

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ
AGENDA OF THE REGULAR BOARD MEETING
February 27, 2019
11:30 a.m.
TO BE HELD AT:
HOUSING AUTHORITY OFFICES
2160 41st Avenue, Capitola, CA 95010

1. Roll Call
2. Consideration of Late Additions and Changes to the Agenda
3. Consent Agenda
 - A. Minutes of the Regular Meeting held January 23, 2019

Motion to Approve as Submitted
4. Oral Communications (All oral communications must be directed to an item not listed on this agenda and must be within the jurisdiction of the Board. Presentations must not exceed three minutes in length. The Board will not take action or respond immediately to any Oral Communication presented, but may choose to follow up at a later time or schedule item for a subsequent agenda. The Board may limit the total amount of time allowed for oral communication). Anyone addressing the Board of Commissioners is asked to complete a card and leave it with the Board secretary so that their names may be accurately recorded in the Minutes.
5. Unfinished Business
6. New Business
 - A. Draft Agency Plan

Review Draft Agency Plan
 - B. Application for Homeless Emergency Aid Program (HEAP) and California Emergency Solutions and Housing Program (CESH) grant

Motion to **Adopt Resolution No. 2019-01** Retroactively Authorizing the Submittal of Grant Applications, the Execution of Grant Agreements and Any Amendments Thereto, and Any Other Documents Necessary to Secure State of California Homeless Emergency Aid Program (HEAP) and California Emergency Solutions and Housing Program (CESH) funds through the Santa Cruz County Homeless Action Partnership
7. Written Correspondence
8. Report of Executive Director
9. Reports from Board Members
(Board members may report on meetings attended, if any, or other items of interest.)
10. Closed Session

A. Lease Negotiations 2931 Mission Street

(The Board will recess to discuss those items listed, if any.)

11. Report on Closed Session
12. Adjournment

*The Housing Authority complies with the Americans with Disabilities Act. If you are a person with disabilities and you require special assistance in order to participate, please contact the Board secretary at 831-454-9455, ext. 201 at least 72 hours in advance of the meeting in order to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format.
Spanish language translation is available on an as needed basis. Please make arrangements 72 hours in advance by contacting the Housing Authority at 831-454-9455, ext. 280.
Agendas can be obtained from the Housing Authority of the County of Santa Cruz Administration Department.

AGENDA ITEM NO. 1

Roll Call

Chairperson Brunner called the meeting to order at 11:34 a.m. Members present Commissioners Berg, Brunner, Eligio, Garcia, Pomerantz, Schiffrin and Schmale

Members Absent

None.

Staff Present

Jenny Panetta and Courtney Byrd of the Housing Authority

AGENDA ITEM NO. 2

Consideration of Late Additions or Changes to the Agenda

Agenda Item 6C was included in the Board packet but listed as 7 Written Correspondence on Agenda. Agenda to be re-numbered to reflect the correct order.

AGENDA ITEM NO. 3

Consent Agenda

Commissioner Schiffrin requested Agenda Item 3B be pulled from the Consent Agenda, item so pulled. A discussion regarding the City of Capitola CDBG Program followed. The Board gave staff direction to contact the City of Capitola to discuss how the Housing Authority might assist them in the administration of this or other programs, as well as to report back to the Board at a later date regarding whether or not the Housing Authority is eligible to apply for CDBG funding directly.

Commissioner Schiffrin moved to receive report; Commissioner Garcia seconded the motion and it was passed by the following vote:

AYES: Commissioners Berg, Brunner, Eligio, Garcia, Pomerantz, Schiffrin and Schmale
NOES: None
ABSENT: None
ABSTAIN: None

Chairperson Brunner asked for a motion to approve the Consent Agenda.

Commissioner Schiffrin moved for approval of the Consent Agenda as amended; Commissioner Berg seconded the motion and it was passed by the following vote:

AYES: Commissioners Berg, Brunner, Eligio, Garcia, Pomerantz, Schiffrin and Schmale
NOES: None
ABSENT: None
ABSTAIN: None

Agenda Item 3A. Approval of the Minutes of the Special Meeting held December 12, 2018

Agenda Item 3C. Approval of the Cancellation of the Regular Meeting of March 27, 2019 and the Scheduling of a Special Meeting on March 20, 2019

AGENDA ITEM NO. 4 Oral Communications

Mr. Adam Esa-Marks addressed the Board, and provided information on his wait for rental assistance. Secretary Panetta will meet with Mr. Esa-Marks after the meeting and work with staff to give him information on his current wait list status and community resources that may be of assistance to him. The Board thanked him for his comments.

AGENDA ITEM NO. 5 Unfinished Business
None.

AGENDA ITEM NO. 6A Partial Federal Government Shutdown

Secretary Panetta informed the Board that on December 22, 2018, funding for 9 out of 15 federal agencies including the Department of Housing and Urban Development expired, and a partial shutdown was triggered. The National Association of Housing and Redevelopment Officials (NAHRO) have informed housing authorities that the Department has enough money to ensure that February payments for the Housing Choice Voucher (HCV) program and the public housing Operating Fund will be made available to PHAs. NAHRO has also learned that there is not currently enough money to make HCV and Operating Fund payments for March, if the government shutdown continues until then.

Secretary Panetta informed the Board that in the event that HAP payments to landlords will be delayed or interrupted, staff will reach out to HCV participants, landlords, and Board members in advance, and provide all the information the Housing Authority has available, including information about a provision of the HAP contract that prohibits landlords from evicting tenants due to the Housing Authority's failure to pay rent on time. A discussion followed regarding the timing of letting HCV participants and landlords know any potential delays or interruptions in HAP payments.

AGENDA ITEM NO. 6B Role of Housing Authority in Promoting Voucher Participation to Developers

Secretary Panetta informed the Board that the Housing Authority (HA) has established goals relating to expanding the number of project based voucher (PBV) units to stimulate and support the development of new affordable housing, to retain or improve existing affordable housing, and to increase the number of units that are available to families assisted through the voucher program.

Agency staff meets regularly with affordable housing developers. Through these meetings, the housing developers are aware of the HA's goal of supporting affordable housing through our PBV program. Housing Authority staff also meet with jurisdictional staff to promote the use of vouchers at various existing or potential developments. The HA also engages in discussions with market rate landlords and

developers to promote the PBV and HCV programs. A discussion followed. The Commissioners directed staff to report to the Board on a quarterly basis regarding PBV and new development. This may be done in Closed Session if the information is confidential.

AGENDA ITEM NO. 6C Housing Authority Political Endorsements

Secretary Panetta informed the Board that most of the fifty year history of the Housing Authority; the Agency has maintained a practice of remaining neutral on political initiatives. This fall, the Housing Authority Board of Commissioners voted to support Measure H, a \$140 million bond measure intended to fund the development of affordable housing. The Board was cautious about breaking with precedent, but Board Members felt that the development of affordable housing (and therefore the ballot measure) was directly aligned with the Housing Authority's mission. A Commissioner suggested that the Board engage in additional discussion about the pros and cons of political endorsements by the Agency, and to consider establishing policy on such endorsements. A discussion followed. The Board considered the pros and cons, but decided to not establish a policy, as future Boards will decide whether or not to endorse political initiatives on a case-by-case basis.

AGENDA ITEM NO. 7 Written Correspondence

Secretary Panetta brought to the Board's attention a letter from California Rural Legal Assistance (CRLA) requesting that the Housing Authority Board of Commissioners overturn the decision of a Hearing Officer for a former program participant. CRLA cited sections from the Housing Authority Section 8 Administrative Plan regarding the Housing Authority not being bound by a hearing decision in some circumstances. Secretary Panetta also brought to the Board's attention the letter she wrote to CRLA responding to this request. The letter states: "the Board of Commissioners is not involved in reviewing the decisions of our Hearing Officer". The letter also states that staff will consider their request to overturn the decision of the Hearing Officer, but that the review of the Hearing Officer's decision will not be conducted by the Board of Commissioners. A discussion followed. The Commissioners advised staff to revise the Administration Plan to clarify how requests to overturn a hearing officer's decision will be considered.

AGENDA ITEM NO. 8 Report of Executive Director

Executive Director Panetta informed the Board about a new funding opportunity provided by the State, through the Homeless Emergency Aid Program (HEAP) and the California Emergency Solutions and Housing (CESH) program administered by the Department of Housing and Community Development (HCD). Between the two programs, the County's Homeless Action Partnership will receive nearly \$10 million to address the needs of homeless individuals and families and assist them to regain stability in permanent housing as quickly as possible. The target population for HEAP is homeless individuals and families, while CESH is targeted to those who are homeless or at risk of homelessness. The Housing Authority has been an active participant in the county-wide planning process, and intends to apply for both HEAP and CESH funds. Applications are due February 22, 2019 prior to the February Board meeting. Staff will plan to apply for HEAP and CESH funding, and bring the item to the Board at the

February meeting for retroactive approval. Members of the Board emphasized the importance of using the funding to house persons experiencing homelessness, as a greater priority than providing assistance to those at risk of homelessness.

Executive Director Panetta informed the Board that the financials through December 2018 and a comparison against our approved budget (s) FY 2018-2019 is included in this month's Board Packet.

Executive Director Panetta informed the Board that staff is in the process of updating the Annual Agency Plan. A draft of the changes will be presented to the Board at the February 27, 2019 meeting for discussion.

Executive Director Panetta informed the Board that staff met with representatives from the Museum of Art and History (MAH) regarding opportunities for partnership. They have donated museum memberships to winners of the Housing Authority's children's art contest, and they are considering providing free or reduced cost memberships to program participants in the future. They have also expressed a willingness to conduct an event in conjunction with next year's art contest by inviting children in Housing Authority programs to a MAH classroom where they could work on their submission using supplies provided by the museum.

Executive Director Panetta informed the Board that early this month, the City of Santa Cruz passed an ordinance regarding relocation assistance for tenants displaced by large rent increases. Staff has updated our flyer with current information. It is currently in the process of translation and will be provided to staff, posted to our website and available in our lobby.

Executive Director Panetta informed the Board that the Housing Authority has conditionally approved 11 project base vouchers at Jardines del Valle and 23 project based vouchers at Villas del Paraiso. Both sites, owned and managed by MidPen Housing, are designated for farmworker families. The Housing Authority is also exploring the potential to utilize project based farmworker housing to increase the opportunity for residents of Buena Vista Migrant Center to secure affordable year-round farmworker housing locally.

Executive Director Panetta gave the Board a legislative update.

AGENDA ITEM NO. 9

Reports from Board Members

Commissioner Garcia informed the Board that she attended a reunion of many of the groups involved in creating and/or supporting Measure H. Commissioner Garcia believes that the groups may join together again to support affordable housing in Santa Cruz County.

Commissioner Pomerantz informed the Board that he is a plaintiff in a lawsuit regarding the Pacific Front project in downtown Santa Cruz. Commissioner Pomerantz and another city resident have filed a lawsuit against the project developers and the City of Santa Cruz regarding the lack of affordable units in the market-rate development. Commissioner Pomerantz wanted the Board to be aware of this lawsuit.

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, MINUTES OF THE REGULAR MEETING JANUARY 23, 2019 AT THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ, 2160 41ST AVENUE, CAPITOLA, CA 95010

Commissioner Berg announced her retirement from her position as Housing and Development Manager with the City of Santa Cruz. The Board congratulated Commissioner Berg on her retirement.

AGENDA ITEM NO. 10 Closed Session
None.

AGENDA ITEM NO.11 Report on Closed Session
None.

AGENDA ITEM NO. 12 Adjournment

The Board of Commissioners meeting was adjourned at 2:05 p.m.

I hereby certify that these minutes were approved by the Housing Authority of the County of Santa Cruz, on the Twenty Seventh of February, 2019.

Chairperson of the Authority

ATTEST: _____

Secretary

AGENDA ITEM SUMMARY

MEETING DATE: February 27, 2018

ITEM NUMBER: 6A

FROM: Executive Director

SUBJECT: Draft Agency Plan

RECOMMENDATION: Review Draft Agency Plan

BACKGROUND SUMMARY:

An Agency Plan has been prepared for the Housing Authority of the County of Santa Cruz, as required by HUD. The purpose of the Agency Plan is to provide a resource by which HUD, public housing residents (LIPH), participants in the tenant based assistance program (Housing Choice Voucher holders), and other members of the public may locate basic information about the PHA, as well as basic PHA policies, rules and requirements concerning operations, programs and services.

In December 2018 revisions to the Agency Plan were drafted by staff. On January 14, 2019, the Resident Advisory Board (RAB) convened to review and discuss the Plan, specifically with regard to proposed revisions. The RAB engaged in a productive discussion of the draft revisions, and offered no specific comments or concerns regarding the contents of the plan or plan revisions. Members of the RAB have been invited to the public hearing which will take place at the March meeting.

A copy of the Agency Plan and associated documents is available to the public in the offices of the Housing Authority of the County of Santa Cruz, and the draft documents are posted on the Housing Authority website. Beginning on February 1, 2019 and running weekly through March 20, 2019, a notice informing the public of the opportunity to review the Agency Plan, soliciting comments, and stating the time, date and place of the public hearing to consider the plan, is being published in English and Spanish in the Santa Cruz Sentinel, the Watsonville Pajaronian, and the Hollister Freelance. Additionally, this information has been posted in the Recent News section of the homepage of our website.

The Agency Plan, with the associated Low Income Public Housing (LIPH) Admissions and Continued Occupancy Plan (ACOP) and Section 8 Housing Choice Voucher Administrative Plan (Admin Plan), is attached hereto. The plans will not be considered complete until after the Board of Commissioners receives any and all public comment on the Plans, the Board makes any modifications they deem appropriate and the Chairperson is authorized to execute resolutions authorizing Execution of PHA Certifications of Compliance with PHA Plan and Related Regulations for Standard and Streamlined PHA Plans. These resolutions and certifications will be recommended at the March meeting.

Also attached for your review is an overview of the draft modifications to the Agency Plan and related documents including the proposed wording, and a brief explanation of the change.

RECOMMENDATION: Review Draft Agency Plan

AGENDA ITEM SUMMARY

MEETING DATE: February 27, 2019

ITEM NUMBER: 6B

FROM: Executive Director

SUBJECT: Application for Homeless Emergency Aid Program (HEAP) and California Emergency Solutions and Housing Program (CESH) grant

RECOMMENDATION: **Adopt Resolution No. 2019-01** Retroactively Authorizing the Submittal of Grant Applications, the Execution of Grant Agreements and Any Amendments Thereto, and Any Other Documents Necessary to Secure State of California Homeless Emergency Aid Program (HEAP) and California Emergency Solutions and Housing Program (CESH) funds through the Santa Cruz County Homeless Action Partnership

BACKGROUND SUMMARY:

On January 18, 2019, the County of Santa Cruz and the Homeless Action Partnership released a Request for Proposals for the Homeless Emergency Aid Program (HEAP) and California Emergency Solutions and Housing Program (CESH). The combined application due date was set for February 22, 2019. The Request for Proposals invited applications for the full spectrum of homeless housing services including capital purchases and improvements as well as landlord incentives and move-in assistance.

The Housing Authority has experience in developing and implementing landlord incentives and move-in assistance that have increased the number of people who secure permanent housing. Despite these existing resources, many voucher holders, especially those experiencing homelessness, struggle to find a landlord who will accept their voucher. Existing voucher programs, including homeless targeted voucher programs like the HUD-VASH program for homeless veterans and the Disabled and Medically Vulnerable (DMV) homeless voucher preference go underutilized, while many remain homeless. Therefore, to supplement existing landlord incentive programs, to increase utilization of homeless targeted voucher programs, and to help house homeless and at risk voucher holders who are currently struggling to find a landlord and use their voucher, the Housing Authority has submitted a application for \$396,715 to Santa Cruz County and the Homeless Action Partnership for the combined HEAP and CESH grant.

Most of the incentives and benefits included in the grant application would be funded through HEAP, and would be exclusively available to voucher holders who are currently experiencing homelessness. These include landlord bonuses of \$2,000 for landlords who enter into a lease with homeless voucher holder, reimbursement of up to \$500 to bring a unit into compliance with HUD standards for landlords willing to rent that unit to a homeless voucher holder, free credit reports for homeless voucher holders searching for landlords who will accept a voucher, and renters insurance for homeless tenants housed with a voucher for their first year of tenancy. A total of \$360,415 has been requested through HEAP funds to provide these incentives and

benefits to homeless tenants and the landlords who will rent to them. Additionally, the application includes \$36,300 for security deposit assistance (in instances when local jurisdictional programs have exhausted their funds) and reimbursement of up to \$500 to bring a unit into compliance with HUD standards for landlords willing to rent to either homeless voucher holders, or voucher holders at risk of homelessness. These incentives and services have been requested through CESH funding. Homeless voucher holders would have priority, but voucher holders at risk of homelessness would also be eligible.

RECOMMENDATION: **Adopt Resolution No. 2019-01** Retroactively Authorizing the Submittal of Grant Applications, the Execution of Grant Agreements and Any Amendments Thereto, and Any Other Documents Necessary to Secure State of California Homeless Emergency Aid Program (HEAP) and California Emergency Solutions and Housing Program (CESH) funds through the Santa Cruz County Homeless Action Partnership

**BEFORE THE HOUSING AUTHORITY OF THE COUNTY
OF SANTA CRUZ, STATE OF CALIFORNIA**

RESOLUTION NO. 2019-01

On the motion of Commissioner
Duly seconded by Commissioner
The following resolution is adopted:

**RESOLUTION RETROACTIVELY AUTHORIZING THE SUBMITTAL
OF A GRANT APPLICATION, THE EXECUTION OF A GRANT
AGREEMENT AND ANY AMENDMENTS THERETO, AND ANY
OTHER DOCUMENTS NECESSARY TO SECURE A STATE OF
CALIFORNIA HOMELESS EMERGENCY AID PROGRAM (HEAP) AND
THE CALIFORNIA EMERGENCY SOLUTIONS AND HOUSING
PROGRAM (CESH) PROGRAM GRANT THROUGH THE COUNTY OF
SANTA CRUZ HOMELESS ACTION PARTNERSHIP**

WHEREAS, the Housing Authority of the County of Santa Cruz (herein referred to as “Applicant”) is a public entity established under the laws of California and empowered to own property, borrow money, and give security for loans; and

WHEREAS, the State of California is authorized to make grants through the Business, Consumer Services and Housing Agency (for HEAP), and through the Housing and Community Development Department (for CESH), to be coordinated and delivered through the County of Santa Cruz and the Homeless Action Partnership; and

WHEREAS, the Applicant wishes to obtain from the County of Santa Cruz Homeless Action Partnership a HEAP and CESH Programs grant for funding Landlord Incentives and Move-In Assistance for people who are homeless and at risk of homelessness.

NOW, THEREFORE, BE IT RESOLVED THAT

1. The PHA shall be retroactively authorized to submit to the County of Santa Cruz Homeless Action Partnership a HEAP and CESH Programs grant application for \$396,715 for Landlord Incentives and Move-In Assistance.
2. If the grant application is approved, Jennifer Panetta, the Executive Director, is hereby authorized to enter into a grant agreement with the County of Santa Cruz for the purposes set forth in the grant application and approved by the County of Santa Cruz and the Homeless Action Partnership.
3. Jennifer Panetta, the Executive Director, is authorized to execute in the name of the Housing Authority of the County of Santa Cruz, the grant application and the

grant agreement, and security and other instruments necessary or required by the County of Santa Cruz and the Homeless Action Partnership for the making and security of the grant, and any amendments thereto.

PASSED AND ADOPTED by the Commissioners of the Housing Authority of the County of Santa Cruz, State of California, this Twenty-Seventh day of February, 2019 by the following vote:

AYES:

NOES:

ABSENT:

Chairperson of the Authority

ATTEST:

Secretary of the Authority



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Board of Supervisors: Administration
(831) 454-2200

Subject: At-Large reappointment to the Housing Authority Board of Commissioners (City of Watsonville)

Meeting Date: February 12, 2019

Recommended Action(s):

Accept nomination of Rebecca Garcia to the Housing Authority Board of Commissioners, as the at-large representative of the City of Watsonville, in accordance with Resolution No. 389-69, for a term to expire February 10, 2023.

Executive Summary

Accept nomination to fill an at-large representative of the City of Watsonville for a term to expire February 10, 2023.

Background

Attached is a minute order from the January 22, 2019, Watsonville City Council meeting indicating that the City Council took action to nominate Ms. Garcia for reappointment as the representative of the City of Watsonville to the Housing Authority Board of Commissioners. Therefore, in accordance with Resolution No. 389-69, I recommend the reappointment of Rebecca Garcia to the Housing Authority Board of Commissioners, as a representative of the City of Watsonville, for a term to expire February 10, 2023.

Submitted by:

Ryan Coonerty, Chair, Board of Supervisors

Attachments:

Housing Authority Board of Commissioners Resolution No. 6-19

cc:

APPOINTED
2/12/19

**Housing Authority Board of Commissioners
Watsonville City Clerk Beatriz Florres
Rebecca Garcia**

RESOLUTION NO. 6-19 (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE NOMINATING MAYOR PRO TEMPORE REBECCA J. GARCIA FOR APPOINTMENT AS A MEMBER TO THE HOUSING AUTHORITY BOARD OF COMMISSIONERS OF THE COUNTY OF SANTA CRUZ FOR AT-LARGE REPRESENTATIVE FOR THE CITY OF WATSONVILLE ENDING FEBRUARY 10, 2023

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:

1. That Mayor Pro Tempore Rebecca J. Garcia is hereby nominated for appointment as a member to the Housing Authority Board of Commissioners of the County of Santa Cruz for at-large representative for the City of Watsonville ending February 10, 2023.

2. That the City Clerk is hereby directed to transmit a copy of this Resolution to the nominated member and to the Board of Supervisors of Santa Cruz County.

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AGENDA ITEM SUMMARY

MEETING DATE: February 27, 2019

ITEM NUMBER: 8

FROM: Executive Director

SUBJECT: Executive Director's Report – February 27, 2019

RECOMMENDATION: Receive Report

BACKGROUND SUMMARY:

Please call or e-mail me with questions you might have on any of the Agenda Items for the February 27, 2019 meeting. I would be happy to give you additional background or answer any of your questions in advance of the meeting. My direct line is 454-5931 and my email address is jennyp@hacosantacruz.org.

Legislative Update: On February 15, 2019 the President signed budget that finalizes spending for 2019, including a robust HUD bill. The 2019 bill is a compromise between the two bills drafted by the House and Senate last year, including modest increases to the public housing capital fund and operating fund, and increases to the Section 8 HCV program that suggest a likely national HAP proration of approximately 99% and an administrative fee proration of approximately 82%. Now that the spending bill has been signed, HUD has sixty days to provide PHAs with specific information about our level of funding and our inflation factor. As we previously discussed, early estimates of inflation factors have been issued by HUD, and reflect a likely 20% inflation factor for our agency, which would result in a significant increase to Section 8 funding.

Software Conversion: The Housing Authority is in the process of preparing for a software conversion to a product that will be used to administer all of our waiting lists, programs, and financials. The new product (Yardi Voyager) has capability beyond our existing product, and will result in improvements to customer service and staff efficiency through online portals for applicants, participants and landlords, as well as a more streamlined and robust platform. Significant staff resources are required to ensure a successful transition. Our IT staff, finance staff, and program staff are all deeply involved in a series of test conversions, data validations, and training that will keep us very busy through our “go live” date of July 1st. Additionally, there will be a period of time in June, during the final transfer of data, during which most routine transactions will be on hold, and only critical transactions (such as new move-ins) will take place. Once we “go live” in our new software, it

will take staff some time to get up to speed on the new product and to work through any backlog of routine transactions from our period of “downtime”.

Section 8 Housing Choice Voucher Waiting List Update: Housing Authority staff are still in the process of working to establish the new Section 8 HCV waiting lists after receiving applications this winter. Duplicate applications have been removed, leaving 12,272 applicants on the new Santa Cruz County waiting list (5,256 or 41% of which are residency preference eligible) and 8,823 applicants on the new Hollister / San Juan Bautista waiting list (1,109 or 13% of which are residency preference eligible). This closely mirrors historical patterns, and is similar to the distribution of residents and non-residents on our waiting list prior to the refresh conducted in 2017. In the coming weeks, the lottery will be conducted, and letters will be sent to all applicants. Once the Yardi software conversion is complete, the new waiting list portal will open up additional opportunities that will improve transparency and help to more efficiently and effectively manage the list, including the potential for an automated annual waiting list refresh.

CAHA Conference: Early this month, I attended the annual conference of the California Association of Housing Authorities (CAHA). The session was attended by nearly 50 representatives from PHAs statewide, and included discussions regarding homelessness, HCV caseload management, FMR studies, inflation factor funding adjustments, as well as updates from the HUD field office and legislative updates from the National Association of Housing and Redevelopment Organizations (NAHRO).

2020 Census Complete Count Committee: The Housing Authority has participated in 2020 Complete Count Committee kick-off events organized by both the City of Watsonville and the County of Santa Cruz. The success of the census is vital to ensuring our community receives the representation and resources we are entitled to, as well as to understanding the composition and needs of our community. The Housing Authority will continue to participate in the Complete Count Committee and help to conduct outreach to promote the Census among our program participants.

Financial Reports: Your packets today include our monthly unaudited financial reports which show revenue and expenses through January 2019 and a comparison against our approved budget(s) for FY 2018-19.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ
BUDGET COMPARISON REPORTS**

February 27, 2019

Attached you will find the year to date reports as of January 31, 2019, which takes us 7 months, or 58%, into our fiscal year. The total of all revenue, excluding HAP reimbursements, is 58% of total budgeted, while HAP is 59% of the amount budgeted. Total expenses, excluding HAP payments, are 54% of the amount budgeted.

The agency as a whole is experiencing a year-to-date surplus of \$502,353 due mainly to capital expenditures being well under budget. The surplus and deficit by program group are as follows:

Section 8 Programs	\$65,480	Vouchers, Mod Rehab & Mob Rehab SRO
Federal Housing Programs	566,696	LIPH and USDA
Federal Grants	(44,853)	Shelter + Care, FSS, Transitional Hsg
State Grants	7,671	Migrant Center & MCCs
Local Programs	2,321	Eligibilities, Security Deposits, Tech Asst
Administrative Services	<u>(94,962)</u>	Includes 41st Ave. & Mission St. rents
	\$502,353	

The following individual programs have a year to date deficit:

Family Self Sufficiency (FSS)	(\$48,506)	(Grant funds insufficient to cover personnel costs)
City of Santa Cruz	(\$490)	(Local programs funds insufficient to cover personnel costs)
County of Santa Cruz	(\$362)	(Local programs funds insufficient to cover personnel costs)
41st Ave Office Buildings	(\$58,912)	(41st Ave related construction costs)
Mission St Building	(\$31,378)	(YTD rental income on partially occupied building does not fully offset mortgage & utilities)

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

Budget Comparison - All Funds

January 2019

Fiscal Year Ending June 30, 2019

	2018-2019	2018-2019		
	Year	Annual	Budget	Budget
	to Date	Budget	Utilized	Remaining
Revenues:				
HAPS / Program	39,409,551	67,342,596	59%	41%
Administrative Fees	2,964,072	4,986,477	59%	41%
Grants / Contracts	1,428,465	2,364,082	60%	40%
Rental Income	1,693,722	2,806,402	60%	40%
Operating Transfers In	348,824	861,146	41%	59%
Other Income	140,459	247,682	57%	43%
Total Revenues:	45,985,092	78,608,384	58%	42%
Expenses:				
Housing Assistance Pmts	39,409,551	67,342,596	59%	41%
Salaries	2,137,234	3,762,656	57%	43%
Employee Benefits	918,301	1,695,126	54%	46%
Capital Purchases	277,357	1,450,775	19%	81%
Maintenance	861,097	1,483,887	58%	42%
General Administrative	976,261	1,452,835	67%	33%
Tenant Services	394,413	756,820	52%	48%
Operating Transfers Out	385,713	462,980	83%	17%
Debt Service	122,812	177,219	69%	31%
Total Expenses:	45,482,740	78,584,893	58%	42%
Net Income (Loss):	502,353	23,491		

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

Budget Comparison - Section 8

January 2019

Fiscal Year Ending June 30, 2019

	2018-2019 Year to Date	2018-2019 Annual Budget	Budget Utilized	Budget Remaining
Revenues:				
HAPS / Program	39,122,337	66,850,650	59%	41%
Administrative Fees	2,924,535	4,919,029	59%	41%
Grants / Contracts	-	-	0%	0%
Rental Income	-	-	0%	0%
Operating Transfers In	-	-	0%	0%
Other Income	18,481	14,987	123%	-23%
Total Revenues:	42,065,353	71,784,666	59%	41%
Expenses:				
Housing Assistance Pmts	39,122,337	66,850,650	59%	41%
Salaries	1,600,161	2,797,277	57%	43%
Employee Benefits	694,835	1,275,686	54%	46%
Capital Purchases	-	-	0%	0%
Maintenance	7,425	20,911	36%	64%
General Administrative	575,115	812,558	71%	29%
Tenant Services	-	-	0%	0%
Operating Transfers Out	-	-	0%	0%
Debt Service	-	-	0%	0%
Total Expenses:	41,999,873	71,757,081	59%	41%
Net Income (Loss):	65,480	27,585		

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

Budget Comparison - Federal Housing

January 2019

Fiscal Year Ending June 30, 2019

	2018-2019	2018-2019	Budget	Budget
	Year	Annual	Utilized	Remaining
	to Date	Budget		
Revenues:				
HAPS / Program	-	-	0%	0%
Administrative Fees	-	-	0%	0%
Grants / Contracts	358,514	570,031	63%	37%
Rental Income	1,299,087	2,208,726	59%	41%
Operating Transfers In	348,824	669,146	52%	48%
Other Income	96,072	198,410	48%	52%
Total Revenues:	2,102,497	3,646,313	58%	42%
Expenses:				
Housing Assistance Pmts	-	-	0%	0%
Salaries	392,091	691,903	57%	43%
Employee Benefits	160,198	298,546	54%	46%
Capital Purchases	87,034	1,180,175	7%	93%
Maintenance	607,555	1,083,276	56%	44%
General Administrative	247,295	403,626	61%	39%
Tenant Services	17	250	7%	93%
Operating Transfers Out	35,407	55,950	63%	37%
Debt Service	6,203	10,635	58%	42%
Total Expenses:	1,535,802	3,724,361	41%	59%
Net Income (Loss):	566,696	(78,048)		

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

Budget Comparison - Federal Grants

January 2019

Fiscal Year Ending June 30, 2019

	2018-2019	2018-2019	Budget	Budget
	Year	Annual	Utilized	Remaining
	to Date	Budget		
Revenues:				
HAPS / Program	287,214	491,946	58%	42%
Administrative Fees	-	-	0%	0%
Grants / Contracts	437,251	604,161	72%	28%
Rental Income	13,278	26,788	50%	50%
Operating Transfers In	-	12,000	0%	100%
Other Income	645	1,845	35%	65%
Total Revenues:	738,387	1,136,740	65%	35%
Expenses:				
Housing Assistance Pmts	287,214	491,946	58%	42%
Salaries	73,332	130,272	56%	44%
Employee Benefits	36,525	65,599	56%	44%
Capital Purchases	4,271	12,000	36%	64%
Maintenance	17,977	32,154	56%	44%
General Administrative	7,783	8,445	92%	8%
Tenant Services	5,832	23,334	25%	75%
Operating Transfers Out	350,306	407,030	86%	14%
Debt Service	-	-	0%	0%
Total Expenses:	783,241	1,170,781	67%	33%
Net Income (Loss):	(44,853)	(34,041)		

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

Budget Comparison - State Grants

January 2019

Fiscal Year Ending June 30, 2019

	2018-2019 Year to Date	2018-2019 Annual Budget	Budget Utilized	Budget Remaining
Revenues:				
HAPS / Program	-	-	0%	0%
Administrative Fees	675	1,250	54%	46%
Grants / Contracts	219,676	380,801	58%	42%
Rental Income	-	-	0%	0%
Operating Transfers In	-	10,000	0%	0%
Other Income	7,966	5,120	156%	-56%
Total Revenues:	228,317	397,171	57%	43%
Expenses:				
Housing Assistance Pmts	-	-	0%	0%
Salaries	36,882	70,312	52%	48%
Employee Benefits	14,515	29,285	50%	50%
Capital Purchases	9,351	30,600	31%	69%
Maintenance	128,038	198,409	65%	35%
General Administrative	31,861	62,214	51%	49%
Tenant Services	-	-	0%	0%
Operating Transfers Out	-	-	0%	0%
Debt Service	-	-	0%	0%
Total Expenses:	220,646	390,820	56%	44%
Net Income (Loss):	7,671	6,351		

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

Budget Comparison - Local Programs

January 2019

Fiscal Year Ending June 30, 2019

	2018-2019 Year to Date	2018-2019 Annual Budget	Budget Utilized	Budget Remaining
Revenues:				
HAPS / Program	-	-	0%	0%
Administrative Fees	4,995	8,830	57%	43%
Grants / Contracts	413,024	809,089	51%	49%
Rental Income	-	-	0%	0%
Operating Transfers In	-	-	0%	0%
Other Income	365	355	103%	-3%
Total Revenues:	418,384	818,274	51%	49%
Expenses:				
Housing Assistance Pmts	-	-	0%	0%
Salaries	17,070	50,700	34%	66%
Employee Benefits	5,522	17,363	32%	68%
Capital Purchases	-	-	0%	0%
Maintenance	40	132	30%	70%
General Administrative	4,868	10,485	46%	54%
Tenant Services	388,564	733,236	53%	47%
Operating Transfers Out	-	-	0%	0%
Debt Service	-	-	0%	0%
Total Expenses:	416,063	811,915	51%	49%
Net Income (Loss):	2,321	6,359		

HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ

Budget Comparison - Administrative Services

January 2019

Fiscal Year Ending June 30, 2019

	2018-2019	2018-2019	Budget	Budget
	Year	Annual	Utilized	Remaining
	to Date	Budget		
Revenues:				
HAPS / Program	-	-	0%	0%
Administrative Fees	33,867	57,368	59%	41%
Grants / Contracts	-	-	0%	0%
Rental Income	381,356	570,888	67%	33%
Operating Transfers In	-	170,000	0%	100%
Other Income	16,930	26,965	63%	37%
Total Revenues:	432,153	825,220	52%	48%
Expenses:				
Housing Assistance Pmts	-	-	0%	0%
Salaries	17,699	22,192	80%	20%
Employee Benefits	6,706	8,647	78%	22%
Capital Purchases	176,701	228,000	78%	22%
Maintenance	100,062	149,005	67%	33%
General Administrative	109,339	155,508	70%	30%
Tenant Services	-	-	0%	0%
Operating Transfers Out	-	-	0%	0%
Debt Service	116,609	166,584	70%	30%
Total Expenses:	527,115	729,935	72%	28%
Net Income (Loss):	(94,962)	95,285		