

Mission Statement

To provide affordable, safe and quality homes for low- and moderate-income families and individuals in the City of San Diego and to provide opportunities to improve the quality of life for the families that the San Diego Housing Commission serves.

Fiscal Year 2019 Budget Summary

The San Diego Housing Commission (SDHC) is a public agency that provides affordable housing programs and services for low- and moderate-income individuals and families in the city of San Diego. SDHC assists approximately 15,400 low-income households by providing them with Federal Section 8 Housing Choice Voucher (HCV) rental assistance. HCV participants typically pay a predetermined portion of their income toward rent, with the remainder paid by Federal funds administered by SDHC. More than half of these households are seniors or individuals with disabilities. SDHC also administers City of San Diego and Federal funds for transitional and permanent housing with supportive services to address homelessness among families, seniors, Veterans and individuals. In addition, SDHC develops affordable multifamily rental housing and provides loans, Closing Cost Assistance Grants and Mortgage Credit Certificates to help first-time homebuyers.

In Fiscal Year 2019 (July 1, 2018 – June 30, 2019), SDHC programs will include but are not limited to:

- HOUSING FIRST – SAN DIEGO: 2018-2020, SDHC’s Homelessness Action Plan, which builds upon the prior accomplishments by providing expanded and additional, multifaceted solutions to address homelessness in the City of San Diego, such as:
 - Providing new Permanent Supportive Housing for chronically homeless individuals through continued investment of Federal and Local dollars into new construction development, acquisition, and rehabilitation of properties;
 - Expanding SDHC’s “Moving On” rental assistance program where Federal rental housing vouchers are provided to formerly homeless individuals and families who are ready to move from permanent supportive housing into a more appropriate housing solution due to achieving housing stability; and
 - Continuing specialized programs to assist transitional age youth, homeless individuals and chronically homeless Veterans;
 - Continuing homelessness prevention and diversion assistance, such as staff to provide mediation or financial assistance to help families who are at risk of becoming homeless; and continuing coordinated street outreach services to expand support for existing street outreach efforts.

- Administering services that align with the City of San Diego's FY19 priorities regarding the provision of services to the City of San Diego's homeless population such as the three temporary bridge shelters for up to 674 individuals and the expanded transitional storage facility with up to 500 lockable storage containers.
- Expanding Choice Communities to increase housing choices for low-income families in the City of San Diego to move toward areas with more options for transportation, school and employment opportunities.

The \$386.3 million proposed Fiscal Year 2019 Budget would enable SDHC to:

- Assist approximately 15,400 low-income households by providing rental assistance through the Federal HCV program;
- Assist 39 households to become first-time homebuyers;
- Acquire and develop 195 affordable housing units; including units for homeless;
- Renovate and rehabilitate 392 SDHC-owned units;
- Own and/or manage 3,732 affordable housing units in the city of San Diego, including SDHC's nonprofit affiliate, Housing Development Partners (HDP) and Federal public housing units;
- Administer City of San Diego homeless programs, inclusive of three temporary bridge shelters, that provide shelter for more than 3,900 homeless individuals, an expandable transitional storage facility with up to 500 lockable storage containers, and day services for 3,600 homeless individuals;
- Help 1,500 families that receive Federal rental assistance or public housing residents to work toward financial self-reliance through the SDHC Achievement Academy.

The proposed SDHC Fiscal Year 2019 Budget will be presented to the City Council Budget and Government Efficiency Committee on May 7, 2018, for its review, and will then be forwarded to the Housing Authority of the City of San Diego for its review and approval in June 2018.

SDHC's Fiscal Year 2019 Budget is composed of four divisions: Rental Assistance, Real Estate, Homeless Housing Innovations and Operations Support:

- Rental Assistance Division (RAD) funding is budgeted at \$171.8 million. RAD provides Federal rental assistance to low-income households in the city of San Diego. RAD program activities provide eligible families with monthly Federal rental assistance and opportunities for them to become more financially self-reliant through the SDHC Achievement Academy, a learning and resource center and computer lab with programs that emphasize career planning, job skills and personal financial education—at no cost to HCV participants and public housing residents. In addition, RAD monitors affordable housing developments and homeowners for compliance with Federal, State and Local occupancy and affordability restrictions.
- Real Estate Division (RED) funding is budgeted at \$101.1 million. RED creates and preserves affordable housing as a developer, owner, lender, partner, bond issuer, and administrator of the City of San Diego's affordable housing programs. RED also helps low- and moderate-income families become first-time homebuyers.
- Homeless Housing Innovations Department (HHI) funding is budgeted at \$31.1 million. HHI administers City of San Diego and Federal funds to address homelessness and the housing needs of San Diegans with extremely low incomes. This department administers programs for transitional housing, interim housing, and permanent supportive housing and services.
- Operations Support funding is budgeted at \$19.0 million. Operations Support provides support services to carry out the SDHC mission. Included are: 1) Board & Executive Functions, which provides strategic planning, leadership and management to implement housing programs; 2) Communications & Government Relations, which fosters transparency in government through government relations activities, responds to public records requests, and ensures consistency and accuracy in SDHC communications; 3) Human Resources; 4) Project Management Office; 5) Financial Services; 6) Information Technology; 7) Procurement; 8) Section 3 & Outreach; 9) Compliance and Special Programs; and 10) Agency Policy.

Funds allocated for Reserves are budgeted at \$63.3 million. These funds contain three types of reserves: 1) Program Restricted Reserves to provide for housing programs; 2) Property Reserves to provide for replacement requirements; and 3) Contingency Reserves, 5% of annual budgeted new revenue.

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Proposed	FY 2018-2019 Change
Positions (FTE)	304.00	306.00	330.00	330.00	330.00	-
Personnel Expense	\$30,181,000	\$29,313,000	\$34,387,000	\$34,387,000	\$36,463,000	\$2,076,000
Non-Personnel Expense	337,823,000	388,687,000	398,618,000	398,618,000	349,790,000	(48,828,000)
TOTAL	\$368,004,000	\$418,000,000	\$433,005,000	\$433,005,000	\$386,253,000	(\$46,752,000)

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Proposed	FY 2018-2019 Change
PERSONNEL						
Salaries & Wages	\$21,761,000	\$22,079,000	\$25,328,000	\$25,328,000	\$26,544,000	\$1,216,000
Fringe Benefits (health)	3,027,000	3,226,000	3,992,000	3,992,000	4,500,000	508,000
Fringe Benefits (pension)	2,918,000	2,677,000	3,345,000	3,345,000	3,671,000	326,000
Fringe Benefits (other-- <i>Life, LTD, Medicare, Workers Comp, SUI and 457</i>)	1,519,000	1,331,000	1,722,000	1,722,000	1,748,000	26,000
Class and Comp Study	956,000	-	-	-	-	-
SUBTOTAL PERSONNEL	\$30,181,000	\$29,313,000	\$34,387,000	\$34,387,000	\$36,463,000	\$2,076,000
NON-PERSONNEL						
Housing Program Expense	\$207,999,000	\$182,777,000	\$233,053,000	\$233,053,000	\$222,004,000	(\$11,049,000)
Property Expenses	15,315,000	19,161,000	15,656,000	15,656,000	16,748,000	1,092,000
Professional Services, Supplies & Other	10,417,000	9,254,000	9,657,000	9,657,000	10,396,000	739,000
Debt Principal Payments	3,067,000	3,071,000	3,153,000	3,153,000	3,172,000	19,000
Capital Expenditures	22,066,000	26,999,000	52,787,000	52,787,000	34,196,000	(18,591,000)
Reserves	78,959,000	147,425,000	84,312,000	84,312,000	63,274,000	(21,038,000)
SUBTOTAL NON-PERSONNEL	\$337,823,000	\$388,687,000	\$398,618,000	\$398,618,000	\$349,790,000	(\$48,828,000)
TOTAL	\$368,004,000	\$418,000,000	\$433,005,000	\$433,005,000	\$386,253,000	(\$46,752,000)

Significant Budget Adjustments	Position/Explanation for Change	Position	Revenue	Expenses
Personnel Salaries and Benefits Adjustments				
Salaries & Wages	Primarily due to 3% COLA and average 2.5% performance incentive	-		\$1,216,000
Fringe Benefits (health)	Primarily due to 3% COLA and average 2.5% performance incentive			508,000
Fringe Benefits (pension)	Primarily due to 3% COLA and average 2.5% performance incentive			326,000
Fringe Benefits (Life, LTD, Medicare, Workers Comp, SUI, and 457)				26,000
Personnel Adjustments				\$2,076,000
Non-Personnel Expenditure Adjustments				
Housing Program Expense	Decrease due to TOD funds set aside last year and fewer development loans made			(\$11,049,000)
Property Expenses	Increase in repairs, maintenance, landscaping and site cleaning			1,092,000
Professional Services, Supplies, Other	Increase due to IT software support contracts			739,000
Debt Principal Payments				19,000
Capital Expenditures	Decrease due to less acquisitions			(18,591,000)
Reserves	Decrease due primarily to utilization of property reserves to fund comprehensive renovations and rehabilitation at our SDHC-owned properties, and expenditures related to the temporary bridge shelters and transitional storage center			(21,038,000)
Non-Personnel Expenditure Adjustments				(\$48,828,000)
TOTAL EXPENSE ADJUSTMENTS		-		(\$46,752,000)
Revenue Adjustments				
Section 8 / MTW	Less available HUD held reserves than in prior year's budget		(\$5,621,000)	
HOME, CDBG & Other Federal	Decrease due to CDBG Revolving Loan fund, HOME program income and entitlement		(4,095,000)	
Housing Innovation Funds	Increase in CoC funding		200,000	
SDHC Real Estate	No expected proceeds from utilizing equity of a SDHC-owned property		(4,505,000)	
Affordable Housing Fund	Slight decrease expected in inclusionary fees and HTF loan repayments		(378,000)	
Other Local Funds	Decrease in bond and RHF service fees		(426,000)	
State			-	
Fund Balance from Prior Years	Utilization of committed fund balance to fund loan commitments, address homelessness and the rehabilitation of SDHC-owned properties		(31,927,000)	
TOTAL REVENUE ADJUSTMENTS			(\$46,752,000)	

Table D San Diego Housing Commission Reimbursements to Departments/Entities

Departments/Entities	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Proposed	FY 2018-2019 Change
Homeless Housing Innovations - Interim Shelter for Homeless Adults	\$1,600,000	\$1,588,000	\$1,600,000	\$1,600,000	\$1,600,000	-
Homeless Housing Innovations - SMART Pilot Program	98,000	86,000	98,000	98,000	-	(98,000)
Homeless Housing Innovations - Transitional Storage Center	125,000	114,000	125,000	125,000	125,000	-
Homeless Housing Innovations - Connections Interim Housing	300,000	251,000	300,000	300,000	300,000	-
Homeless Housing Innovations - Serial Inebriate Program	192,000	157,000	290,000	290,000	290,000	-
TOTAL	\$2,315,000	\$2,196,000	\$2,413,000	\$2,413,000	\$2,315,000	(\$98,000)

Revenue Source	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Proposed	FY 2018-2019 Change
FEDERAL						
Section 8 / MTW	\$187,540,000	\$177,371,000	\$208,827,000	\$208,827,000	\$203,206,000	(\$5,621,000)
HOME, CDBG & Other Federal	20,900,000	19,878,000	22,241,000	22,241,000	18,146,000	(4,095,000)
Housing Innovation Funds	4,607,000	4,793,000	5,688,000	5,688,000	5,888,000	200,000
FEDERAL TOTAL	\$213,047,000	\$202,042,000	\$236,756,000	\$236,756,000	227,240,000	(\$9,516,000)
LOCAL						
SDHC Real Estate	\$30,406,000	\$33,642,000	\$37,194,000	\$37,194,000	\$32,689,000	(\$4,505,000)
Affordable Housing Fund	10,754,000	31,560,000	11,359,000	11,359,000	10,981,000	(378,000)
Other Local Funds	6,439,000	9,256,000	7,254,000	7,254,000	6,828,000	(426,000)
LOCAL TOTAL	\$47,599,000	\$74,458,000	\$55,807,000	\$55,807,000	\$50,498,000	(\$5,309,000)
STATE	\$142,000	\$1,091,000	\$480,000	\$480,000	\$480,000	-
FUND BALANCE FROM PRIOR YEARS	\$107,216,000	\$140,409,000	\$139,962,000	\$139,962,000	\$108,035,000	(\$31,927,000)
GRAND TOTAL	\$368,004,000	\$418,000,000	\$433,005,000	\$433,005,000	\$386,253,000	(\$46,752,000)