



MEMORANDUM

Date: June 3, 2020

To: Housing Authority Commissioners

From: Kate Goldfine, Administrative Services Officer

Subject: Housing Authority FY 2019/20 Quarter 3 Financial Report

This memo summarizes Housing Authority ("Authority") expenditures and funding sources for Fiscal Year 2019/20 Quarter 3 (July 1, 2019 – March 31, 2020).

Expenditures

The table below shows current budget, including carryover commitments from prior years and changes in the current year; actual expenditures through March 31, 2020; 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	6,137,167	3,682,360	112,700	2,342,107	38%
Housing Assistance Payments	31,492,800	19,289,291	0	12,203,509	39%
Loan Activity	9,483,353	4,708,109	2,075,088	2,700,156	28%
Subrecipient Funding	466,339	296,224	170,064	51	0%
Projects	1,447,306	180,475	19,620	1,247,211	86%
TOTAL	49,026,965	28,156,459	2,377,472	18,493,034	38%

Administration includes salaries, benefits, services and supplies for staff assigned to the Authority's two programs- the Housing Choice Voucher 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.

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

Loan Activity represents loans to developers for affordable housing production, rehabilitation, conversion and preservation. The expenditures of approx. \$4.7M include Disability Legal Services and Mobilehome Assistance Programs (\$8K); Lantana (\$2.2M); Hearn Veteran's Village (\$91K); and Dutton Flats (\$2.4M). Commitments of approx. \$2M include Disability Legal Services (\$14K); Lantana (\$739K); Hearn Veteran's Village (\$195K); Boyd Street Apartments (\$200K); Dutton Flats (\$694K); Earle Street Rehabilitation (\$130k); and Giffen Avenue Rehabilitation (\$104K).

Subrecipient funding is committed to and expended by two service providers: Federal Housing Opportunities for Persons with HIV/AIDS (HOPWA) funding to Face to Face; and local funding to Fair Housing Advocates of Northern California for federally mandated fair housing services.

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In projects, the \$180K of expenses and \$20K of commitments are Community Development Block Grant (CDBG) Public Services funding for the Homeless Service Center and Family Support Center operated by Catholic Charities. Other projects include the CalHOME Disaster Recovery (State grant) (\$1.2M remaining); HUD-VASH Security Deposits (\$10K remaining); and Family Self Sufficient Program Incentives (\$39K remaining).

Funding Sources

Below please find a table showing approved (expected) funding including revenue and transfers; actual funding received through March 31, 2020; the dollar amount difference between approved and received funding; and the percent of funding received through March 31, 2020.

	<u>\$ Current Budget</u>	<u>\$ Received</u>	<u>\$ Difference (Under) /Over Budget</u>	<u>% Received</u>
Cost Recovery	1,439,243	997,314	(441,929)	69%
Federal Grants (CDBG, HOME, HOPWA)	4,213,556	1,244,081	(2,969,475)	30%
Property Rental	9,189	6,909	(2,280)	75%
Housing Impact Fee	1,500,000	2,187,331	687,331	146%
Compliance Monitoring Fees	125,297	219,026	93,729	175%
Loan Repayments	490,476	256,282	(234,194)	52%
State Grants	1,234,215	0	(1,234,215)	0%
Transfers In	749,000	749,000	0	100%
Federal Grants- HCV (including port in)	34,235,107	20,317,577	(13,917,530)	59%
Other- HCV	10,000	70,407	60,407	704%
Misc.	0	142,101	142,101	-
TOTAL	44,006,083	26,190,028	(17,816,055)	60%

Cost recovery is overhead paid by the Housing Choice Voucher Program and Housing Trust.

Federal Grants (CDBG, HOME, and HOPWA) are managed 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). The City distributes funding to the recipients and is reimbursed by the Federal government.

Property rental is income from the 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 Authority in 2012 to recover costs related to monitoring regulatory agreements, housing allocation plan, bond compliance, Density Increase Program, and Mobilehome ordinance. Revenue exceeds projections because of fees associated with the resale of homeownership units that staff are unable to predict.

Loan repayments are received from borrowers of prior Authority loans.

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

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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 and is \$749K in FY 19/20.

Federal Grants-HCV (Housing Choice Vouchers) is funding from HUD to administer the Housing Choice Voucher program, 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 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.