

**Housing Authority FY 2020-21 Q3 Financial Report**



**MEMORANDUM**

**Date:** June 21, 2021  
**To:** Housing Authority Commissioners  
**From:** Kate Goldfine, Administrative Services Officer  
**Subject:** Housing Authority FY 2020-21 Q3 Financial report

This memo summarizes Housing Authority (“Authority”) expenditures and funding sources for Quarter 3 of Fiscal Year 2020-21 (July 1, 2020 – March 31, 2021).

**Expenditures**

The table below shows current budget, including carryover commitments from prior years and changes in the current year; actual expenditures through March 31, 2021; committed funds, including carryover from prior years; and the dollar amount and percent of remaining budget.

	<u>\$ Current Budget</u>	<u>\$ Expended</u>	<u>\$ Committed Funds</u>	<u>\$ Remaining</u>	<u>% Remaining</u>
Administration / Overhead	5,969,672	3,484,548	99,590	2,385,534	40%
Housing Assistance Payments	32,425,780	20,499,398	-	11,926,382	37%
Loan Activity	7,861,534	1,752,628	900,216	5,210,130	66%
Subrecipient Funding	476,255	284,546	191,709	-	0%
CDBG-DR	38,469,772	16,288	16,288	38,437,196	100%
Projects	3,483,309	894,200	48,946	2,540,163	73%
<b>TOTAL</b>	<b>88,686,322</b>	<b>26,931,608</b>	<b>1,256,749</b>	<b>60,497,965</b>	<b>68%</b>

Administration includes salaries, benefits, services, and supplies for staff assigned to the Housing Choice Voucher (HCV) Program and Housing Trust. Overhead includes administrative staff; building use and maintenance; the Authority’s share of City Administration expenses; City Attorney and Finance Department support; and Information Technology services and supplies; insurance, and other shared costs.

Housing Assistance Payments are rental subsidy paid to landlords for Housing Choice Voucher and Federal HOME-funded Tenant Based Rental Assistance clients.

Loan Activity represents loans to developers for affordable housing production, rehabilitation, conversion and preservation. The expenditures of approx. \$1.7M are for Lantana (\$102K); Cannery at Railroad Square (\$169K); Hearn Veteran’s Village (\$122K); Dutton Flats (\$625K); Linda Tunis Senior Apartments (\$690K); Giffen Ave. Rehabilitation (\$40k); and Disability Legal Services (\$3K). The commitments of \$900K are for the following projects: Disability Legal Services (\$11K); Dutton Flats (\$70K); Hearn Veteran’s Village (\$53K); Boyd Street Apartments (\$200K); Giffen Ave Rehabilitation (\$63K); Earl Street Rehabilitation (\$130K) and Lantana (\$373K). At the March 22, 2021 meeting the Authority uncommitted \$4.2M from the DeTurk Winery Village project via Resolution No. 1713.

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Subrecipient Funding is committed to two service providers: Face to Face, for services to persons living with HIV/AIDS and their families, funded by Federal Housing Opportunities for Persons With HIV/AIDS (HOPWA); and Fair Housing Advocates of Northern California for federally mandated fair housing services, funded locally.

Community Development Block Grant- Disaster Recovery (CDBG-DR) includes \$116K for administration and nearly \$38.4M for affordable housing projects. The \$16k expense is administrative staff costs to run the Notice of Funding Availability process, establish loans and funding agreements with the developers, and report to the State.

Projects include Family Self Sufficiency (FSS) Program Incentives (\$38.5K remaining); Veterans Affairs Supportive Housing (VASH) Security Deposits (\$9.8K remaining); HCV Cares Act Admin (\$66K expended/ \$808K remaining); CDBG Homeless Programs; and CalHOME Disaster Recovery (\$1.2M remaining). CDBG Homeless Programs include the annual programs funded by annual CDBG: Homeless Service Center, Family Support Center and The Living Room (\$179K expended/ \$49K committed); and one-time CARES Act CDBG-CV funding, used thus far for the Finley Center Safe Social Distancing Program (\$648K expended), with \$483K remaining.

### Funding Sources

Below please find a table showing approved (expected) funding including revenue and transfers; actual funding received through March 31, 2021 by dollar and percentage; and the variance (amount below or above expected).

	<u>\$ Approved Funding</u>	<u>\$ Received</u>	<u>% Received</u>	<u>Variance</u>
Cost Recovery	1,397,323	987,071	71%	(410,252)
Federal Grants (CDBG, HOME, HOPWA)	7,566,623	1,233,719	16%	(6,332,904)
Federal Grant CDBG-DR	38,469,772	-	0%	(38,469,772)
Property Rental	7,045	7,116	101%	71
Housing Impact Fees	1,500,000	1,344,937	90%	(155,063)
Compliance Monitoring Fees	125,766	118,910	95%	(6,856)
Loan Repayments	147,686	1,160,752	786%	1,013,066
State Grants	1,200,000	-	0%	(1,200,000)
Transfers In	286,469	286,469	100%	-
Federal Grants- HCV (including port in)	34,801,043	22,455,555	65%	(12,345,488)
Other- HCV	10,000	48,758	488%	38,758
Misc.	-	62,622	-	62,622
<b>TOTAL</b>	<b>85,511,727</b>	<b>27,705,909</b>	<b>32%</b>	<b>(57,805,818)</b>

Cost recovery represents overhead paid by the Housing Trust and Housing Choice Voucher programs.

Federal Grants are managed by the Housing Trust to provide loans to developers (CDBG and HOME), tenant based rental assistance (HOME) and a grant to Face to Face (HOPWA). The City distributes funding to recipients and is reimbursed by the Federal government, which is the amount shown in the table above.

CDBG-DR is similar to the other Federal sources because the City will distribute funding to recipients and request reimbursement from the Federal government.

Property rental is income from the Authority-owned property at Brookwood Ave.

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Housing Impact Fees include a fee paid by housing developers for the impacts their project has on infrastructure and in place of providing affordable units in their market-rate developments and a Commercial Linkage Fee, approved by City Council in October 2019, to fund affordable housing demand related to new commercial developments.

Compliance monitoring fees were established by the 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 of prior Authority loans and are used to fund new loans.

State Grants represent reimbursement-based grants for the CalHOME Disaster Recovery Grant. The City distributes funding to eligible recipients and is reimbursed by the State.

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

Federal Grants-HCV is funding from HUD for the Housing Choice Voucher program, including administrative allowance for staff to run the program, and rental subsidy for Santa Rosa clients and clients who port in to Santa Rosa from other jurisdictions.

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

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