

REPORT

**DATE ISSUED:** October 23, 2008

**REPORT NO:** HCR08-106

**ATTENTION:** Members of the Housing Commission  
For the Agenda of October 31

**SUBJECT:** Housing Commission Plans for Development of Additional Affordable Units

**REQUESTED ACTION:**

Approve plan for development of additional affordable units and enter into exclusive negotiations with Citi Community Group for necessary financing.

**STAFF RECOMMENDATION:**

That the Housing Commission approve and forward to the Housing Authority for final approval:

- 1) The project plans for the Housing Commission to pursue development of additional affordable housing units. These plans are the next steps in the process of the public housing disposition and creation of affordable housing units; and
- 2) Authorization for the Housing Commission Board to enter into exclusive negotiations with Citi Community Group to provide financing for additional affordable units including the existing stock of housing units owned by the Commission and new units to be acquired and/or created.

**SUMMARY:**

On June 10, 2008, the Housing Authority approved the Housing Commission's Three Year Business Plan (Fiscal Years 2009-2011) with the direction to return to the Housing Authority with an update to include additional information on proposed financing and project plans. Specifically, the Housing Commission was to provide a comprehensive plan that includes:

- A long range cash flow projection on the existing Commission owned inventory that covers operating and capital cost estimates for 20 years with a projected cash flow at below market rate rents. This analysis is to include estimated overhead costs for the Housing Commission, and a projected amount of funding available for development of additional affordable units;
- An analysis of various options for acquiring and/or producing the required 350 units including using third party affordable housing developers and typical federal/state affordable housing finance sources;
- A recommendation to achieve the greatest long term affordability while maintaining rents at the lowest rates feasible.

**DISCUSSION:**

**Development Plan**

The Housing Commission submitted an application to transition from the Federal public housing program to HUD in March 2007 and received approval on September 10, 2007 to "dispose" of the public housing stock (excepting thirty six units that were in acquisition stage resulting from a taking of units by the San Diego Unified School District). The approval included the transfer of title to the units to the Housing Commission and resulted in new Housing Choice Vouchers made available to the Housing Commission. In addition, as included in the original application, the Housing Commission

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agreed to leverage the equity in the former public housing units to create a minimum of 350 additional affordable units. The 1366 units continue to be rented to low income households at rent levels affordable to either 50% AMI (\$39,500 for a family of four), 80% AMI (\$63,200 for a family of four) or at market rate rents, whichever is less. At the June 10, 2008 meeting, during discussion of the Housing Commission's proposed Fiscal Years 2009-2011 Business Plan, four persons spoke in opposition to the Housing Commission plan to leverage the equity in the current inventory of affordable units and use the financing to develop units owned and managed by the Housing Commission.

One of the recommendations by the San Diego Housing Federation (SDHF) spokesperson was for the Housing Commission to make financing available to third party affordable housing developers who would use typical federal and state housing finance sources to develop units, which would then be counted toward the Housing Commission commitment of 350 additional units. General Counsel for the Housing Commission, Charles Christensen, was directed to contact the Department of Housing & Urban Development (HUD) to determine if this technique would meet HUD's interpretation of the agreement and the reverter language included in the agreement.

Attachment 1 is a copy of the letter sent to HUD that described eight options for developing additional affordable units. The HUD response, received on October 20, 2008, and included as Attachment 2, approves the use of the first seven options but indicates HUD will not approve the use of option eight. Option eight was essentially the recommendation by SDHF. However, the approved options do allow for collaboration and partnership with other housing developers as long as the Housing Commission is significantly involved in the development and ownership of the 350 units.

Attachments 3 and 4 include financial 20-year cash flow statements that are based on rents for the current inventory at two levels: current established rent schedule (the lesser of 50%/80% AMI or market) and at 50% AMI. In addition, estimated operating costs for the Housing Commission have been included. Finally, a very conservative 20-year projection for replacement reserve has been developed based on a unit-by-unit inspection. For comparison purposes, the cash flow statements project \$19.8 million available for affordable housing development in each of the five years from FY2009 through FY2013.

Analysis of the cash flow statements indicate that if the Housing Commission was directed to rent the current inventory at or less than 50% AMI, there is a significant deficit projected to begin in FY2012. Therefore, it is recommended that the current inventory rent structure be maintained (50%/80%). It is, and has always been, the Housing Commission's goal to develop additional housing units at various affordability levels. Utilizing the variety of options approved by HUD and the projected funding available, this goal will be achieved. As with all property development proposals, specific project-by-project plans will include proposed affordability levels and will be presented to the Housing Commission and Housing Authority for review and approval.

On February 25, 2008 the Housing Commission released a Request for Proposals (RFP) for new or nearly new units to be added to its affordable housing inventory. The following eleven proposals were received and were reviewed by Housing Commission staff to determine responsiveness:

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<b>Proposer</b>	<b>Responsive Bidder</b>
Affirmed Housing	Yes
AMCAL	Yes
American Property Enterprises	Yes
Chelsea Investment Corporation & Pardee Homes	Yes
Community Housing Group	Yes
Community Housing Works	Yes
Diversified Realty	Yes
Greg Dome	No
Oak Tree Home and Loan	No
Skyline Real Estate Services	No
Urban Housing Partners	No

At this time, each of the seven (7) responsive respondents to the RFP have been provided the variety of options approved by HUD and have been asked to “normalize” (make the proposals fit within the options approved by HUD so that the units produced may be counted toward the “acquisition and/or production of the 350 units”) their proposals based on their choice of available options. Once these revised proposals have been reviewed by the Selection Committee, the final development proposals will be brought to the Housing Commission and Housing Authority for approval to proceed.

In the meantime, the Housing Commission is proceeding to explore affordable housing development on vacant properties currently owned by the Housing Commission including:

**252 16<sup>th</sup> Street, San Diego, California 92101 (Council District 2)** This property is currently being utilized as a parking lot. Staff and consultants are completing preliminary analysis for possible development of “living units” at this site.

**2893 Boston Avenue, San Diego, California 92113 (Council District 8)**

This vacant parcel is located immediately adjacent to a five unit apartment owned by the Housing Commission. Construction drawings and permits are being renewed that would allow for the construction of an affordable five (5) unit family development.

**2052 – 2098 Via Las Cumbres, San Diego, California 92111 (Council District 6)**

This site currently consists of 120 units of Housing Commission owned affordable family housing and a large underutilized vacant parcel. Preliminary analysis indicates a development potential for up to a possible additional 60 units of elderly housing. A Request for Qualifications has been issued for Architectural and Engineering Services to entitle and design the new housing. The resultant contract will be docketed in the near future for Housing Commission and Housing Authority approval.

Financing Plan

On April 7, 2008 a Request for Proposals (RFP) for Financing Services was issued to support the efforts of the SDHC in the creation of affordable housing by providing long term and/or short term financing for new acquisitions and leveraging of its existing real estate portfolio.

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On May 23, 2008, five (5) proposals were received at the close of solicitations. Responses were evaluated and on August 12, 2008, clarifications were requested. Based on the proposals and clarifications received, the following determinations were made:

<b>Proposer</b>	<b>Responsive</b>
U.S. Bank	No
Citi Community Capital	Yes
FannieMae	No
Pacific Housing Advisors and Balboa	No
RED Capital Group	Yes

On October 7, 2008, members of the Selection Committee, KM&A, and Charles B. Christensen, Esq., conducted interviews with RED Capital Group and Citi Community Group, which resulted in the following:

**Red Capital Group:** Presented four options in dealing with the requirements of the reverter which they believed to be problematic. The option that they are currently able to provide is to close all 350 new units concurrently with the leveraging of the existing portfolio. They believe additional discussions with HUD are necessary.

**Citi Community Group:** Citi provided a detailed proposal and presentation which exhibited an understanding and acceptance of the requirements of the reverter. Their proposal excludes 1 – 4 unit properties. They discussed the current extreme volatility of the capital markets and believed the best option was a taxable fixed interest program that would leverage approximately \$55 million dollars.

Based on the above, the Selection Committee recommended that the Housing Commission be authorized to enter into exclusive negotiations with Citi Community Group. This selection will be brought forward to the entire board of the San Diego Housing Commission for approval.

**CONCLUSION:**

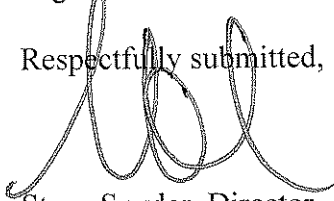
As directed by the Housing Authority, Housing Commission staff has requested clarification from HUD of the available options for development of additional affordable housing units that meet the intent of the public housing disposition approval. A 20-year analysis of projected cash flow has been prepared that allows the Housing Commission to develop a new, local source of funding for all levels of affordable housing while at the same time ensuring sufficient funds are available to sustain the organization's operations and growth. The recommendations included in this report will reduce the City of San Diego's reliance on shrinking federal funds to continue to address the need for more affordable housing in the community.

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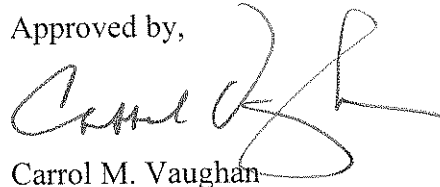
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Respectfully submitted,



Steve Snyder, Director  
Development & Asset Management

Approved by,



Carrol M. Vaughan  
Executive Vice President & Chief  
Operating Officer

Attachments:

1. Letter to HUD, August 22, 2008
2. Letter from HUD, October 17, 2008
3. Projected Cash Flow
4. Projected Cash Flow 50% AMI
5. Operating Outflow Detail

Hard copies are available for review during business hours at the Housing Commission offices at 1122 Broadway, San Diego, CA 92101, Main Lobby and at the Office of the City Clerk, 202 C Street, San Diego, CA 92101. You may review complete docket materials on the San Diego Housing Commission website at [www.sdhc.org](http://www.sdhc.org).



San Diego  
HOUSING COMMISSION  
BOARD AND EXECUTIVE FUNCTIONS

Attachment 1

August 22, 2008

Marcell Insua  
Attorney Advisor  
U.S. Department of Housing and Urban Development  
611 W. 6<sup>th</sup> Street, Ste. 850  
Los Angeles, CA 90017

Subject: San Diego Housing Commission's Acquisition and/or Production of 350 Low Income Units as a Result of the Disposition of its Public Housing in the City of San Diego.

Dear Marcell:

Per our recent discussion regarding the approval of the San Diego Housing Commission's (SDHC/the Commission) disposition application, SDHC is seeking HUD's written concurrence concerning approved means and methods by which SDHC may "acquire and/or produce" the additional 350 low income units. The HUD approval of the disposition uses the word "Create" 350 additional units. When the reverter was drafted, as you will recall, it was intended that this language would encompass the Commission, or a related entity, buying units and/or building units, that SDHC, or a related entity, would own. Accordingly, the word "produce" was simply the equivalent of the word "construct."

Attached is a pdf version of the grant deed including the reverter language contained in the grant deed that conveyed the property, that was formerly public housing, from the Housing Authority to the San Diego Housing Commission. As you know, you and Director of the HUD-LA office approved this language after some required modifications in the reverter language.

Also attached in pdf format is a copy of the approval of the disposition for your convenient review.

As we have previously informed you, SDHC is actively progressing with the process of the acquisition and/or production of the 350 units, as required in the disposition approval. In that regard, SDHC has begun the process of procurement on two (2) separate fronts.

First, we have received proposals from lenders to leverage the equity in the existing 1366 units, as permitted and encouraged by the HUD approval. The Commission has nearly completed the analysis of the proposals from those lenders that have submitted responses and will soon be ready to finalize the selection of a lender and/or lenders to leverage the equity in the existing 1366 units.

Secondly, SDHC has published an RFP to allow owners and/or developers of property/projects to make offers to the Commission for the "acquisition and/or production" of the 350 units. Proposals have been received and have been provided to outside consultants for analysis.

In addition, SDHC is proceeding with the process of development of units on property owned by SDHC, which property is either vacant and/or under utilized. Some of the new units are planned to be built on this Commission owned property. In combination, the units to be "produced and/or acquired" will meet or exceed the 350 required by the HUD approval.



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In regard to the proposals received in response to the RFP referenced above, questions have arisen as to what specific activities, means and methods of ownership and/or development by SDHC will satisfy the covenant that the Commission will "acquire and/or produce" 350 additional low income units and to maintain those units for a minimum period of 55 years.

Please confirm, in writing, what we believe is obvious:

1. If SDHC were to buy multi-family developments and/or single family homes and hold fee simple title in its name and operate these new rental units for and as low income housing for families with income not exceeding 80% of median area income at initial occupancy for 55 years, the Commission believes that this action would, obviously, satisfy the requirement of "acquiring" units.
2. If the Commission were to construct new multi-family units on property owned by it, provided that the units are low income units (affordable at 80% AMI or less at initial occupancy), and, further provided, that they are maintained as low income units for a period of 55 years that would also satisfy the requirement of "producing" units.

SDHC is also seeking verification that the following forms of project involvement and/or ownership and/or development, listed as paragraphs 3 through 7, below, will also qualify as either "acquisition and/or production" of the low income units:

3. The SDHC would purchase real property ("the ground") and then lease that ground to a developer for construction of low income multi-family housing, affordable to and occupied by persons and/or households at or below 80% of area median income at initial occupancy. Under this scenario, the term of the ground lease would be the shorter of the term of the permanent financing for the project or 55 years. At the end of the lease term, the SDHC would own both the land and the buildings and would, if it became an owner before the end of the 55 year affordability restriction, continue to operate the project as a low income (80% AMI or less at initial occupancy), project for the balance of the 55 year term. In this proposal no federal tax credits are assumed in the project, but other traditional sources for the development of the project such as HOME funds, traditional bank financing, bond financing may be involved. Upon an early default by the developer, SDHC could and would terminate the ground lease and become the owner of the entire project, including the buildings, and continue to operate the project as low income housing for the balance of the 55 year period, as required by the approval of the disposition. In the event of such default, SDHC would assume the project debt as part of termination of the lease and perfect its security interests in the project. The Commission believes that this scenario would meet the definition of "acquire and produce" contained within the reverter.
4. Same as 3 above (except that tax credits are involved in the financing of the deal). In this case, at the end of 15 year tax credit period, the ownership of the multi-family housing buildings will be acquired by the Commission. This would be done under an option and/or first right of refusal that would be granted to the Commission at the inception of the project, so that the entire fee simple interest in the property and buildings would be owned by the Commission at the end of the 15 year period. SDHC would continue to operate and maintain the project for the balance of the 55 year term as low income housing.



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5. Same as 3 above except that the Commission would be a general and/or a limited partner of a tax credit limited partnership and it would have the right at the end of the 15 year tax credit period to acquire all of the limited partnership interests in the multi-family property/project/partnership and assume complete control of the project as the general partner and as owner of all limited partnership interests. SDHC would continue to own and operate the project as low income housing for the balance of the 55 year term of affordability restrictions recorded against the property. (This is simply an alternate legal method for accomplishing the same goal as set forth in 3 above.)
6. The SDHC would acquire multi-family housing to be restricted for a minimum of 55 years at levels at or below 80% area median income at initial occupancy through related entities. These related entities would be completely owned and controlled by the San Diego Housing Commission. These entities could include limited partnerships and/or limited liability companies that are single asset bankruptcy remote entities.
7. The Housing Commission would acquire single family properties, and rent to families earning 80% or less of median area income at initial occupancy for 55 years and/or sell and/or finance the sale of properties to families earning 80% or less of median area income at initial occupancy and restrict occupancy to same for 55 years.

It appears to the San Diego Housing Commission that each of the scenarios mentioned in paragraphs 1 through 7, above, meets the definition of the "acquisition and/or production" of low income units. Please provide us with your written confirmation that projects utilizing scenarios set forth in paragraphs 1 through 7, above, meet the terms and intent of the disposition approval and the reverter language contained within the grant deed from the Housing Authority to the San Diego Housing Commission.

As you may know, SDHC provides financial support to other affordable housing developers, both for profit and non profit. We would like to determine if units developed by other, non SDHC, entities are also eligible to be counted toward the SDHC's commitment to produce an additional 350 units.

Thus, the following scenario, No. 8, involves the Housing Commission making a construction and/or permanent loan to other affordable housing developers.

8. The Commission could fund a construction/permanent loan to the developer of multi-family housing with affordability restrictions at or below 80% at initial occupancy area median income on the project for a term of 55 years.

It is possible that the Commission would have to borrow some or all of the funds to be loaned to applicant/developers from conventional lenders at market rates and loaned by SDHC at market or greater than market rates. In the event of a default in the terms of the loan from the Commission to the applicant, where payments were not made by the developer or not made at all because of lack of cash flow, the Commission would have to fund the defaults out of its other funds until a judicial or non judicial foreclosure could be perfected concerning the defaulting project and/or against the developer.

While this does not appear to be the most cost effective method to develop affordable housing, we are trying to ascertain if HUD would consider this approach as meeting the intent of the disposition approval and the reverter. In this scenario, the Housing Commission would NOT own the affordable units produced but would count the units produced by others toward achieving the required 350 units.





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In order to make the hypothetical loans described in No. 8, the Commission may have to encumber its assets, including its portfolio of the prior public housing stock.

Your written approval or disapproval of scenario No. 8 is also requested, provided that such projects can be done in a cost effective and prudent business manner, as determined by the Commission.

Time is of the essence in this matter so that the San Diego Housing Commission may expeditiously proceed to "produce and/or acquire" the required units in compliance with the terms of the approval and the grant deed reverter provisions.

We will appreciate your expedited response. I am available to discuss this matter with you at your convenience as are various members of the San Diego Housing Commission staff. Thank you for your anticipated assistance.

Sincerely,

Charles B. Christensen  
General Counsel  
San Diego Housing Commission

Attachment 1: Grant Deed  
Attachment 2: Disposition Approval Letter

cc: Sal Salas  
Carrol Vaughan  
Steve Snyder

Production/Acquisition methods No. 1 and No. 2 are approved as to form and content and San Diego Housing Commission may proceed as outlined in methods No. 1 and No. 2.

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Marcell Insua, Attorney Advisor  
U.S. Department of Housing and Urban Development

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Date

Production/Acquisition methods No. 3 thru No. 7 are approved as to form and content and the San Diego Housing Commission may proceed as outlined in method No. 3 through No. 7.

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Marcell Insua, Attorney Advisor  
U.S. Department of Housing and Urban Development

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Date

Production/Acquisition method No. 8 is approved as to form and content and the San Diego Housing Commission may proceed as outlined in method No. 8, provided that the San Diego Housing Commission determines that the proposed production may be done in a cost effective and prudent business manner.

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Marcell Insua, Attorney Advisor  
U.S. Department of Housing and Urban Development

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Date

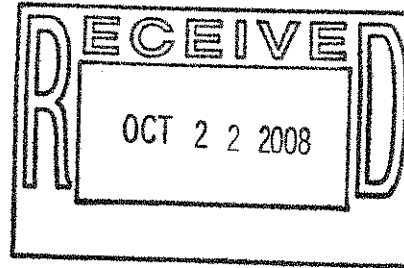


## Attachment 2

U.S. Department of Housing and Urban Development  
Office of Public Housing  
Los Angeles Field Office, Region IX  
611 W. 6<sup>th</sup> Street, Suite 1040  
Los Angeles, CA 90017

OCT 17 2008

Mr. Rick C. Gentry  
President & Chief Executive Officer  
San Diego Housing Commission  
1122 Broadway, Suite 300  
San Diego, CA 92101



Dear Mr. Gentry:

Subject: Acquisition and/or Production of 350 Low Income Units by SDHC

This is in response to your request for HUD to provide clarification and approval of the obligation and intent of the San Diego Housing Commission (SDHC) to develop, acquire and/or produce 350 low income units for eligible families, as a result of the disposition of 1366 low income public housing units in the City of San Diego. These units, per the reverter, are "defined as being affordable to and occupied by households earning 80% or less of the area median income for the San Diego Statistical Metropolitan Area, at initial occupancy and adjusted for household size from time to time by HUD or any successor thereto."

Your agency has provided 8 scenarios that the SDHC is considering to fulfill its obligation regarding the 350 low income units and has requested HUD to verify what proposals would meet HUD approval. Upon review of the information provided to our office by Kathy Szybist, Program Analyst, HUD Special Applications Center (SAC) and discussions with Marcall Insua, Attorney, Office of Counsel, Los Angeles, it appears all the scenarios below, #1-8, meet the definition of "acquisition and/or production" of the 350 low income units. However, our office believes that scenario #8 is not in the full spirit of the SDHC making a firm commitment to meet the obligation in question. Therefore, it is the opinion of the Los Angeles Office of Public Housing (LAOPH), that only scenarios #1-7 below are approvable by the LAOPH.

It is further understood that any method of ownership and/or development by SDHC to satisfy the covenant to "acquire and/or produce 350 additional low income units" will include maintaining such units as low income housing for a minimum period of 55 years.

The scenarios provided by the SDHC and aforementioned are as follows:

1. If SDHC were to buy multi-family developments and/or single family homes and hold fee simple title in its name and operate these new rental units for and as low income housing for families with income not exceeding 80% of median area income at initial occupancy for 55 years, the Commission believes that this action would, obviously, satisfy the requirement of "acquiring" units.

2. If the Commission were to construct new multi-family units on property owned by it, provided that the units are low income units (affordable at 80% AMI or less at initial occupancy), and, further provided, that they are maintained as low income units for a period of 55 years that would also satisfy the requirement of "producing" units.

SDHC is also seeking verification that the following forms of project involvement and/or ownership and/or development, listed as paragraphs 3 through 7, below, will also qualify as either "acquisition and/or production" of the low income units:

3. The SDHC would purchase real property ("the ground") and then lease that ground to a developer for construction of low income multi-family housing, affordable to and occupied by persons and/or households at or below 80% of area median income at initial occupancy. Under this scenario, the term of the ground lease would be the shorter of the term of the permanent financing for the project or 55 years. At the end of the lease term, the SDHC would own both the land and the buildings and would, if it became an owner before the end of the 55 year affordability restriction, continue to operate the project as a low income (80% AMI or less at initial occupancy) project for the balance of the 55 year term.

In this proposal no federal tax credits are assumed in the project, but other traditional sources for the development of the project such as HOME funds, traditional bank financing, bond financing may be involved. Upon an early default by the developer, SDHC could and would terminate the ground lease and become the owner of the entire project, including the buildings, and continue to operate the project as low income housing for the balance of the 55 year period, as required by the approval of the disposition. In the event of such default, SDHC would assume the project debt as part of termination of the lease and perfect its security interests in the project. The Commission believes that this scenario would meet the definition of "acquire and produce" contained within the reverter.

4. Same as 3 above (except that tax credits are involved in the financing of the deal). In this case, at the end of 15 year tax credit period the ownership of the multi-family housing buildings will be acquired by the Commission. This would be done under an option and/or first right of refusal that would be granted to the Commission at the inception of the project, so that the entire fee simple interest in the property and buildings would be owned by the Commission at the end of the 15 year period. SDHC would continue to operate and maintain the project for the balance of the 55 year term as low income housing.

5. Same as 3 above except that the Commission would be a general and/or a limited partner of a tax credit limited partnership and it would have the right at the end of the 15 year tax credit period to acquire all of the limited partnership

interests in the multi-family property/project/partnership and assume complete control of the project as the general partner and as owner of all limited partnership interests. SDHC would continue to own and operate the project as low income housing for the balance of the 55 year term of affordability restrictions recorded against the property (this is simply an alternate legal method for accomplishing the same goal as set forth in 3 above).

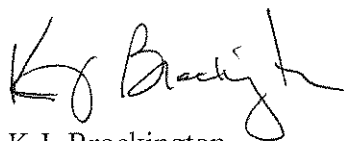
6. The SDHC would acquire multi-family housing to be restricted for a minimum of 55 years at levels at or below 80% area median income at initial occupancy through related entities. These related entities would be completely owned and controlled by the San Diego Housing Commission. These entities could include limited partnerships and/or limited liability companies that are single asset bankruptcy remote entities

7. The Housing Commission would acquire single family properties, and rent to families earning 80% or less of median area income at initial occupancy for 55 years and/or sell and/or finance the sale of properties to families earning 80% or less of median area income at initial occupancy and restrict occupancy to same for 55 years.

8. The Commission could fund a construction/permanent loan to the developer of multi-family housing with affordability restrictions at or below 80% at initial occupancy area median income on the project for a term of 55 years.

We appreciate your willingness to move forward on this matter in an expeditious manner. If you have any additional questions, please contact Mr. Sebastian King, Public Housing Revitalization Specialist at (213) 534-2607.

Sincerely,



K.J. Brockington  
HUB Director  
Office of Public Housing



	12	13	14	15	16	17	18	19	20	Totals
	Projected FY2021	Projected FY2021	Projected FY2022	Projected FY2023	Projected FY2024	Projected FY2025	Projected FY2026	Projected FY2027	Projected FY2028	Projected FY2028
	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716
25,225,200	25,225,200	25,225,200	25,225,200	25,225,200	25,225,200	26,254,800	26,254,800	26,254,800	26,254,800	492,568,334
(252,252)	(252,252)	(252,252)	(252,252)	(252,252)	(252,252)	(262,548)	(262,548)	(262,548)	(262,548)	(4,840,033)
(1,261,260)	(1,261,260)	(1,261,260)	(1,261,260)	(1,261,260)	(1,261,260)	(1,312,740)	(1,312,740)	(1,312,740)	(1,312,740)	(24,828,437)
										72,550,000
					1,250,000					31,500,000
251,245	251,245	251,245	251,245	251,245	251,245	251,245	251,245	251,245	251,245	5,250,000
294,000	309,000	318,000	324,000	300,000	300,000	300,000	300,000	300,000	300,000	4,909,590
										5,148,000
<b>24,286,933</b>	<b>24,271,933</b>	<b>24,280,933</b>	<b>24,286,933</b>	<b>25,512,933</b>	<b>25,230,757</b>	<b>25,230,757</b>	<b>25,230,757</b>	<b>25,230,757</b>	<b>25,230,757</b>	<b>588,407,474</b>
15,594,529	15,956,105	16,327,399	16,708,702	17,100,316	17,502,554	17,915,737	18,340,196	18,776,279	19,218,396	310,988,396
4,031,048	3,932,571	3,827,593	3,715,685	3,596,369	3,469,217	3,333,649	3,189,131	3,035,073	2,875,902	70,725,902
1,491,692	1,590,169	1,695,147	1,807,055	1,928,351	2,053,523	2,189,091	2,333,609	2,487,667	2,652,733	27,302,733
5,522,740	5,522,740	5,522,740	5,522,740	5,522,740	5,522,740	5,522,740	5,522,740	5,522,740	5,522,740	98,028,635
1,258,279	1,277,153	1,296,311	1,315,755	1,335,492	1,355,524	1,375,857	1,396,495	1,417,442	1,438,781	24,467,801
				1,000,000						7,500,000
				250,000						3,500,000
1,286,279	1,277,153	1,286,311	1,315,755	2,585,492	1,355,524	1,375,857	1,396,495	1,417,442	1,438,781	30,977,801
<b>22,375,548</b>	<b>22,755,993</b>	<b>23,146,449</b>	<b>23,547,197</b>	<b>25,208,548</b>	<b>24,360,818</b>	<b>24,814,334</b>	<b>25,259,432</b>	<b>25,716,461</b>	<b>26,173,532</b>	<b>647,727,832</b>
1,881,364	1,515,934	1,334,483	1,134,483	304,385	849,939	416,423	(28,676)	(485,705)	40,679,642	
(1,566,428)	(1,547,554)	(1,528,387)	(1,508,952)	(1,489,216)	(1,469,184)	(1,448,851)	(1,428,213)	(1,407,266)	(1,386,513)	(3,400,000)
(314,956)	31,620	393,914	769,217	1,184,831	619,245	1,032,428	1,456,899	1,892,970	2,385,751	(2,985,751)
(1,881,364)	(1,515,934)	(1,334,483)	(1,134,483)	(304,385)	(849,939)	(416,423)	28,676	485,704	40,679,642	
(0)	(0)	0	0	(0)	(0)	(0)	0	(0)	(0)	(0)







## Operating Outflow Detail

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Units	1,366	1,418	1,488	1,558	1,629	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716	1,716
<b>Operating Outflows</b>														
<b>Salaries &amp; Benefits</b>														
Property Management	888,556	1,019,100	1,051,663	1,099,472	1,126,568	1,165,989	1,206,808	1,249,048	1,292,763	1,336,009	1,384,840	1,433,329	1,483,475	1,535,397
Routine Maintenance	644,336	1,147,897	1,187,866	1,272,461	1,316,987	1,385,092	1,410,800	1,450,178	1,511,285	1,564,180	1,616,926	1,675,568	1,734,234	1,794,632
DAM Construction Services	1,478	429,441	444,471	476,129	492,793	510,041	527,993	546,389	565,492	585,284	605,789	626,971	648,915	671,627
DAM Rental Housing Production	-	104,648	109,516	112,314	115,245	124,324	128,883	134,393	138,962	144,894	147,899	153,072	158,430	163,975
PM Eligibility	423,583	653,626	687,050	735,965	767,795	786,417	816,012	844,572	874,152	904,727	935,392	966,166	1,038,087	1,088,195
AM Capital	300,464	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Services &amp; Supplies</b>														
Property Management	723,134	393,474	421,149	460,760	480,595	486,517	492,759	500,181	507,694	515,310	523,039	530,895	538,948	548,931
Routine Maintenance	226,794	126,847	126,768	148,538	158,576	158,867	158,867	165,124	168,636	171,145	173,712	176,318	178,971	181,672
DAM Construction Services	4,846	141,363	151,327	158,444	165,660	172,973	179,729	185,181	187,538	190,787	193,619	196,522	199,519	202,616
DAM Rental Housing Production	-	257,661	275,784	288,753	301,722	317,934	332,703	347,543	362,457	377,443	392,505	407,643	422,857	438,146
WED	159,721	246,396	263,726	276,129	288,531	304,034	308,584	313,223	317,921	322,650	327,531	332,444	337,430	342,452
AM Capital	64,064	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Housing Programs</b>														
Protective Services	81,053	174,359	186,623	204,173	212,962	215,146	218,373	221,648	224,973	228,348	231,773	235,250	238,778	242,360
Property Taxes	5,899	8,500	9,098	9,684	10,261	10,488	10,646	10,805	10,967	11,132	11,299	11,468	11,640	11,815
Relocation	13,896	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Routine Maintenance</b>														
Utilities	1,278,624	1,403,743	1,501,653	1,643,057	1,743,714	1,731,371	1,765,999	1,801,318	1,837,344	1,874,081	1,911,573	1,948,805	1,986,891	2,024,877
Materials	203,384	338,671	363,652	390,659	414,854	419,129	425,415	431,769	438,273	444,847	451,570	458,353	465,187	472,144
Contracts	1,786,946	1,726,691	1,648,138	1,535,050	1,408,678	2,139,654	2,164,968	2,195,002	2,227,927	2,261,345	2,295,269	2,329,595	2,364,060	2,400,110
Procure Services	318	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>DAM Construction Services</b>														
Relocation	20,804	75,000	80,275	84,050	87,825	92,544	93,932	95,341	96,772	98,223	99,698	101,192	102,710	104,250
<b>DAM Rental Housing Production</b>														
Housing Development	1,396	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>WED</b>														
Resident Expenses	121,741	651,069	691,124	931,149	971,174	981,180	996,899	1,010,836	1,025,999	1,041,389	1,057,008	1,072,995	1,089,058	1,105,292
M Contracts	21,205	27,264	29,577	30,861	31,144	31,485	31,937	32,415	32,902	33,386	33,867	34,346	34,821	35,291
Protective Services	5,444	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>AM Capital</b>														
Relocation	46,810	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Office &amp; Dwelling Equipment</b>														
Property Management	1,740	11,250	12,041	12,608	13,174	13,692	14,080	14,301	14,516	14,730	14,954	15,178	15,408	15,639
Routine Maintenance	44,989	211,630	223,883	247,169	257,751	269,452	283,573	298,228	313,522	329,367	345,752	362,680	380,152	398,167
DAM Construction Services	-	99,450	106,426	111,462	116,468	121,474	126,459	131,437	136,392	141,325	146,231	151,104	155,947	160,759
DAM Rental Housing Production	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WED	1,500	1,606	1,683	1,757	1,832	1,851	1,879	1,907	1,935	1,964	1,994	2,024	2,054	2,085
AM Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Support Services</b>														
	1,655,005	2,022,532	1,922,293	2,067,635	2,171,663	2,212,541	2,259,748	2,314,279	2,367,171	2,421,450	2,477,240	2,534,441	2,593,205	2,653,548
<b>Total Operating Outflows</b>	<b>6,516,638</b>	<b>11,386,617</b>	<b>11,827,857</b>	<b>12,334,732</b>	<b>12,846,846</b>	<b>13,363,873</b>	<b>13,892,789</b>	<b>14,439,858</b>	<b>14,992,313</b>	<b>15,552,403</b>	<b>16,124,387</b>	<b>16,694,528</b>	<b>17,272,105</b>	<b>17,854,399</b>

15	16	17	18	19	20	Totals
Projected FY2023	Projected FY2024	Projected FY2025	Projected FY2026	Projected FY2027	Projected FY2028	
1,716	1,716	1,716	1,716	1,716	1,716	1,716
1,599,195	1,644,755	1,702,322	1,761,903	1,823,570	1,887,395	26,452,223
1,357,756	1,622,778	1,990,073	2,056,726	2,131,816	2,206,450	33,100,959
695,134	719,463	744,645	770,707	797,662	825,601	12,145,633
169,714	175,654	181,502	188,165	194,750	201,567	2,995,032
1,074,532	1,132,140	1,191,065	1,161,352	1,233,060	1,275,295	19,186,477
						300,364
555,135	563,462	571,014	590,403	590,200	598,038	11,016,493
179,892	181,647	184,372	187,337	188,945	190,784	1,546,984
159,471	202,463	205,593	208,582	211,711	214,887	3,704,532
353,592	368,978	374,510	380,128	385,823	391,617	6,742,628
347,629	352,844	358,136	363,509	368,901	374,405	6,607,369
						54,894
245,695	249,685	253,431	257,332	261,090	265,047	4,643,879
11,692	12,172	12,955	12,540	12,728	12,919	226,294
						73,895
2,089,148	2,110,531	2,152,742	2,195,797	2,239,719	2,284,997	39,094,175
479,227	486,410	493,711	501,117	508,624	516,263	9,081,905
2,466,111	2,472,653	2,569,743	2,547,389	2,595,000	2,624,364	46,970,955
						376
105,814	107,401	109,012	110,648	112,307	113,992	1,883,381
						1,393
1,121,871	1,138,699	1,155,760	1,173,117	1,190,713	1,208,574	20,929,639
85,977	35,516	37,054	37,820	38,184	38,757	688,485
						5,442
						45,910
15,872	16,110	16,352	16,597	16,845	17,096	289,125
237,747	302,213	365,116	318,018	320,758	323,142	5,581,142
140,324	142,429	144,595	146,733	148,834	151,168	2,602,652
2,116	2,148	2,180	2,213	2,248	2,283	38,252
2,715,517	2,779,163	2,844,535	2,911,696	2,980,570	3,051,542	50,563,406
16,708,702	17,100,316	17,502,654	17,915,737	18,340,169	18,776,279	310,941,956