

# Safety net weathers local budget storms

STAFF REPORTS

Safety net services for Portland's poor and homeless faced down another season of funding cuts and emerged virtually intact in Mayor Charlie Hales' proposed budget, released April 30.

While federal cuts are still going to hit the city's housing and homeless services, Hales proposes fully funding a span of vital programs, preserving \$1.04 million for emergency shelter, mental health outreach, at risk students and teens, addiction services and housing retention, among other services.

At the start of his term, Hales asked all bureaus to cut 10 percent from their submitted budgets. For the Portland Housing Bureau (PHB) — which provides homeless and housing services for Portland's poorest individuals — that meant \$2.3 million in cuts when combined with federal reductions. The PHB had requested the city restore the city's portion, just over \$1 million. Without that funding, the city was looking at closing a 90-bed shelter for men, ending emergency shelter and losing immediate funding to prevent foreclosures.

"The entire safety net is back in this budget," said City Commissioner Nick Fish, who has headed the Portland Housing Bureau. "This is the fifth year in a row, during a recession, that a mayor has stepped up to fund the safety net ... I am pleased that the mayor has recognized that with this fragile economy and so many working families struggling, that he continued to invest in safety net services."

Preserving the safety net was the focus of a campaign by supporters and users of the myriad programs that address the needs of the city's most vulnerable populations.

At the start of the budget process, Hales put all of the city bureaus under the control of the mayor's office, and has yet to redistribute them to the individual commissioners.

Funding for the safety net was made possible in part by a \$500,000 funding shift between the city and Multnomah County. The city cut it from its short-term rent assistance program, and the county is filling the gap with a one-time increase on its end.

The county was also helping ease the city's pain with some funding for school meals and centers for low-income seniors.

Some cuts, however, are not likely to be restored. In February, the housing bureau had proposed more than \$460,000 in permanent cuts across several programs. That included discontinuing funding for the Community Warehouse which helps provide used household furnishings to people in need. Funding was also reduced for some permanent supportive housing programs, shelter services, renters' assistance, some basic homeless services and foreclosure prevention. Also left out of the budget was Outside In's needle

exchange program.

While many of the safety net programs were preserved, the budget still cuts \$21.5 million in funding, and among the biggest hit is the Portland Police Bureau.

"There were no sacred cows," Hales told members of the press during the budget unveiling. Hales called it a back-to-the-basics budget, with "an eye on the future and a heart in the community."

The police bureau is taking unprecedented cuts, losing funding for the mounted patrol, and taking a significant reduction in staffing. Overall, the budget trims more than 180 full time staff from city bureaus, with 55 of them expected to come from the police bureau. However, that mayor included more than \$700,000 in bridge funding to delay those layoffs until next year when a wave of retirements is expected. Without the bridge funding, layoffs this year would disproportionately impact minority and female employees with less seniority.

Also hit was the Portland Development Commission, which is taking a \$782,000 cut, with none of its nearly \$600,000 in add-back requests approved by the mayor.

"This is not a happy day," Hales noted during the conference. "I think we've done it in a way that's both collaborative and thoughtful and positions the city well for the years ahead."

Just days after Hales unveiled his budget, Multnomah County Chairman Jeff Cogen presented his budget proposal, which reflects a more solid footing financially than the city.

Cogen's budget maintains funding for homeless services and adds \$1.5 million in one-time-only county money to help the city and Home Forward secure short-term assistance for people at risk of becoming homeless. The proposed budget also includes \$1 million for enhanced coordination to increase immediate temporary housing access for hundreds of homeless families.

Cogen, however, was critical of the Hales' decision to discontinue funding for the county's Crisis Assessment Treatment Center, opened in 2010. See page 13 for Cogen's thoughts on the CATC and the county's funding agenda on mental health issues.

Cogen's budget also includes:

- \$986,000 to fund the eight high-poverty School Uniting Neighborhoods (SUN) community school sites that were formerly funded by Portland's Children's Levy.
- \$3.34 million for the newly expanded Southeast Health Center, which provides low-cost primary care, behavioral health, pharmacy, laboratory and other support services to residents of Southeast Portland who lack health insurance.
- \$2.1 million to mitigate the worst impact of the federal sequester and potential for state cuts.

## Needle exchange program loses valuable city dollars

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In 1989, Portland's Outside In, which provides varied services and health care to homeless youth and low-income communities, began a revolutionary needle exchange program. One of the first in the country to offer needle exchange, Outside In has battled through more than two decades of controversy and recessions to continue offering the service.

The program is currently at risk, failing to secure its annual funding in Mayor Charlie Hales' proposed city budget.

Due to a federal ban on the program created in 2011, Outside In relies solely on local tax dollars to fund the program. Multnomah County and the city of Portland have worked together for 20 years to pay for the service. Last year the county contributed \$126,000 and the city \$65,000 toward the program.

Multnomah County funds the program primarily for public health reasons, a part of their public health response to HIV and hepatitis among drug injectors. The city funds the program for public safety reasons.

"We prevent half a million syringes annually from being tossed," says Outside In Executive Director Kathy Oliver. "We're keeping clients alive and safe. Giving them the means to protect themselves."

"HIV is one disease that's preventable," says Oliver. "We know exactly how to prevent it."

"It's also a benefit for the community — preventing accidental needle sticks; preventing the need for costly treatment for people with HIV/AIDS, helping people enter treatment when they're ready to do so," Oliver says. "We're often the only point of contact our clients have with the world of health and social service. We serve as an important bridge to treatment and other services."

"It's a vital program and a high priority for me," says city Commissioner Steve Novick. "I am confident that one way or another, it will be funded."

In December 2009, President Barack Obama signed a law lifting a 21-year ban on federal funding for needle exchange programs. The Obama administration's position was that needle exchange clinics are an evidence-based practice that lowers the transmission of HIV and other infections among injection drug users.

In 2011, Congress reversed the policy on federal funding for syringe exchange programs, leaving it up to local communities to fund the harm-reduction program.

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it was intended.

And I also hope that access is easier, that when a low-income person walks through the door of one of the agencies, whether they're coming in for a food box or need help paying a bill during the winter, that nonprofits are prepared to address what this person needs. Sure, they need a food box, but what is their housing situation? When the system is really aligned at the local level, people have much easier access to what they're entitled to, and the resources that can move them back into prosperity and out of poverty.

**J.Z.:** Are local governments going to see fewer dollars, on top of the sequestration cuts

to federal housing and assistance programs?

**M.V.V.:** Certainly to the extent that we're passing through federal dollars, those dollars will get shaved back. And to that extent, fewer dollars will be on the ground in communities. So yes, resources are getting cut. We have limited dollars and they aren't going up in the foreseeable future. It's all the more important that at the state and local level we're more crisp about our priorities, helping people in poverty both with emergency/safety net services, but also linking people to a pathway to prosperity. And that sounds very cliché but it's real. Housing is a bedrock piece of economic self-sufficiency. ...We have to make sure our systems talk to each other, that there's a way to connect them to other support so

they can get out of poverty. Our systems don't aim people in a systematic or long term way to getting them back out of poverty. The governor talks a lot about this. We can't keep putting Band-Aids on the system and keep giving utility bill assistance, more food stamps, more emergency housing assistance.

**J.Z.:** After two decades working in the affordable housing industry, including finance and development and government management. Are there goals you have personally on how you would like to see the state address housing?

**M.V.V.:** It is personal. I've invested my whole career in questions of housing. And what I just know in my core is if we make

decisions in isolation, than we're not really helping people who are experiencing poverty in the way that we should. I just think the system is crying out for a different way to make decisions and spend the limited resources so that we can help more people. The housing crisis is getting worse. You see it in Portland. It's everywhere. We're not going to get more money. So how can we help more people and move to prosperity? How can we help them get there and break the generational cycles of poverty that we know exist out there?

Government is a tool, and it sort of gets in the way of communities and local experts doing what they know how to do best. I think we can do better.