



PORTLAND DEVELOPMENT COMMISSION

DATE: November 9, 2009

TO: Urban Renewal Advisory Committee Members

FROM: Julie Cody, Chief Financial Officer

COPY: Margaret Van Vliet, Director Portland Housing Bureau;
Portland Development Commission Management Team
Portland Housing Bureau Management Team

SUBJECT: FY 2010-11 Budget Development Process

PDC is finalizing the budget process plan in conjunction with our partners at the City of Portland Office of Management and Finance and the Portland Housing Bureau. Overall, our process will remain fairly similar to last year's process, but it will now closely involve Portland Housing Bureau (PHB) and the Housing Bureau's Budget Advisory Committee (PHB BAC). The PHB BAC will be comprised of a wide group of stakeholders who will provide input on the PHB budget prior to submittal of the Requested Budget to the City Office of Management and Finance in February 2010.

During each stage of the budget process in the next seven months, the budget will be periodically updated and provided to you, and all other stakeholders including the PHB BAC. Your role as advisory committee members will be to provide input on priorities that help shape the budget. Parallel to this process will be opportunities for input by other stakeholders including the PHB BAC. Opportunities for input will occur at several points – the budget development stages are as follows:

Summary of Budget Development Stages:

Discussion Draft (Phase 1: November and December): PDC and PHB staff will attend URAC meetings to review the current five-year forecast and priorities. The role of the URAC will be to provide input on the URAC's project and program priorities. Housing set aside activities will be prioritized separately from all other urban renewal area programs. Updates to the tax increment resource forecast will occur parallel to this process and will help inform whether there may be additional (or less) resources to program in each URA's Draft Budget. The Draft URA Budget will be provided to each URAC in December. The PHB BAC will be reviewing the draft budgets in December as part of the PHB's budget process.

Requested Budget (Phase 2: January-February): The Draft Budget will be reviewed first by the PDC Executive Team and then by the Commission/Mayor budget work group who will potentially make changes that will result in PDC's Requested Budget. Testimony from URACs and stakeholders will be taken during at this time in conjunction, the PHB and Commissioner Fish. Reviews on the budgets must be completed prior to February 1, which is the due date for the Portland Housing Bureau to submit their Requested Budget to the City of Portland Office of Management and Finance.

Proposed Budget (Phase 3: March-May): The Requested Budget will be reviewed by City Council and they will have an opportunity to provide input prior to PDC preparing the official, fully balanced Proposed Budget, which will be released in late April. Some changes may be directed by PDC Executive Team in conjunction with the PHB, as a result of discussions with City Council and be included in the Proposed Budget.

Approved Budget (Phase 4: May-June): City Council, sitting as the PDC Budget Committee will receive the Proposed Budget, make any formal changes and take action to approve the budget. URACs and stakeholder will have an opportunity to provide testimony to City Council on the PDC Proposed Budget at this stage.

Adopted Budget (Phase 5: May-June): Following approval by the Budget Committee, the PDC Board, working in conjunction with the PHB, may direct changes to the budget and adopt the budget at their discretion. Adoption of the budget will occur following review and certification of the Approved Budget by the Tax Supervising and Conservation Commission. There will be an opportunity to provide additional testimony to the PDC Board at this stage.

Please note that all budget materials are posted on IRA at:

<http://www.pdc.us/budget/>

Please find the following attached Budget Schedule:

Attachment A: FY 2010-11 Budget Calendar

Thank You!