



SAN DIEGO
HOUSING
COMMISSION

We're About People

San Diego Housing Commission (SDHC)
Workshop & Discussion: Fiscal Year (FY) 2025 Proposed Budget
(July 1, 2024 – June 30, 2025)
Presentation to the SDHC Board of Commissioners
April 12, 2024

Suket Dayal
Executive Vice President of Business Administration and
Chief Financial Officer
San Diego Housing Commission

Christelle Van Der Windt
Vice President of Financial Operations
Financial Services Department



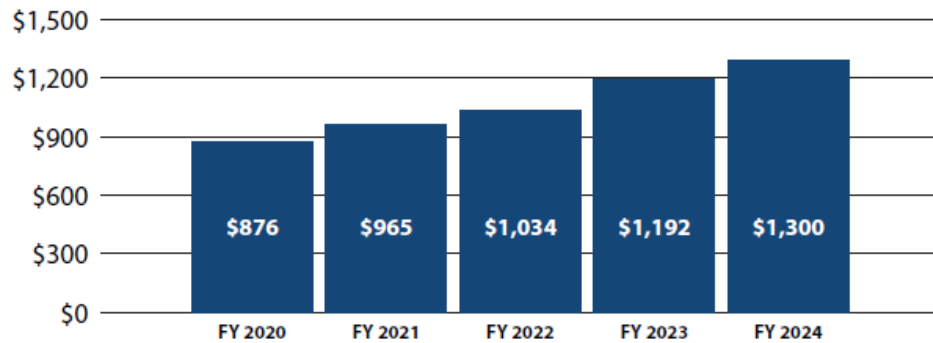
SDHC – FY 2025 Proposed Budget Fiscal Challenges

- High-cost rental housing market
 - Housing Assistance Payments (HAP) have increased \$86.6 million from FY 2020 to FY 2023.
 - SDHC is not pulling new families from the Wait List to receive rental assistance.

Rental Payments Made to Landlords on Behalf of Tenants

FY 2020: \$166.4 Million  FY 2023: \$253 Million

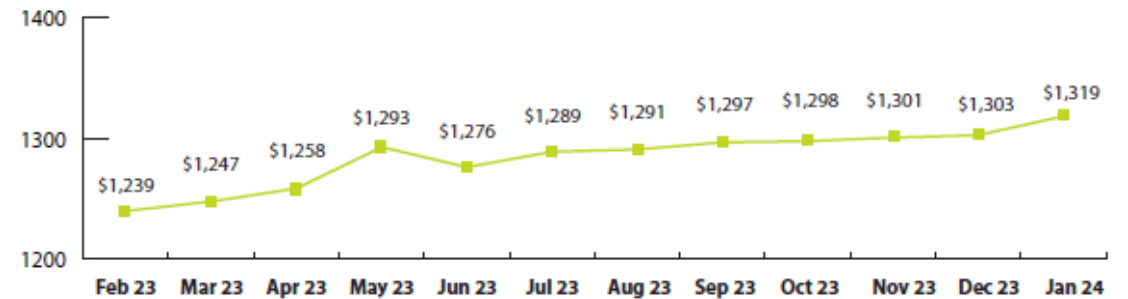
Housing Voucher Average Monthly Rent Subsidy
by Fiscal Year



FY 2024 year to date, as of as of January 31, 2024

48%
increase since
FY 2020

Housing Voucher Average Monthly Rent Subsidy

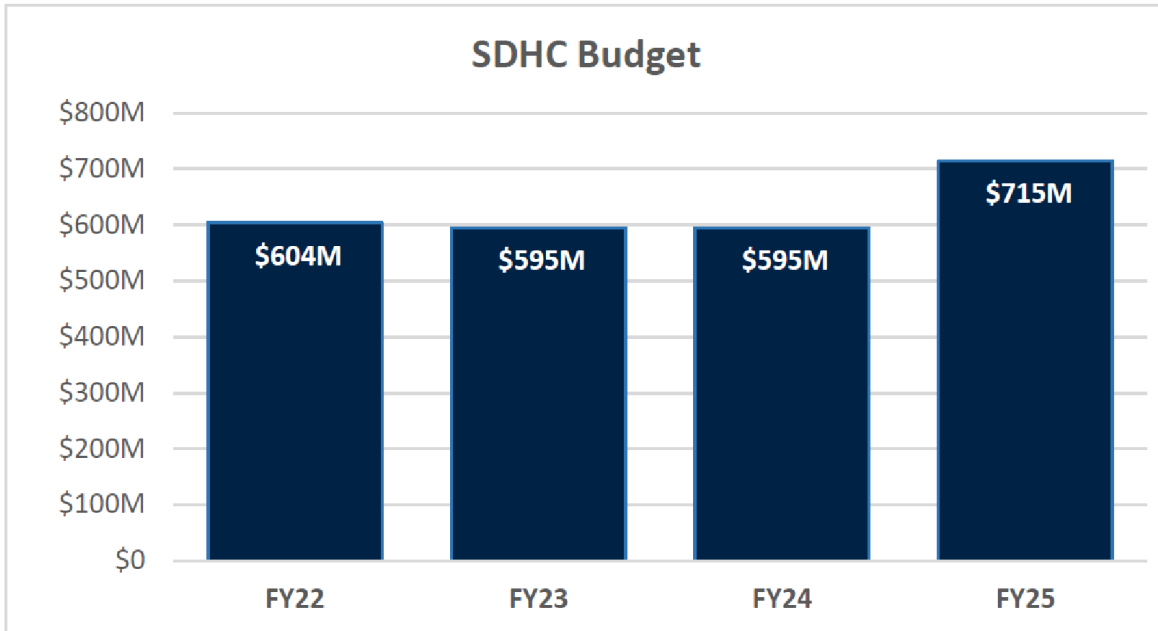


SDHC – FY 2025 Proposed Budget Funding Uncertainty

- Federal
 - SDHC is awaiting the funding determination from U.S. Department of Housing and Urban Development (HUD).
 - As of today, the Fiscal Year 2024 HUD funding SDHC has received this year for rental assistance is less than the amount needed for monthly housing assistance payments.
- State/Local
 - SDHC is awaiting the City of San Diego’s final determination of the level at which the City will fund programs SDHC administers on the City’s behalf.
 - Current City proposed budget, received this week, includes some significant funding cuts to City homelessness programs that SDHC administers on the City’s behalf.
 - Affordable Housing Fund (Inclusionary) declining fee collections



SDHC – FY 2025 Proposed Budget Overview



FY 2025 Proposed Budget Includes	
Homekey <ul style="list-style-type: none"> One-time funding 	\$87 million
Housing Choice Voucher Rental Assistance <ul style="list-style-type: none"> Anticipated additional voucher funding to begin to address rising voucher rents. Pending final obligation letter from HUD. 	\$26 million
Infill Infrastructure Grant Catalytic (IIGC) Qualifying Infill Area <ul style="list-style-type: none"> One-time funding of approximately \$45 million over three years 	\$15 million



SDHC – FY 2025 Proposed Budget Objectives, Deliverables and Uses of Funds

- **Provide Rental Assistance for Households with Lower Income:**
 - \$264.7 million to assist approximately 17,000 households.
 - Includes special purpose vouchers for vulnerable populations, such as veterans, families unifying with their children, and people with a disability.
 - All rental assistance funding will be expended on housing assistance payments to address rising rents.
 - Lease 431 new Project-Based Housing Voucher (PBV) units for households with low income or experiencing homelessness in Fiscal Year 2025.
 - Help families to become more financially self-reliant through the SDHC Achievement Academy.
 - Programs emphasize career planning, job skills, job placement and personal financial education.



Joanna
Section 8 Housing Choice Voucher and
SDHC Achievement Academy Participant



SDHC – FY 2025 Proposed Budget

Objectives, Deliverables and Uses of Funds (Continued)

- **Create and Preserve Affordable Housing:**

- Award up to \$10 million through a competitive NOFA to create approximately 100 new permanent affordable housing units
- \$87.4 million toward the acquisition and rehabilitation of affordable housing properties through the State of California’s Homekey program.
- Own and/or manage 4,326 affordable housing units in the City of San Diego.
- \$11.7 million for required repairs and code compliance for SDHC-owned units.
- \$4.4 million to continue projects to increase density at Casa Colina property to provide additional affordable housing and to convert unused SDHC office space into a shelter for transition-age youth.
- \$5.3 million to help up to 71 households become first-time homebuyers.
- Award \$1.5 million to San Diego homeowners for the creation of up to six Accessory Dwelling Units.



SDHC – FY 2025 Proposed Budget

Objectives, Deliverables and Uses of Funds (Continued)

- **Further the goals of the Community Action Plan on Homelessness for the City of San Diego**
 - Shelters and Continuum of Care Permanent Supportive Housing.
 - Homelessness prevention services
 - Supportive services programs



Teri
Housing Instability Prevention Program Participant



SDHC – FY 2025 Proposed Budget Fund Balance

	Beginning Fund Balance	Ending Fund Balance
Program-restricted		
• Housing Choice Voucher Rental Assistance and other Federal	\$8,918,631	\$982,000
• NOFA and Other Affordable Housing Projects	\$45,521,456	\$49,970,094
• First-Time Homebuyers	\$4,175,000	\$3,050,000
Contingency Reserve and Operating Fund	\$35,012,948	\$21,055,017
Property Replacement and Lender-required Operating Reserve	\$19,128,744	\$17,670,152
Smart Corner – SDHC Headquarters	\$1,000,000	\$1,000,000
Total	\$113,756,779	\$93,727,263

HUD-Held Rental Assistance Reserves – FY 2025 Budget	
Beginning Fund Balance	Ending Fund Balance
\$29,940,333	\$13,156,486



SDHC – FY 2025 Proposed Budget



Rental
Assistance



Creating Affordable
Housing



Homelessness
Solutions

Thank You

