

**FY 2018/19 Housing Authority Proposed Budget Summary**

<b><u>Housing Trust</u></b>				
	2017/18 Current Budget	2018/19 Budget	\$ Change	% Change
<b>Revenue</b>				
Federal Grants	2,420,825	2,589,114	\$168,289	7.0%
Property Rentals	8,164	8,922	\$758	9.3%
Housing Impact Fee	650,000	1,497,000	\$847,000	130.3%
Compliance Monitoring Fees	119,500	125,039	\$5,539	4.6%
Loan Repayments	67,000	65,000	-\$2,000	-3.0%
<b>TOTAL REVENUE</b>	<b>\$3,265,489</b>	<b>\$4,285,075</b>	<b>\$1,019,586</b>	<b>31.2%</b>
<b>TOTAL TRANSFERS IN (City- Real Property Transfer Tax)</b>	<b>\$881,287</b>	<b>\$749,000</b>	<b>-\$132,287</b>	<b>-15.0%</b>
<b>TOTAL HOUSING TRUST RESOURCES</b>	<b>\$4,146,776</b>	<b>\$5,034,075</b>	<b>\$887,299</b>	<b>21.4%</b>
<b>Expenditures</b>				
Staffing, Services and Supplies	\$964,154	\$1,052,566	\$88,412	9.2%
Allocated Costs (Overhead)	\$449,673	\$489,818	\$40,145	8.9%
Subrecipient funding	\$437,084	\$456,145	\$19,061	4.4%
Loan Activity	\$5,492,307	\$3,035,531	-\$2,456,776	-44.7%
Project Budget	\$198,980	\$213,965	\$14,985	7.5%
<b>TOTAL HOUSING TRUST EXPENDITURES</b>	<b>\$7,542,198</b>	<b>\$5,248,025</b>	<b>-\$2,294,173</b>	<b>-30.4%</b>

<b><u>Housing Choice Voucher (HCV) Program</u></b>				
	2017/18 Current Budget	2018/19 Budget	\$ Change	% Change
<b>Revenue</b>				
Federal Grant, including Port-Ins	\$25,085,032	\$27,094,596	\$2,009,564	8.0%
Miscellaneous	\$10,000	\$10,000	\$0	0.0%
<b>TOTAL HCV RESOURCES</b>	<b>\$25,095,032</b>	<b>\$27,104,596</b>	<b>\$2,009,564</b>	<b>8.0%</b>
<b>Expenditures</b>				
Staffing, Services and Supplies	\$1,749,078	\$1,866,722	\$117,644	6.7%
Allocated Costs (Overhead)	\$683,525	\$741,724	\$58,199	8.5%
Rental Assistance	\$22,440,000	\$24,271,800	\$1,831,800	8.2%
Projects	\$0	\$3,125	\$3,125	-
<b>TOTAL HCV EXPENDITURES</b>	<b>\$24,872,603</b>	<b>\$26,883,371</b>	<b>\$2,010,768</b>	<b>8.1%</b>

<b><u>Housing &amp; Community Services Administration</u></b>				
	2017/18 Current Budget	2018/19 Budget	\$ Change	% Change
<b>Cost Recovery</b>				
Cost Recovery	\$1,308,170	\$1,468,864	\$160,694	12.3%
<b>Expenditures</b>				
Administration	\$265,858	\$304,680	\$38,822	14.6%
Services and Supplies	\$88,705	\$88,155	-\$550	-0.6%
Information Technology	\$202,382	\$219,798	\$17,416	8.6%
Overhead	\$728,914	\$832,986	\$104,072	14.3%
Liability Insurance	\$22,311	\$23,245	\$934	4.2%
<b>TOTAL ADMIN EXPENDITURES</b>	<b>\$1,308,170</b>	<b>\$1,468,864</b>	<b>\$160,694</b>	<b>12.3%</b>

Total Housing Authority Revenue	\$29,668,691	\$32,858,535	\$3,189,844	10.8%
Total Housing Authority Transfers In	\$881,287	\$749,000	-\$132,287	-15.0%
<b>TOTAL HOUSING AUTHORITY FUNDING SOURCES</b>	<b>\$30,549,978</b>	<b>\$33,607,535</b>	<b>\$3,057,557</b>	<b>10.0%</b>
<b>TOTAL HOUSING AUTHORITY EXPENDITURES</b>	<b>\$33,722,971</b>	<b>\$33,600,260</b>	<b>-\$122,711</b>	<b>-0.4%</b>

<b><u>Housing Authority FY 2017/18 Adopted to Current Budget Summary</u></b>				
		2018/19 Budget	\$ Change	% Change
Housing Authority FY 2017/18 Total Adopted Expenditures	\$32,279,929	\$33,600,260	\$1,320,331	4.1%
Difference between FY 17/18 Adopted and 17/18 Current Budgets*	\$1,443,042			
* The difference between the FY 17/18 Adopted and Current budgets is \$1,443,042 because: 1) \$1,418,551.09 was appropriated per HA Resolution 1634 for loan product; 2) \$24,490.00 was appropriated to finalize Federal funding entitlements that were announced after the budget was adopted.				

# Housing Authority

## Mission

To ensure adequate, decent, safe and sanitary housing for qualified people within Santa Rosa consistent with Federal, State and local law.

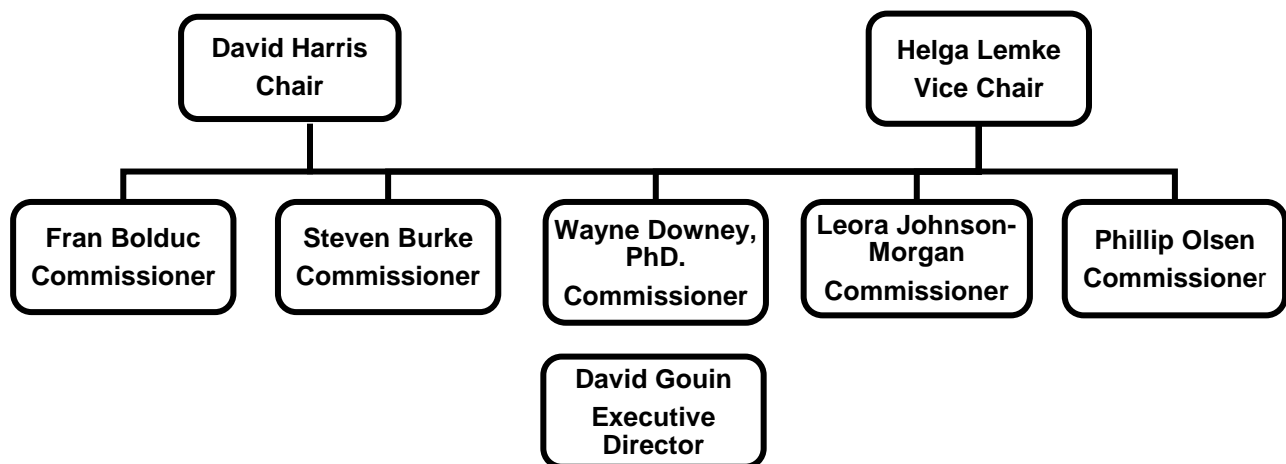
## Department Description

The Housing and Community Service Department supports the Housing Authority (Authority) which consists of two programs; the Santa Rosa Housing Trust and the Housing Choice Vouchers Program. All of the Authority's programs improve the quality and affordability of housing in the City. The focus population is very low- and low-income households, with the different programs utilizing different income eligibility guidelines.

**Santa Rosa Housing Trust (SRHT)** – Manages the City's \$113 million affordable housing loan portfolio, administers Federal and State housing grants, and performs compliance monitoring for over 3,000 units Citywide. These programs maximize and leverage available Federal, State, and local funding to assist in the production of affordable housing programs; conversion, preservation and rehabilitation of affordable housing; and the acquisition, development, and rehabilitation of special needs facilities. SRHT is actively involved in furthering the City Council's goal of "Housing for All".

**Housing Choice Vouchers** – Provides rental assistance to extremely- and very-low income individuals and families by administering the federally-funded Housing and Urban Development (HUD) Housing Choice Voucher program. This program includes the HUD-Veterans Affairs Supportive Housing program (VASH), Project-Based Vouchers the Family Self-Sufficiency program and the Moderate Rehabilitation program. To qualify for these programs, applicants must be at or below 50% of the Area Median Income (AMI). The Housing Choice Voucher Program is a key component of the City's "Housing for All" goal.

## Housing Authority



# Housing Authority

## Strategic Goals and Initiatives for FY 2018-19

(Numbers at right show relation to City Council Goals; see Council Goals Section)

### Santa Rosa Housing Trust

- Manage the City's affordable housing portfolio consisting of an approximate value of \$113 million and monitoring of affordability covenants for over 3,000 units. 3
- Evaluate, originate, close and manage loan documents and affordability agreements of new affordable housing units and the rehabilitation of existing affordable housing units. 3
- Facilitate the acquisition and preservation of existing housing units for use as affordable housing. 3

### Housing Choice Voucher Program

- Provide Housing Choice Voucher rental assistance to approximately 2,000 clients monthly, including 404 HUD-VASH clients, 1,475 Santa Rosa voucher holders, and between 100-200 Port-In clients from other jurisdictions. 3
- Utilize the resources of the voucher program to encourage the development of new affordable housing. 3
- Establish partnerships with neighboring Housing Choice Voucher programs to enhance services to landlords and tenants. 3

## Major Budget Changes

The Housing Authority budget increased a net of approx. \$1.3M from FY 2017-18 to FY 2018-19. The Administrative Division increased due to City overhead and Information Technology increases that are not controlled by the Department. The Housing Choice Voucher Program increased by \$2M because the Department received more HUD-VASH (Veteran's Affairs Supportive Housing) vouchers and also anticipates a higher per unit assistance cost in FY 2018-19. The SRHT Portfolio Services and Grant Management budget decreased very slightly due to less funding available from loan repayments. The SRHT Affordable Housing Programs and Financing budget is showing a year over year decrease of (\$854K) because the Housing Authority chose to appropriate \$1.4M of available funding (loan repayments and impact fees) in early FY 2017-18 to hasten the production of affordable housing, rather than waiting to use it in the FY 2018-19 budget.

Salaries, benefits, and indirect costs (overhead) increased a net of \$440K because of salary increases dictated by MOUs, a significant increase in retirement costs, and increases to overhead, none of which are controlled at the department level. Loan Activity decreased \$1.0K due to the appropriation of available funds in FY 2017-18, as described above. Rental Assistance increased \$1.8M as we are anticipating higher per unit assistance costs in FY2018-19.

The Housing Operations Fund increased because a large portion of the Department's overhead and Information Technology costs are budgeted in that fund, and both increased over FY 2017-18. The Housing Choice Voucher Program fund increased \$2.1M mostly due to additional HUD-VASH vouchers and higher per unit costs for rental assistance anticipated in FY 2018/19. The Moderate Rehabilitation fund decreased \$105K because that program is ending early in FY 2018-19. The Real Property Transfer Tax fund shows a decrease of nearly \$1.3M because those funds were used in FY 2017-18, rather than waiting for 2018-19 to hasten the production of affordable housing, as described above. Other funds had minor increases or decreases depending on the amount of loan repayments available to re-loan (Operating Reserve Fund, Rental Rehabilitation Fund, Housing Grant Fund [non-HOPWA], Southwest Low/Mod Housing Fund, Low and Moderate Income Housing Fund, and Mortgage Revenue Bond Fund); or fees collected (Brookwood Property, Housing Compliance Fund, and Housing Impact Fee Fund). Federal entitlement funding

# Housing Authority

(Community Development Block Grant, HOME Fund, and Housing Grant Fund [HOPWA]) increased as well.

## Budget Summary

<b>Expenditures by Program</b>			
	<b>2016 - 17 Actual</b>	<b>2017 - 18 Adopted Budget</b>	<b>2018 - 19 Budget</b>
Admin Housing & Comm Services	\$947,306	\$1,308,170	\$1,468,864
Housing Choice Vouchers	\$21,644,599	\$24,872,603	\$26,880,246
SRHT Portfolio Svcs & Grant	\$10,260,079	\$779,418	\$767,840
SRHT Afford Housing Prog & Fin	\$3,511,466	\$5,120,758	\$4,266,220
CIP and O&M Projects	\$198,980	\$198,980	\$217,090
<b>Total</b>	<b>\$36,562,430</b>	<b>\$32,279,929</b>	<b>\$33,600,260</b>

<b>Expenditures by Category</b>			
	<b>2016 - 17 Actual</b>	<b>2017 - 18 Adopted Budget</b>	<b>2018 - 19 Budget</b>
Salaries	\$1,457,195	\$1,724,850	\$1,782,040
Benefits	\$672,642	\$797,876	\$961,176
Professional Services	\$141,395	\$137,500	\$142,000
Vehicle Expenses	\$11,500	\$32,801	\$32,505
Utilities	\$4,447	\$8,250	\$8,750
Operational Supplies	\$32,043	\$129,300	\$135,286
Information Technology	\$177,947	\$209,667	\$227,252
Debt Service	\$5,700,000	\$0	\$0
Liability & Property Insurance	\$18,167	\$24,631	\$25,526
Other Miscellaneous	\$61,948	\$160,596	\$152,878
Subrecipient Funding	\$420,928	\$419,150	\$456,145
Insurance Prem/Claims	\$0	\$70,000	\$70,000
Loan Activity	\$6,376,888	\$4,064,216	\$3,035,531
Rental Assistance	\$19,842,091	\$22,440,000	\$24,271,800
Indirect Costs	\$1,446,259	\$1,862,112	\$2,082,281
CIP and O&M Projects	\$198,980	\$198,980	\$217,090
<b>Total</b>	<b>\$36,562,430</b>	<b>\$32,279,929</b>	<b>\$33,600,260</b>

# Housing Authority

<b>Expenditures by Fund</b>			
	<b>2016 - 17 Actual</b>	<b>2017 - 18 Adopted Budget</b>	<b>2018 - 19 Budget</b>
Housing Operations Fund	\$947,306	\$1,308,170	\$1,468,864
Operating Reserve Fund	\$36,000	\$78,000	\$86,587
Housing Choice Voucher Program	\$21,537,698	\$24,726,836	\$26,843,098
1980 Moderate Rehabilitation A	\$106,901	\$145,767	\$40,273
Brookwood Property	\$4,037	\$15,499	\$12,513
Community Dvlp Block Grant	\$465,291	\$1,363,888	\$1,508,034
Rental Rehabilitation Fund	\$0	\$0	\$20,339
Housing Grant Fund	\$9,905,593	\$424,000	\$448,671
Real Property Transfer Tax Fund	\$690,039	\$1,427,665	\$157,043
Southwest Low/Mod Housing Fund	\$363,787	\$160,932	\$162,803
Low and Moderate Income Housing	\$279,330	\$127,999	\$154,947
HOME Fund	\$1,222,512	\$589,308	\$829,049
Mortgage Revenue Bond Fund	\$136,325	\$0	\$15,901
Housing Compliance Fund	\$179,102	\$272,786	\$259,860
Housing Impact Fee Fund	\$680,173	\$1,639,079	\$1,592,278
CalHome Grant MH Loan Program	\$8,336	\$0	\$0
<b>Total</b>	<b>\$36,562,430</b>	<b>\$32,279,929</b>	<b>\$33,600,260</b>

# Housing Authority

## Performance Measures

Indicators	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
<b>Housing Trust</b>				
Number of new affordable housing rental and ownership units completed	47	23	60	79
Very Low Income units	11	4	0	57
Low Income units	34	19	60	22
Moderate Income units	2	0	0	0
Number of new affordable rental housing units preserved	0	0	0	0
Number of new affordable rental housing units preserved- Special Needs	0	0	0	0
Number of new affordable rental and ownership housing units in the pipeline	444	421	342	142
Very Low Income units	200	196	139	34
Low Income units	244	225	203	108
Moderate Income Units (Added FY 2017/18)	n/a	n/a	n/a	28
Above Moderate Income Units (Added 2017/18)	n/a	n/a	n/a	26
Number of affordable ownership units transferred title	8	5	1	5
Number of owner-occupied affordable housing units rehabilitated or financed	0	0	8	9
Number of investor/developer affordable rental housing units rehabilitated	153	96	48	118
Number of units receiving housing accessibility modifications	1	1	1	1
Number of affordable housing rental units monitored	2,690	2,841	2,841	2,919
Number of owner-occupied housing units monitored	302	278	275	262
Consolidated Plan for CDBG and HOME funds (2009-2014 and 2014-2019)	✓	✓	✓	✓
Action Plan for CDBG and HOME funds	✓	✓	✓	✓
Consolidated Annual Performance Report (CAPER) for CDBG and HOME funds	✓	✓	✓	✓
<b>Housing Choice Voucher Program</b>				
Number of Housing Choice Voucher Rentals (Vouchers and Port-Ins) (Approximate)	1,950	2,000	2,000	2,000
Number of Housing Choice Vouchers-Santa Rosa clients	1,838	1,838	1,862	1,877
Number of HUD-VASH Vouchers	296	365	389	404

# Housing Authority

Number of landlords participating in program (all figures approximate)	650	715	695	700
Number of Port-In clients (varies monthly, all figures approximate)	250	200	200	195

## Prior FY 2017-18 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

### Santa Rosa Housing Trust

- Provided \$1,295,646 for the rehabilitation of Papago Court which is a 48-unit rental complex. 3
- Performed affordability compliance on approximately 3,000 rental units. 3
- Successfully attained waiver from HUD to allow flexibility in use of existing CDBG, HOME, and HOPWA funds to assist in recovery efforts. 3

### Housing Choice Voucher Program

- Advocated for additional resources and expanded the HUD-VASH program to 402 vouchers for homeless veterans. 3
- Petitioned the Federal Department of Housing and Urban Development for an increase in the Fair Market Rent levels to accurately reflect the local rental market, reducing cost burdens on families and increasing tenant choice in the market. 3
- Provided ongoing rental assistance for approximately 2,000 low-income families residing in Santa Rosa. 3
- Achieved High Performing Public Housing Agency designation for the eleventh consecutive year. 3

### Looking Ahead

Both divisions of the Housing Authority will assist Santa Rosa residents displaced by the Tubbs/ Adobe Fire that occurred in October 2017. Staff will continue to partner with the other City departments, County of Sonoma, State of California, and Federal government on funding mechanisms to facilitate affordable and market-rate housing development.