



MEMORANDUM

Date: May 20, 2019
To: Housing Authority Commissioners
From: Kate Goldfine, Administrative Services Officer
Subject: **FY 2018/19 Quarter 3 Financial Report**

This memo provides a summary of total Housing Authority expenditures and funding sources for the third quarter of Fiscal Year 2018/19 (July 1, 2018 – March 31, 2019).

Expenditures

Below please find a table showing current budget, including carryover commitments from prior years and increases/decreases in the current year; actual expenditures through March 31, 2019; committed funds, including carryover from prior years; and the dollar amount and percent of remaining budget.

	<u>\$ Current Budget</u>	<u>\$ Expended through 3/31/19</u>	<u>\$ Committed Funds</u>	<u>\$ Remaining</u>	<u>% Remaining</u>
Administration / Overhead	5,671,454	3,647,846	32,858	1,990,750	35%
Housing Assistance Payments	24,271,800	17,694,603	-	6,577,197	27%
Loan Activity	7,983,933	3,908,544	3,253,424	821,965	10%
Subrecipient Funding	476,331	325,354	150,977	-	0%
Projects	4,974,902	660,859	3,072,829	1,241,214	25%
TOTAL	5,671,454	3,647,846	32,858	1,990,750	35%

Administration / Overhead includes salaries, benefits, services and supplies for Housing and Community Services staff assigned to the Housing Authority, plus City-wide overhead for expenses such as building use, City Attorney and Finance Department support, and IT costs.

Housing Assistance Payments are rental subsidy paid directly to landlords for Housing Choice Voucher clients.

Loan Activity is loans to developers for affordable housing production, rehabilitation, conversion and preservation. The expenditures of approx. \$3.9M through 3/31/19 include Lantana (\$168K); CalHome Mobilehome loan program (\$242K); Apple Valley (\$744K); Parkwood (\$2.4M); Papago Court (\$18K); and Crossings (\$335K). Commitments of approx. \$3.3M include Lantana (\$3.2M) and Disability Legal Services (\$29K) for the Housing Accessibility Modification program.

Subrecipient funding includes Federal Housing Opportunities for Persons with AIDS (HOPWA) funding committed to service provider Face to Face; and local funding committed to Fair Housing Advocates of Northern California for federally-mandated fair housing services and to Habitat for Humanity for the Aging in Place program.

Projects include \$2.0M of remaining funds designated for affordable housing by the City Council as part of their Housing Action Plan. Of that, approximately \$396K has been expended for Benton Veteran's Village (\$254K, \$0 remaining) and Harris Village (\$142K, \$0 remaining). The remaining commitment is to Acacia Village (\$1.1M); and \$0.5M was uncommitted from a project that could not proceed. Other projects include \$0.2M of Community Development Block Grant (CDBG) Public Services funding for the Homeless Service and Family Support Centers operated by Catholic Charities; \$55K of Federal funding for Family Self Sufficiency Program incentives and HUD-VASH client security deposits; \$1.4M for the CDBG- Disaster Recovery consultant; and \$1.2M for the CalHOME Disaster Recovery grant.

Funding Sources

Below please find a table showing approved (expected) funding, including revenue and transfers; actual funding received through March 31, 2019; the dollar amount difference between approved and received funding; and the % of funding received through March 31, 2019.

	<u>\$ Current Budget</u>	<u>\$ Received through 3/31/19</u>	<u>\$ Difference (Under) /Over Budget</u>	<u>% Received through 3/31/19</u>
Cost Recovery	1,468,864	1,028,058	(440,806)	70%
Federal Grants (CDBG, HOME, HOPWA)	4,402,964	2,419,557	(1,983,407)	55%
Federal Grant (CDBG-DR)	1,497,100	-	(1,497,100)	0%
Property Rental	8,922	6,708	(2,214)	75%
Housing Impact Fee	1,497,000	1,795,947	298,947	120%
Compliance Monitoring Fees	125,039	200,064	75,025	160%
Loan Repayments	65,000	678,187	613,187	1043%
State Grants	1,395,500	162,246	(1,233,254)	12%
Transfers In	749,000	749,000	-	100%
Federal Grants- HCV (including Port In)	27,094,596	19,486,314	(7,608,282)	72%
Other- HCV	10,000	109,361	99,361	1094%
Misc.	0	48,942	48,942	-
TOTAL	38,313,985	26,684,384	(11,629,601)	70%

Cost recovery is administrative expenses (overhead) paid by the Housing Choice Voucher Program and Housing Trust.

Federal Grants (CDBG, HOME, and HOPWA) are utilized by the Housing Trust to provide loans to developers (CDBG and HOME) and a grant to Face to Face to provide services for persons living with HIV/AIDS and their families (HOPWA). Federal Grant (CDBG-DR) is CDBG - Disaster Recovery funding expected from the Federal government. The funding is in the Housing Authority's CDBG fund however, it is controlled by the City.

Property rental is the rent paid by the tenant in the Housing Authority-owned property at Brookwood Ave.

The Housing Impact Fee is paid by housing developers for the impacts their development has on infrastructure and in-lieu of providing affordable housing in their market-rate housing developments.

Compliance monitoring fees were established by the Housing Authority in 2012 to recover costs related to monitoring regulatory agreements, housing allocation plan, bond compliance, Density Increase Program, and Mobilehome ordinance.

Loan repayments are received from borrowers who have received Housing Authority loans in prior years.

State Grants represent reimbursement-based grants from the State for expenses related to the CalHome Mobilehome loan program and the CalHOME Disaster Recovery Grant.

Transfers In represent City General Fund Real Property Transfer Tax allotted annually to the Housing Authority per City Council Policy 000-48. It is transferred from the City to the Housing Authority at the beginning of each fiscal year.

Federal Grants-HCV (Housing Choice Vouchers) is the funding from HUD to administer the Housing Choice Voucher and Mod Rehab programs, including administrative allowance and rental subsidy for Santa Rosa clients and clients who port-in to Santa Rosa from other housing jurisdictions.

Other- HCV represents restitution reimbursements from clients who underpaid their portion of the rent and are required to make up these payments to the Housing Authority.

Misc. represents interest earned on the cash in the Housing Authority's funds as a portion of the City's larger pool of funds.