4

Integrated Facilities Services is changing their department name from "Integrated Facilities Services and Safety" to "Integrated Facilities Services and Sustainability." This change reflects Home Forward's commitment to sustainability and the strategic plan to address climate change. By focusing on sustainability, the aim is to reduce extreme weather events impact on our community. The department will continue to provide trades services including electrical work, plumbing, pest control, painting, and bulky waste hauling. Home Forward-managed properties utilize Integrated Facilities Services and Sustainability based on need and are billed for services provided.

Integrated Facilities Services Key Assumptions

FTEs – Integrated Facilities Services FTE increase 8.4 to 17.7 FTE.

- Increases include:
 - 5 Maintenance staff, all Limited Duration – these positions moved from Safety to Integrated Facility Services.
 - 3 Environmental and Emergency staff – 2 of these positions moved from Safety to the newly created Sustainability and Environmental Services group under Integrated Facilities Services. A third part-time position was created to assist with the new Sustainability and Environmental initiatives.
- Decreases include:
 - 0.1 Maintenance Generalist
 - 0.2 Maintenance Services Manager

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

Integrated Facilities Services and Sustainability (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.

- Renewed focus on Sustainability and the Environment with the creation of the Sustainability and Environmental Services group.

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- Initiative to pilot a program to assist residents with pest control.

Integrated Facilities Services Major Revenue and Expense Items

Revenue is \$2.1 million, an increase of \$236 thousand from FY24. All Revenue is forecasted to come from service fees charged to properties.

Operating Expenses are \$2.5 million, an increase of \$813 thousand from FY24. The significant drivers of Operating Expenses are expected to be:

- Maintenance Personnel Expense is \$1.5 million, a \$383 thousand increase.
- Program Personnel Expenses in support of department administration are \$472 thousand, a \$197 thousand increase due to staff movement.
- Administrative Personnel Expense is \$73 thousand, a decrease of \$11 thousand.
- All personnel expenses include planned compensation increases.
- Other Maintenance Expenses are \$99 thousand and include materials and vehicle expenses. This is a \$6 thousand decrease.
- Utilities for waste transfer station fees are distributed to the properties and are removed from this budget group.

Integrated Facilities Services Funding Required for Current Agency Activities

Integrated Facilities Services has an operational need of \$1.0 million. This is an increase of \$802 thousand from FY24.

Budget Commentary – Development

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	13,879,036	15,319,748	1,440,712
Operating Expense	4,245,905	4,541,054	295,149
Operating Income Before OH	9,633,131	10,778,694	1,145,563
Allocated Overhead	2,342,651	2,615,899	273,248
Operating Income After OH	7,290,480	8,162,795	872,315
Funding Flow Activity	(6,047,562)	(8,163,854)	(2,116,292)
Funding Required or (Contributed) for Current Agency Activities	(6,047,562)	(8,163,854)	(2,116,292)
Total Budgeted FTE	20.3	23.3	3.0

The Development 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, Development 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: 13
- Active Projects Total Budget: \$529 million
- Staff FTE FY25: 23.3

Development Key Assumptions

Staffing is budgeted to increase by 3.0 FTE from the prior year after the department reorganized staff positions.

- Increases Include:
 - 1 Affordable Housing Developer
 - 1 Housing Development Manager
 - 1 Housing Development Coordinator

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 FY25 (amounts in millions)				
Project	Project Budget	Accrued Developer Fee Revenue	Developer Fee Cash to be Received	
Dekum 2 LP	94.6	2.9	0.0	
Killingsworth Housing LP	51.6	1.6	0.0	
Peaceful Villa Redevelopment	104.1	6.4	1.4	
Troutdale Housing LP	54.0	3.3	0.0	
Gresham Civic Station	45.5	0.6	0.3	
Goose Hollow	14.0	0.5	0.0	
3000 Powell LP	83.8	0.0	0.7	
Fairfield PSH LP	31.6	0.0	0.9	
GPT LP	49.9	0.0	1.9	
Total	\$529.1	\$15.3	\$5.2	

Development Major Programs/Initiatives/Activities and Estimated Budget Impact

- 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 June 2025.

Dekum Court (In millions)	FY22	FY23	FY24	FY25	FY26	Total
Total Project Sources and Uses	\$24.6	\$29.1	\$22.4	\$10.6	\$7.9	\$94.6

- PCC/Killingsworth Housing Project – Home Forward, working with Portland Community College (PCC), formulated a development partnership in which Home Forward provides development services in the construction of 84 affordable housing units. Home Forward is 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 utilizes four percent Low-Income Housing Tax Credits, Metro Bond Proceeds, OHCS grant, Local Innovation and Fast Track (LIFT), and reserve funds. Construction finance closed in February 2024, and construction began in March 2024. The project completion schedule is September 2025.

PCC/Killingsworth (In millions)	FY24	FY25	FY26	Total
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Total Project Sources and Uses	\$25.8	\$18.5	\$7.3	\$51.6
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- 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 is expected to close in February 2025 and construction begin in March 2025. The project completion schedule is December 2026.

Peaceful Villa (In millions)	FY25	FY26	FY27	FY28	Total
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Total Project Sources and Uses	\$21.7	\$38.5	\$30.1	\$13.2	\$104.1
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- 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, owner and General Partner of the Low-Income Housing Tax Credit partnership. This tax credit partnership utilizes nine percent Low-Income Housing Tax Credits, Metro Bond Proceeds, OHCS grants, HUD CFP grants, and reserve funds. Construction finance closed in May 2024, and construction began in June 2024. The project completion schedule is April 2026.

Troutdale Housing (In millions)	FY24	FY25	FY26	Total
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Total Project Sources and Uses	\$16.2	\$27.0	\$10.8	\$54.0
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- Capital Improvement Projects – There are four capital improvement projects in FY25. The total budget for these projects is \$10.2 million, utilizing the HUD Capital Fund Project Grant and OHCS Preservation Grant.

Projects	Project Budget (In millions)	Estimated Project Completion
Gretchen Kafoury Full Envelope	\$3.9	August 2025
Peter Paulson Full Envelope	\$1.6	August 2025
Sequoia Square Full Envelope	\$2.8	July 2025
Schiller Way Full Envelope	\$1.9	November 2025
Total	\$10.2	

Development Major Revenue and Expense Items

- Operating Revenue increased \$1.4 million from the FY24 Budget. The increase is primarily due to:
 - Developer Fee earnings increased by \$1.6 million from FY24. In FY25, Development will earn \$15.3 million in developer fees from the following projects:

Developer Fees (in millions)		
Projects	Total Developer Fee	FY25
Dekum 2 LP	13.2	2.9
Goose Hollow	1.2	0.5
Gresham Civic Station	5.8	0.6
PCC/Killingworth Project	5.4	1.6
Peaceful Villa Redevelopment	12.5	6.4
Troutdale Housing	6.0	3.3
Total	\$44.1	\$15.3

- State, Local & Other Grants decreased by \$163 thousand from FY24.
- Total Operating Expenses are projected to be \$4.5 million, a \$270 thousand increase from the FY24 budget. The increase is primarily due to Personnel Expenses of \$4.5 million.

Development 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:

- 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.
- Dekum Court Redevelopment project will generate \$13.2 million in developer fees over multiple fiscal years. The first installment of \$1.5 million was due at the close of construction finance in April 2022 but was delayed due to non-receipt of construction permit and was paid in February 2024. The second installment of \$1.5 million was paid at the project conversion of Phase 1 in June 2024. The third installment of \$6.6 million is due at the project conversion of Phase 2 and is expected to be paid 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.

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- Fairfield PSH project will generate \$3.3 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 \$772 thousand was paid upon receipt of 100% certificate of occupancy in September 2024. The third installment of \$772 thousand is due upon project stabilization in June 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 December 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.
 - 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 June 2025. The third and final installment of \$937 thousand is due upon receipt of IRS Form 8609 and delivery of Partnership tax returns scheduled in September 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.
 - PCC/Killingsworth Housing project will generate \$5.4 million in developer fees over multiple fiscal years. The first installment of \$1 million was paid at the close of construction finance in February 2024. The second installment of \$1.5 million is due at construction completion scheduled to be paid in March 2026. The third installment of \$1.5 million is due upon receipt of the draft cost certification, eligible basis and lease up scheduled to be paid in June 2026. The fourth and final installment of \$300 thousand is due upon receipt of IRS Form 8609 and delivery of Partnership tax returns scheduled to be paid in September 2026. The remaining unpaid developer fee of \$1.1 million will be paid from the limited partnership cash from operation and proceeds available for distribution from capital transactions.
 - Troutdale Housing Project is projected to generate \$6.0 million in developer fees over multiple fiscal years. The first installment of \$1.6 million was paid at the close of construction finance in June 2024. The second installment of \$1.6 million is due upon receipt of 100% certificate of occupancy scheduled in June 2026. The third installment of \$1.6 million is due at project conversion to permanent scheduled to be paid in March 2027. The fourth and final installment of \$100 thousand is due upon receipt of IRS Form 8609 and delivery of Partnership tax returns scheduled in September 2027. The remaining unpaid developer fee of \$1.1 million will be paid from the limited partnership cash from operation and proceeds available for distribution from capital transactions.
 - Peaceful Villa Redevelopment project is projected to generate \$12.5 million in developer fees over multiple fiscal years. The first installment of \$1.4 million is due June 2025.
 - Gresham Civic Station Project is projected to generate \$5.5 million in developer fees over multiple fiscal years. The first installment of \$300 thousand is due at the close of construction finance scheduled in December 2025.
 - Goose Hollow Project is projected to generate \$1.2 million in developer fees over multiple fiscal years. The first installment of \$445 thousand is due at the close of construction finance scheduled in March 2025.

Budget Commentary – Community Services

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	6,234,888	8,216,832	1,981,944
Operating Expense	9,809,566	11,398,546	1,588,980
Operating Income Before OH	(3,574,678)	(3,181,714)	392,964
Allocated Overhead	1,690,256	2,153,224	462,968
Operating Income After OH	(5,264,935)	(5,334,938)	(70,003)
Funding Flow Activity	4,789,711	5,334,938	545,227
Funding Required or (Contributed) for Current Agency Activities	4,789,711	5,334,938	545,227
Total Budgeted FTE	43.9	66.0	22.1

The Community Services department provides services to Home Forward residents, utilizing in-house staff and contractors. In FY25, 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 increase of 22.1 FTEs. Most of the increases are due to increase grant funding at Bud Clark Commons. This allowed the removal of 8 staff from the property budget to Community Services budgets, and the hiring of 6 additional staff.

- Increases include:
 - 2 Caseworkers
 - 2 Resident & Community Services Coordinators
 - 1 Resident and Community Services Youth Coordinator
 - 8 Resident Specialists
 - 1 Assistant Director of Community Services
 - 1 Assistant Property Manager
 - 1.5 Maintenance Mechanics

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- 1 Resident and Community Services Coordinator
 - In addition, 4.6 FTE will be added for a Sellwood Safety Redesign Pilot to start in FY25.

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

Barrier Reduction and Opportunity Funds: \$74 thousand is proposed in Moving to Work Initiative funds (MIF) to continue implementing strategies to support 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: \$76 thousand is proposed in MIF to award grants for resident-led programs that foster a sense of community.

Community Services Major Revenue and Expense Items

Operating Revenue is \$8.2 million, an increase of \$2.0 million from FY24. The significant contributors to Operating Revenue are:

- Non-dwelling rental is \$218 thousand from Land Lease revenue at Humboldt, the same as FY24.
- 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 \$1.5 million, an increase of \$108 thousand.
- State, Local, & Other Grants are \$3.2 million, an increase of \$1.4 million.
 - \$895 thousand in Medicaid Revenue from senior/disabled support services (CHSP).
 - \$2.3 million from the Multnomah County for Bud Clark Commons programs.
- Other Revenue and IA Revenue of \$3.1 million combined, an increase of \$427 thousand from FY24, primarily consisting of:
 - Program Fees from properties are \$1.6 million, a decrease of \$228 thousand.
 - Tenant Fees of \$239 thousand for Congregate Housing Services Program (CHSP) participant fees, an increase of \$64 thousand.
 - \$962 thousand in Community Services contract fees for services at properties in Clackamas County.

Operating Expenses are \$11.4 million, an increase of \$1.6 million from FY24. The primary drivers of Operating Expenses are:

- Administrative Expenses of \$971 thousand, an increase of \$256 thousand.
 - Personnel Expenses are \$718 thousand, an increase of \$131 thousand.
 - Other Admin Expenses of \$253 thousand, a decrease of \$386 thousand.

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- Tenant Services expense is \$9.4 million, an increase of \$1.8 million.
 - Direct Community Services, Program Supplies, Contract Tenant Services, and other expenses are \$3.6 million. This is an increase of \$250 thousand primarily due to increased contracted services.
 - Tenant Services Personnel expense is \$3.8 million, an increase of \$476 thousand.
 - Program Personnel Expense is \$816 thousand, an increase of \$50 thousand.
 - Inter-Agency expense is \$187 thousand for the Community Services department administration fee. This is an increase of \$6 thousand.

Community Services Funding Required for Current Agency Activities

The Community Services department needs \$5.3 million to fund all planned operations fully, an increase of \$70 thousand. Service initiatives will be funded through Single Fund Flexibility.

Budget Commentary – Administration

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	64,431	(560,654)	(625,085)
Operating Expense	17,868,642	18,109,855	241,213
Operating Income Before OH	(17,804,211)	(18,670,509)	(866,298)
Allocated Overhead	(15,562,782)	(17,399,303)	(1,836,521)
Operating Income After OH	(2,241,429)	(1,271,205)	970,224
Funding Flow Activity	2,416,789	1,052,182	(1,364,607)
Funding Required or (Contributed) for Current Agency Activities	2,416,789	1,052,182	(1,364,607)
Total Budgeted FTE	58.0	59.9	1.9

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, Legal, 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 increase of 1.9 FTE.

- Increases include:
 - 1 Section 504/Fair Housing Coordinator
 - 1 Senior Policy Manager
- Decreases include:
 - 0.1 Assistant Facilities Manager - this position was reallocated to IFS in FY25

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.

Administration Major Revenue and Expense Items

- Operating Revenue will be -\$561 thousand.

Operating Expenses are budgeted at \$18.1 million.

- Personnel costs will be \$10.0 million, an increase of \$400 thousand. These costs reflect planned compensation increases and a higher PERS liability.
- Consulting expenses will be \$1.1 million, primarily due continued development of Yardi Voyager 7s.
- There will be \$204 thousand for maintenance needs and utilities at New Market West.

Budget Commentary – Real Estate Finance

Summary Budget Data	FY24 Budget	FY25 Budget	Increase/ (Decrease)
Operating Revenue	-	-	-
Operating Expense	202,799	349,632	146,833
Operating Income Before OH	(202,799)	(349,632)	(146,833)
Allocated Overhead	-	-	-
Operating Income After OH	(202,799)	(349,632)	(146,833)
Funding Flow Activity	(498,596)	260,851	759,447
Funding Required or (Contributed) for Current Agency Activities	1,026,883	260,851	(766,032)
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 \$350 thousand, The primary drivers of Operating Expense are:
 - \$261 thousand in Personnel Expense.
 - \$88 thousand in Depreciation.

Attachments

Summary of Moving to Work Initiative Funds

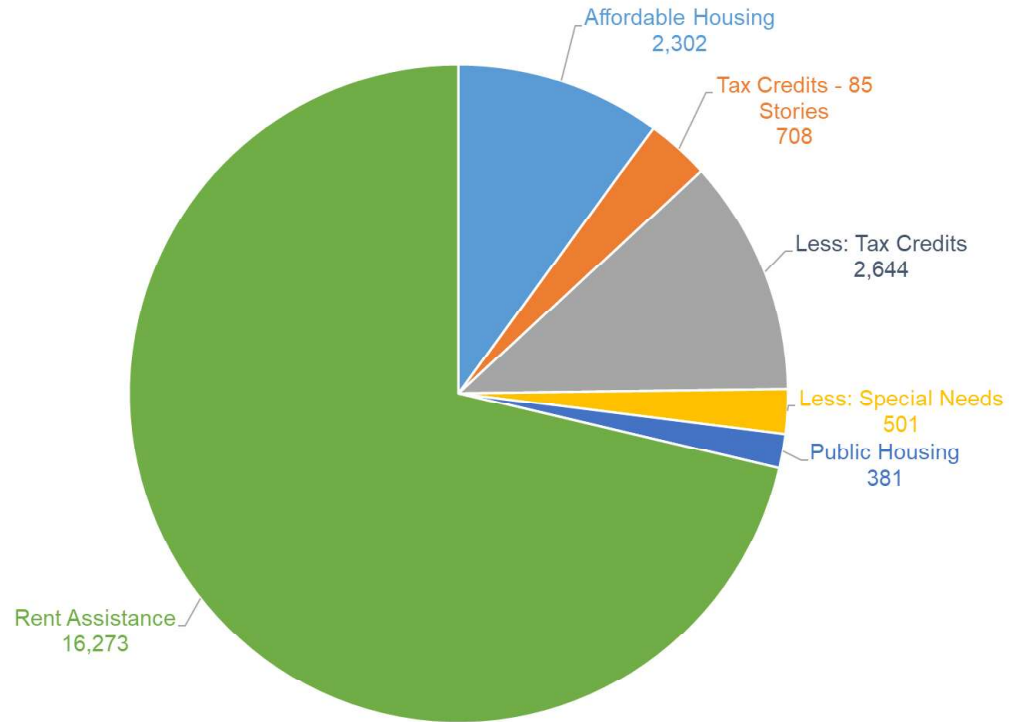
Initiative	Description	First Year	FY24 Budget	FY25 Budget
STRA Funding	In collaboration with community partners, provide limited housing assistance to eligible households in Multnomah County who are at risk of eviction, are newly homeless, or are experiencing immediate crises in their housing.	FY12	1,505,386	1,568,454
<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>FY14</i>	<i>572,250</i>	<i>586,270</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>FY14</i>	<i>499,119</i>	<i>525,263</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>FY14</i>	<i>44,201</i>	<i>46,310</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>FY17</i>	<i>246,754</i>	<i>259,679</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>FY17</i>	<i>143,063</i>	<i>150,931</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.	FY17	274,892	933,068

Initiative	Description	First Year	FY24 Budget	FY25 Budget
Worksystems Liaison	Funds an agreement with Worksystems for residents in pursuit of economic advancement products.	FY17	47,000	49,350
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.	FY12	70,522	74,048
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.	FY12	49,613	75,600
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.	FY12	2,011,272	2,424,960
VASH Security Deposit	The initiative addresses a severe barrier to VASH Vouchers by providing security deposits for homeless veterans leasing units requiring deposits.	FY12	93,240	42,000
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.	FY13	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.	FY13	10,500	11,025
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.	FY20	105,000	105,000
Tenant Education	A program designed to help our tenants better understand the rental process.	FY16	87,945	90,662

Initiative	Description	First Year	FY24 Budget	FY25 Budget
Nesika Illahee	Locally funded rent assistance for Nesika Illahee.	FY21	86,303	91,136
Mamook Tokatee	Locally funded rent assistance for Mamook Tokatee.	FY24	83,160	87,817
Total – MTW Initiatives			4,460,532	5,588,820

FY25 Estimated Households Served by Category

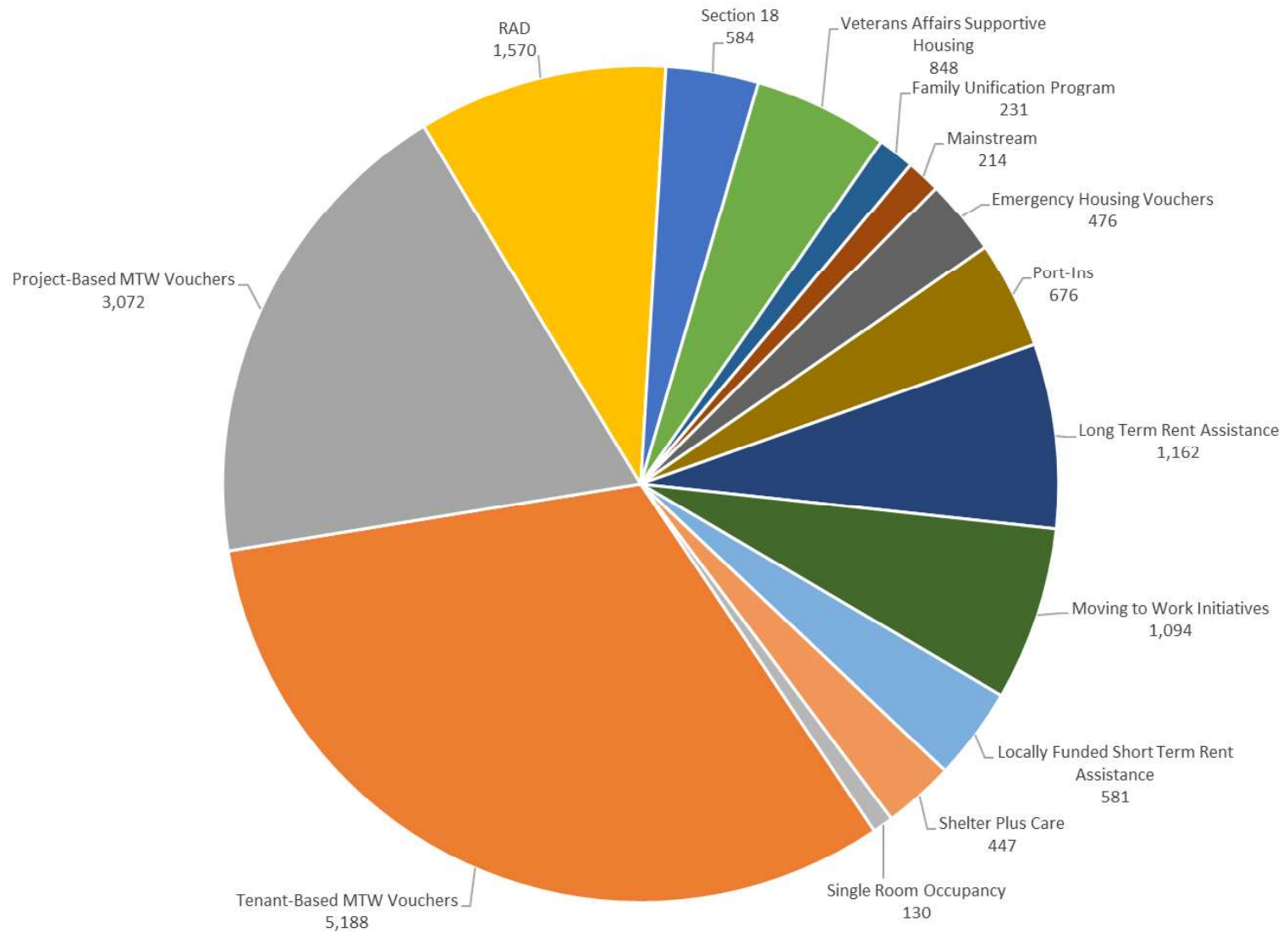
Category	Households Served	Percent
Affordable Housing	2,302	10%
Special Needs	501	2%
Tax Credits - 85 Stories	708	3%
Tax Credits	2,644	12%
Public Housing	381	2%
Rent Assistance	16,273	71%
Total	22,809	
Rent Assistance Occupying Affordable Housing / Tax Credit Units	-4,256	-23%
Unduplicated Total	18,553	100%



*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.

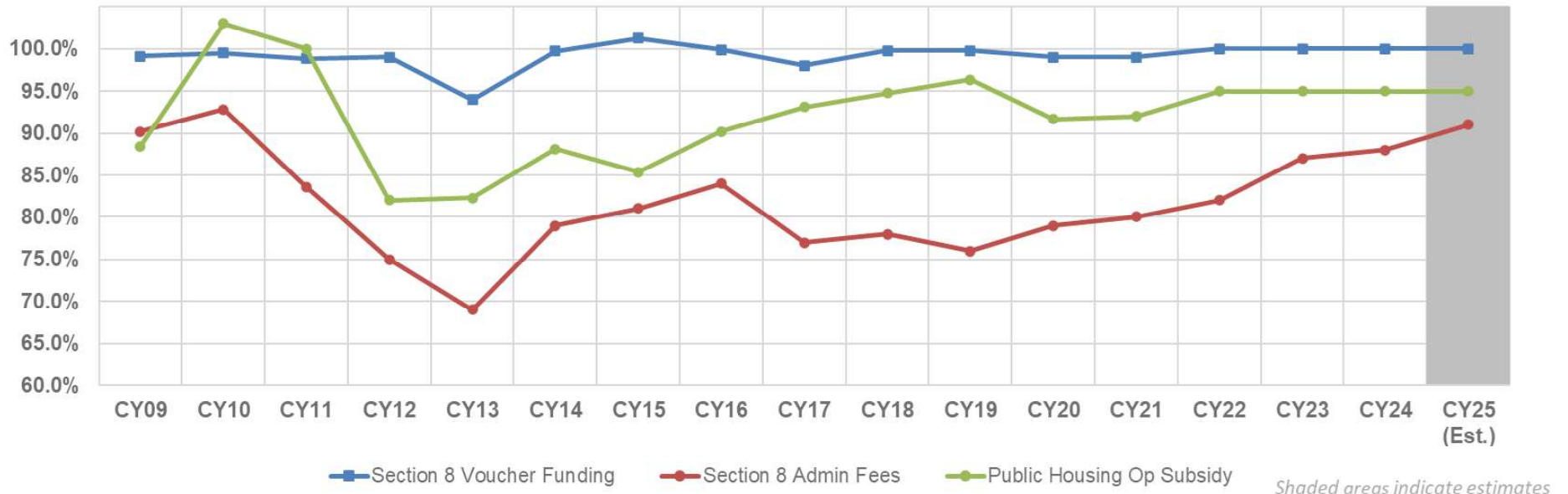
This includes the impact of RAD/Section 18 conversions.

FY25 Estimated Rent Assistance Households Served by Category



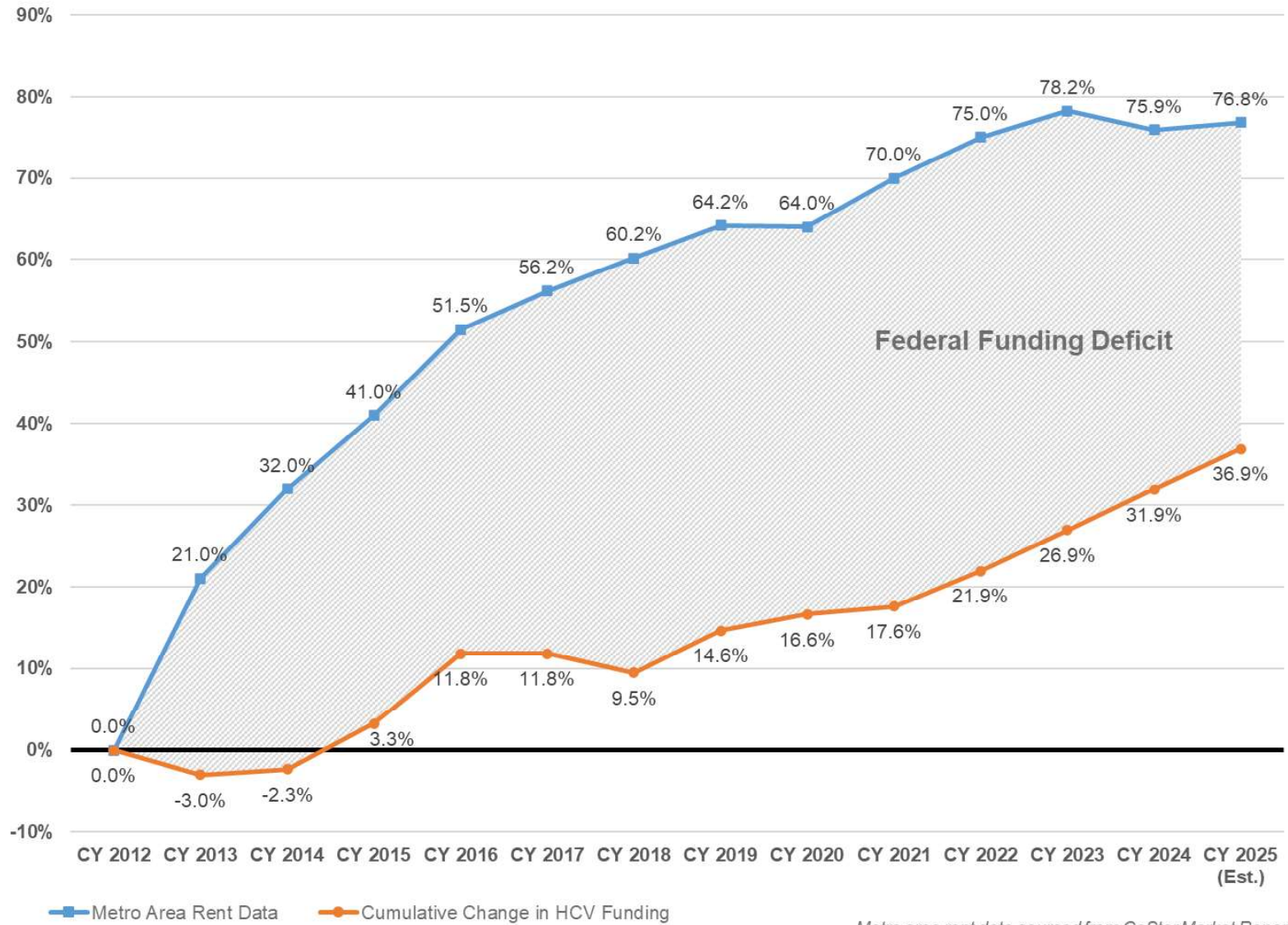
Subsidy Proration Trends

Subsidy Proration Trends ¹									
Actual Funding Year	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23	CY 24	CY 25 (Est)
Home Forward Budget Year	FY 2017	FY 2018	FY 2019	FY 2019 12/31 YE	FY 2021	FY22	FY23	FY24	FY25
Section 8 Voucher Funding	98.0%	99.7%	99.7%	99.0%	99.0%	100.0%	100.0%	100.0%	100.0%
Section 8 Admin Fees	77.0%	78.0%	76.0%	79.0%	80.0%	82.0%	87.0%	88.0%	91.0%
Public Housing Operating Subsidy	93.1%	94.7%	96.3%	91.7%	92.0%	95.0%	95.0%	95.0%	95.0%



¹ 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



FTE Change Comparison Schedule

Full-Time Equivalents (FTEs) by Funding Source			
	FY24 Budget	FY25 Budget	Increase / (Decrease)
Agency Funded	310.7	341.9	31.2
Other Legal Entity Funded	54.7	50.5	(4.2)
Total Agency-Managed Positions	365.4	392.5	27.0

FY25 Summary of FTE Changes			
Title	Department	FTE	
Section 504/Fair Housing Coordinator	Admin	1.0	
Senior Policy Manager	Admin	1.0	
Preservation and Capital Needs Project Manager	Asset Management	1.0	
Assistant Director of Community Services	Community Services	1.0	
Assistant Property Manager	Community Services	1.0	
Maintenance Mechanic	Community Services	1.5	
Resident and Community Services Coordinator	Community Services	1.0	
Sellwood Safety Redesign Pilot	Community Services	4.6	
Maintenance Mechanic	Property Management	2.0	
Assistant Director of Housing Choice Voucher Program	Rent Assistance	1.0	
Housing Navigator	Rent Assistance	1.0	
Program Manager	Rent Assistance	1.0	
Program Supervisor	Rent Assistance	1.0	
Project Manager	Rent Assistance	-1.0	
Rent Assistance Services Coordinator	Rent Assistance	2.0	
Total FY25 Changes		19.1	

Mid-Year FTE Changes for FY24		
Title	Department	FTE
Associate Asset Manager	Asset Management	1.0
Assistant Director of Development	Development	1.0
Community Relations Manager	Development	-1.0
Finance Manager	Development	-1.0
Housing Development Coordinator	Development	1.0
Housing Development Manager	Development	1.0
Project Manager	Development	1.0
Strategic Initiatives Manager	Development	1.0
Administrative Supervisor	Property Management	1.0
Intake Specialist	Property Management	1.0
LT Maintenance Mechanic	Property Management	-1.0
Onboarding and Training Coordinator	Property Management	-1.0
Rent Assistance Specialist	Property Management	1.7
Support Specialist	Property Management	1.0
Program Supervisor	Rent Assistance	1.0
Rent Assistance Program Analyst	Rent Assistance	1.0
Rent Assistance Program Specialist	Rent Assistance	1.0
Rent Assistance Services Coordinator Lead	Rent Assistance	-1.0
Senior Housing Inspector	Rent Assistance	1.0
Special Program Coordinator - Limited Duration	Rent Assistance	-1.0
Resident and Community Services Youth Coordinator	Community Services	1.0
Youth Employment Service Coordinator	Community Services	-1.0
Environmental and Emergency Manager	Safety	-1.0
Other Changes		0.2
Total Mid-Year Changes		7.9

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).

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.

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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FY25 Operating Statement by Operating Group

Home Forward															
Fiscal Year 2025 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	\$ -	\$ 1,073,676	\$ 33,645,559	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,061,971)	\$ 34,719,235
Non-dwelling Rental	-	82,261	1,721,377	-	-	-	-	-	217,740	(560,654)	-	-	-	(451,852)	1,460,724
HUD Subsidies - Housing Assistance	156,038,742	-	1,464,924	-	-	-	-	-	-	-	-	-	-	-	157,503,666
HUD Subsidies - Admin Fee	15,602,376	-	-	-	650,430	-	-	-	-	-	-	-	-	-	16,252,806
HUD Subsidies - Public Housing	-	4,601,592	-	-	169,000	-	-	-	208,166	-	-	-	-	-	4,978,758
HUD Grants	8,291,991	-	-	-	402,216	-	-	-	1,491,076	-	-	-	-	-	10,185,284
Development Fee Revenue, Net	-	-	-	-	-	-	-	15,319,748	-	-	-	-	-	-	15,319,748
State, Local & Other Grants	35,458,627	-	-	-	-	-	-	-	3,247,076	-	-	-	-	-	38,705,703
Other Revenue	10,758,840	19,191	984,411	-	1,786,712	-	2,140,549	-	1,418,115	-	-	-	-	(380,676)	17,107,818
Total IA Revenue	-	-	-	-	-	-	-	-	1,634,658	-	-	-	-	(980,169)	1,634,658
Total Operating Revenues	226,150,575	5,776,720	37,816,271	-	3,008,358	-	2,140,549	15,319,748	8,216,832	(560,654)	-	-	-	(6,874,668)	297,868,398
Housing Assistance Payments	199,317,242	35,736	-	-	-	-	-	-	-	-	-	-	-	(5,285,004)	199,352,978
Administrative Personnel Expense	1,405,299	-	-	777,930	1,032,734	354,736	73,263	1,734,776	718,201	9,968,435	-	-	-	-	16,065,375
Other Admin Expenses	853,850	355,250	7,770,121	146,262	477,281	110,772	329,834	204,085	252,916	7,186,822	-	-	-	(306,824)	17,687,192
Fees/overhead charged	451,852	-	-	-	3,252	-	3,500	-	-	-	-	-	-	(451,852)	458,604
Tenant Svcs Personnel Expense	70,363	-	-	-	-	-	-	472,779	5,624,181	-	-	-	-	-	6,167,323
Other Tenant Svcs Expenses	170,420	76,041	522,930	-	-	-	-	-	3,800,639	222,200	-	-	-	-	4,792,229
Program Expense	11,592,663	472,357	598,937	1,180,870	2,451,157	-	472,581	2,118,354	815,887	31,699	260,851	-	-	-	19,995,356
Maintenance Personnel Expense	-	575,661	552,998	-	992,028	69,562	1,458,135	-	-	69,562	-	-	-	-	3,717,947
Other Maintenance Expenses	-	758,748	-	-	(37,776)	22,548	99,050	-	-	532,905	-	-	-	-	9,248,672
Utilities	-	733,442	5,732,015	-	-	-	-	-	-	91,500	-	-	-	-	6,556,957
Total IA Expense	-	40,596	211,572	-	-	-	-	-	186,723	-	-	-	-	(830,988)	438,891
Depreciation	-	-	5,939,542	-	-	-	-	1,060	-	-	88,780	-	-	(47,440)	6,029,382
General	-	277,598	3,708,585	-	202,188	2,378	20,350	10,000	-	6,731	-	-	-	-	4,227,830
Total Operating Expenses	213,861,689	3,325,428	32,909,898	2,105,062	5,120,864	559,996	2,456,713	4,541,054	11,398,546	18,109,855	349,632	-	-	(6,922,107)	294,738,736
Operating Income (Loss)	12,288,886	2,451,292	4,906,373	(2,105,062)	(2,112,506)	(559,996)	(316,165)	10,778,694	(3,181,714)	(18,670,509)	(349,632)	-	-	47,440	3,129,661
Total Overhead Allocations	4,811,274	-	-	2,493,469	4,573,204	65,033	687,201	2,615,899	2,153,224	(17,399,303)	-	-	-	-	-
Operating Income (Loss) after Overhead	7,477,612	2,451,292	4,906,373	(4,598,530)	(6,685,710)	(625,029)	(1,003,365)	8,162,795	(5,334,938)	(1,271,205)	(349,632)	-	-	47,440	3,129,661
Reserve Funding	-	-	2,863,748	-	-	-	-	(1,854,054)	-	-	-	1,854,054	-	-	-
Operating Income (Loss) after Reserve Funding	7,477,612	2,451,292	7,770,121	(4,598,530)	(6,685,710)	(625,029)	(1,003,365)	6,308,741	(5,334,938)	(1,271,205)	(349,632)	1,854,054	-	47,440	3,129,661
Investment Income	-	-	963,954	30,000	-	-	-	-	-	-	-	-	-	-	993,954
Interest Expense	-	-	(1,924,671)	-	-	-	-	-	-	-	-	-	-	-	(1,924,671)
Net Other Income (Expense)	-	-	(957,647)	30,000	-	-	1,500	-	-	-	-	-	-	-	(926,147)
HUD Nonoperating Contributions	-	-	(3,364,536)	-	-	-	-	-	-	-	1,963,000	-	-	-	(1,401,536)
Reserve Funded Capital Contributions	-	-	-	-	-	-	-	-	-	-	(9,072,710)	9,072,710	-	-	-
Net Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change In Net Position	\$ 7,477,612	\$ 2,451,292	\$ 6,812,474	\$ (4,568,530)	\$ (6,685,710)	\$ (625,029)	\$ (1,001,865)	\$ 6,308,741	\$ (5,334,938)	\$ (1,271,205)	\$ (349,632)	\$ 1,854,054	\$ -	\$ 47,440	\$ 2,203,514

* Numbers may vary slightly due to rounding

FY25 Funding Flow Analysis by Operating Group*

Home Forward															
Fiscal Year 2025 Operating Statement by Operating Group															
	Rent Assistance	Public Housing Portfolio	Affordable Portfolio	Asset Management	Property Management	Safety	Integrated Facilities	Development	Community Services	Administration	Real Estate Finance	Reserves	MIF	Elimination	Home Forward Total
Operating Income (Loss) after Overhead	\$ 7,477,612	\$ 2,451,292	\$ 4,906,373	\$ (4,598,530)	\$ (6,685,710)	\$ (625,029)	\$ (1,003,365)	\$ 8,162,795	\$ (5,334,938)	\$ (1,271,205)	\$ (349,632)	\$ -	\$ -	\$ 47,440	\$ 2,203,514
Real Estate Portfolio															
Affordable Housing Properties Operating Activity	-	-	(4,906,373)	-	-	-	-	-	-	-	-	-	-	-	(4,906,373)
Revenue from Properties to Home Forward	-	-	11,190	-	-	-	-	-	-	-	-	-	-	-	11,190
Unrestricted Cash to HF	-	-	1,961,176	-	-	-	-	-	-	-	-	-	-	-	1,961,176
Net Replacement Reserve Activity (New Market West)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Replacement Reserve Activity (Special Needs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Developer Fee - Impact to Funding Flow															
Developer Fee Revenue	-	-	-	-	-	-	-	(15,319,748)	-	-	-	-	-	-	(15,319,748)
Developer Fee - Cash to HF (Net)	-	-	-	-	-	-	-	5,218,304	-	-	-	-	-	-	5,218,304
Financing/Investment Activity															
Principal & Interest - Special Needs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal & Interest - New Market West	-	-	-	-	-	-	-	-	-	(394,384)	-	-	-	-	(394,384)
Capital Acquisitions															
Fleet Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fleet Vehicle Reserve Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Cash Operating Activity															
Depreciation Expense	-	-	5,939,542	-	-	-	-	1,060	-	219,023	88,780	-	-	(47,440)	6,200,965
Special Purpose Reserve Activity															
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Workforce Initiative Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
85 Stories Asset Repositioning Fee Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Fund Program Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Funding Source or (Shortfall)	7,477,612	2,451,292	7,911,908	(4,598,530)	(6,685,710)	(625,029)	(1,003,365)	(1,937,590)	(5,334,938)	(2,446,566)	(260,851)	-	-	-	(5,099,208)
Funding Required or (Contributed) to Agency	(7,477,612)	(2,451,292)	(7,911,908)	4,598,530	6,685,710	625,029	1,003,365	1,937,590	5,334,938	2,446,566	260,851	-	-	-	5,051,767
Final Funding Source or (Shortfall)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* Numbers may vary slightly due to rounding.