

REPORT

DATE ISSUED: December 29, 2008 REPORT NO: HCR 09-002  
ATTENTION: Chair and Members of the Housing Commission  
For the Agenda of February 20, 2009  
SUBJECT: Proposed Fiscal Year 2009 Budget Revision (Citywide)

REQUESTED ACTION:

The Housing Commission and Housing Authority's approval of the revisions to the Fiscal Year 2009 Budget to reflect actual FY08 carryover and net new revenues.

STAFF RECOMMENDATION:

That the Housing Commission approve the revision (Attachments 1-7) that will result in a net increase to the Fiscal Year 2009 budget of \$25,984,800, bringing the FY09 budget to \$291,415,049 and forward the revision to the Housing Authority for final approval.

BACKGROUND:

This proposed budget revision is mainly a reconciliation of the previously approved FY09 budget with current, more accurate financial data. The FY09 Housing Commission budget was prepared in early 2008 and approved by the Housing Commission on April 25, 2008 and by the Housing Authority on June 10, 2008. The original budget included estimates of carryover funds because exact amounts would not be known prior to the close of Fiscal Year 2008. At this point, more precise carryover data has been identified and this revision reflects these additions and deductions.

In addition, the Housing Commission receives renewal funding from numerous federal, state and local sources and these revenues can change and require periodic update. Finally, new sources of funds received require adjustments to the previously approved budget. All of the adjustments noted above are included in this budget revision.

The total fiscal impact of this revision is an increase of \$25,984,800 to the previously approved FY09 budget. The various adjustments are described in narratives below and in the report attachments. There is \$9.9 million in additional carryover funding adjustments and almost \$16.1 million in additional new funding adjustments. Both carryover and new funding adjustments are shown as restricted or unrestricted adjustments in this report.

DISCUSSION

Agency Reserves in this budget revision involve the distribution of an increase of over \$5.9 million in Reserves. The SDHC has three types of reserve funds: Program, Contingency and Unobligated. Program Reserves provide for future personnel, services and supplies or housing expenditures from specific grant programs. Contingency Reserves include amounts set aside to provide for potential litigation, uninsured losses, building reserves and housing development reserves. Lastly,

Unobligated Reserves are used for unanticipated housing needs. In this revision, Program Reserves increased by \$4.2 million, Contingency Reserves did not change and the Unobligated Reserves grew by just over \$1.7 million.

The growth of \$4,156,530 in Program Reserves is due to an increase in Public Housing reserves from administrative and program savings in FY08 and the addition of the estimated award of Calendar Year (CY) 2009 repositioning fees. The Section 8 reserves increased due to higher administrative fees and savings than forecast in the original budget. Also, the budget for administration of the new Neighborhood Stabilization Program was added along with administrative savings from Housing Finance funds. These increases were offset by a decrease in San Diego Local Units reserves that were used to fund FY08 commitments that were forecast as uncommitted carryover in the original FY09 Budget.

The Unobligated Reserves increase of \$1,763,902 is the result of additional income from bond fees, MCC fees, loan payoffs, interest earned and administrative and program savings from FY08. The total Unobligated Reserves of over \$5.8 million will be earmarked for unanticipated expenses. The five year goal of the Housing Commission and recommended by the Office of the Independent Budget Analyst, is to achieve an Unobligated Reserve of five percent of the total budget. After this proposed revision, the Unobligated Reserves will increase from 1.56% to 2.01% of the total budget. Details on the Agency Reserves are shown in Attachment 5.

In Rental Assistance, the addition of \$6.6 million is primarily due to greater funding of housing assistance payments (HAP) by HUD and less expenditure than expected in FY08; the addition of the new Veterans Affairs Supportive Housing Program (VASH); and an estimate of new funds for HAP in FY09 based on the actual funds received in CY08. The budget revision also includes a transfer of administrative fees from Reserves to Rental Assistance to fund HAP on units leased in excess of the number of units authorized by HUD. Although the Housing Commission has sufficient HAP funding to assist more households than authorized, the decision to provide assistance to these households requires the use of funds usually reserved for administrative expenses.

There is a combined increase in Housing Development and Housing Finance of approximately \$13.4 million. In Rental Housing Development, there is an addition of \$2.1 million for the Neighborhood Stabilization program for the acquisition of foreclosed properties and carryover of \$600,000 of housing development funds from FY08. In Housing Finance, the addition of \$10.7 million resulted from: the addition of \$6.0 million of prior year continuing appropriations that were cancelled in FY09; the addition of \$5.8 million of loan payoffs in FY09; the addition of \$6.4 million for the Neighborhood Stabilization Program; the reduction of \$1.0 million of the FY09 CDBG award as the nonprofit monitoring function is returned to the City; and the reduction of \$6.5 million of FY08 carryover due to higher program expenses than forecast; less awards received than forecast and commitments set up in FY08 that were originally planned to carryover into FY09.

#### REVENUE CHANGES

There are two types of revenue funds incorporated into this budget revision: carryover and new revenues. The addition to the budget from carryover sources was over \$9.9 million and new revenues increased by almost \$16.1 million.

Carryover funds are those funds budgeted in the prior fiscal year that, for several reasons, do not get spent or obligated. Carryover may also indicate that revenues received were greater than expected. Carryover funds are split into two categories based on the requirements of the funding sources, restricted and unrestricted. First, "restricted carryover" amounted to \$8,351,896. This carryover is restricted to a particular purpose or activity as required by the funding source. The second type of carryover is "unrestricted" and amounted to \$1,543,874. There is some discretion in the use of these funds. Historically, most of the unrestricted carryover funds have been used for financing housing needs and proposals that are anticipated to be ready for funding approval in FY09 and beyond.

New revenues sources are also broken into restricted and unrestricted funds. Restricted new funding increased by \$10,635,135, mostly due to the addition of two new programs including the Neighborhood Stabilization Program and the VASH Program. Finally, unrestricted new revenue increased by \$5,453,895 due to HOME Program and HTF Linkage loan payoffs in FY09. A detailed explanation of changes in carryover and new revenue is provided in Attachment 1.

The Housing Commission currently has seventy-four revenue sources in its budget. All but ten of these sources have been adjusted within this revision. Attachment 6 includes the detailed data by revenue source.

The following table summarizes the changes in the revenues for local, state and federal sources:

Revenues	Current Budget	Proposed Revision	Proposed Budget	% of Change
Local Revenues	68,851,161	4,913,584	73,764,745	7%
State Revenues	1,926,817	394,004	2,320,821	20%
Federal Revenues	194,652,271	20,677,212	215,329,483	11%
Total Revenues	265,430,249	25,984,800	291,415,049	10%

### EXPENDITURE CHANGES

The incorporation of additional revenue in the budget is offset by the uses for those funds. Of the over \$25.9 million in revenue additions, approximately \$20 million is budgeted into various agency activities and the remaining \$5.9 million is placed primarily into the program reserves. Generally, funds carried over from a preceding year are placed within the same activities as originally funded. The Housing Commission will maintain the unexpected revenue and the administrative savings in reserves for future operations. The proposed changes in activities are presented in detail in Attachments 2 and 3.

The following table summarized the changes in expenditures by major activity:

Activity	Current Budget	Proposed Revision	Proposed Budget	% of Change
Housing Services	172,496,744	6,606,404	179,103,148	4%
Housing Development	3,477,507	2,724,533	6,202,040	78%
Housing Finance	42,825,693	10,690,121	53,515,814	25%
Operations	12,365,031	43,310	12,408,341	0%
Reserves	34,265,274	5,920,432	40,185,706	17%
Total Revenues	265,430,249	25,984,800	291,415,049	10%

The Agency summary of expenditures is detailed in Attachment 7. Salary and Benefits are unchanged while \$128,086 is attributed to increases in Services and Supplies primarily to provide for the City's performance audit and homebuyer education. The greatest change is associated with Housing Programs in the \$19.9 million of loans and grants, rent to owners, and site acquisition/housing development. The balance of the change is a \$5.9 million increase in Agency Reserves that is detailed in Attachment 3.

Respectfully submitted,

Approved by,



John A. Pfeiffer, CPA  
Chief Financial Officer



Carrol M. Vaughan  
Executive Vice President & Chief Executive Officer

Attachments:

- 1: Detailed Explanation of Proposed Revenue Revisions
- 2: Proposed FY09 Budget by Activity
- 3: Explanation of Proposed FY09 Budget Revision by Activity
- 4: Previous FY09 Budget Revisions
- 5: Schedule of Agency Reserves
- 6: Agency Summary of Revenues
- 7: Agency Summary of Expenses

Distribution of these attachments may be limited. Copies are available for review during business hours at the Housing Commission offices at 1122 Broadway, Main Lobby.

**DETAILED EXPLANATION OF PROPOSED REVENUE REVISIONS**

The following chart details the \$25,984,800 budget revision by each major component of restricted and unrestricted revenue.

<b>REVENUES</b>	<b>Current Budget</b>	<b>Proposed Revision</b>	<b>Proposed Budget</b>	<b>% of Change</b>
<b>Restricted Revenues</b>				
Section 8	162,871,642	8,616,415	171,488,057	5%
Other HUD & HHS	10,770,399	12,516,795	23,287,194	116%
State	1,926,817	394,004	2,320,821	20%
CDBG	3,129,615	(941,976)	2,187,639	-30%
Restricted Local	35,116,598	(1,598,207)	33,518,391	-5%
Subtotal	213,815,071	18,987,031	232,802,102	9%
<b>Unrestricted Revenues</b>				
Rental Rehabilitation	37,788	0	37,788	0%
Local	20,749,701	2,442,264	23,191,965	12%
Affordable Housing Fund	12,984,862	4,069,527	17,054,389	31%
HOME	17,842,827	485,978	18,328,805	3%
Subtotal	51,615,178	6,997,769	58,612,947	14%
Total Revenues	265,430,249	25,984,800	291,415,049	10%

For ease of review, this budget revision has been divided into four sections that are:

1. Restricted Carryover Funding adjustments (+ \$8,351,896)
2. Restricted New Funding adjustments (+ \$10,635,135)
3. Unrestricted Carryover Funding adjustments (+ \$1,543,874)
4. Unrestricted New Funding Adjustments (+ \$5,453,895)

Each of these sections is explained on the following pages.

**1. Restricted Carryover Funding Adjustments + \$8,351,896**

The following is a detailed listing of all restricted carryover funding adjustments.

- A. + \$6,904,091      Greater funding for the Voucher Program HAP and administrative fees was provided by HUD that coupled with administrative and programs savings resulted in carryover of \$6.9 million.
- B. + \$2,739,875      The additional carryover of public housing funds is due to administrative and program cost savings in FY09. There was also carryover of Shelter Plus Care funds and HUD Lead grants, which will be committed in FY09.
- C. + \$247,072      The additional carryover of State funds is the result of a new award of funds from the CalHOME program offset by a small reduction in funding from the State for the two State Rental sites, mostly due to a reduction in subsidy.
- D. + \$47,546      The additional carryover of CDBG Foreclosure funds from lower program costs in FY08 than forecast.
- E. - \$1,586,688      The decrease in Restricted Local funds carryover is primarily the result of the following changes: more commitments made in FY08; higher administrative and programs expenses in FY08; and fewer awards of redevelopment monies than forecast in FY08. These decreases are partially offset by increases in program income, interest earned, loan payoffs and principal & interest payments.

**2. Restricted New Funding Adjustments + \$10,635,135**

The following is a detailed listing of all restricted new funding adjustments.

- A. + \$9,776,920      The addition of the Neighborhood Stabilization Program (NSP) and the award of repositioning fees are offset by the adjustment of the public housing subsidy to the actual award amount. The NSP provides emergency assistance to state and local governments to acquire and redevelop foreclosed properties for first time homebuyer opportunities and the acquisition of properties to convert to affordable housing units.

- B. + \$1,712,324      The increase is due to the addition of the VASH Program; the addition of the Disaster Voucher Program; the increase in Section 8 Voucher HAP in FY09 based on actual HAP payments received from HUD in CY08; and increases in the awards for the HCV FSS Coordinator and HCV FSS Homeownership Coordinator programs.
- C. + \$146,932      Loan pay off of Cal State Housing Trust Funds for Special Purpose Housing.
- D. - \$989,522      The increase of \$50,478 of additional funding for the Citywide award of CDBG funds to the Housing Commission is offset by the reduction of \$1,040,000 of CDBG funding as the nonprofit monitoring function is transferred to the City of San Diego. Included in this revision is the request to change the use of the CDBG funds awarded to the Housing Commission by the City of San Diego from support of Housing Finance activities to Rental Housing Development for low income housing development or acquisition. This change will be brought to City Council for approval in February, 2009 as a revision to the FY09 CDBG Citywide allocation.
- E. - \$11,519      The County CDBG Reinvestment Task Force award was \$10,000 less than anticipated in the original budget. Also, the SEDC program is closed and the new funds will be returned to SEDC in FY09.

**3. Unrestricted Carryover Funding Adjustments + \$1,543,874**

The following is a detailed listing of all unrestricted carryover funding adjustments.

- A. + \$3,956,810      There is an addition of \$4,010,150 of Affordable Housing Funds resulting from greater linkage and inclusionary fees, loans payoffs and cancelled projects. These funds are proposed for the Rental Housing Finance, Homeownership and Rehabilitation activities. This increase is offset by a net reduction of \$53,340 in administrative fees due to higher administrative costs in FY08 than originally forecast.

- B. + \$2,442,264      Of the \$2,442,264 of Local funds carrying over, \$1,242,027 is the result of increased bond fees, a loan payoff and investment interest. There is also carryover of \$707,744 of program funds and \$492,493 of administrative funds resulting from less expenditure in FY08 than forecast.
- C. - \$4,855,200      The reduction in HOME Program funds is the result of \$8,774,644 of commitments set up in FY08 that were forecast as uncommitted carryover in the original FY09 Budget. This reduction is partially offset by the addition of \$2,700,000 of funding from prior year continuing appropriation cancelled in FY09; \$1,086,978 of program income and \$132,466 of administrative savings.

**4. Unrestricted New Funding Adjustments + \$5,453,895**

- A. + \$ 5,341,178      The addition of \$5,341,178 of HOME Program funds is primarily due to a loan payoff in FY09 and a minor adjustment to the award of HOME funds included in the FY09 Budget.
- B. + \$112,717      The addition of HTF Linkage funds is due to two loans payoffs in FY09 that were not included in the original budget are offset by an adjustment to the estimated new funds in FY09.



**PROPOSED FY09 BUDGET BY ACTIVITY**

Activities	Current Budget	Revision	Proposed Budget	% of Change
<b>Housing Services</b>	<b>172,496,744</b>	<b>6,606,404</b>	<b>179,103,148</b>	<b>4%</b>
Rental Assistance	157,017,065	6,606,818	163,623,883	4%
Property Management	12,577,164	0	12,577,164	0%
Management	3,331,992	0	3,331,992	0%
Routine Maintenance	6,224,575	0	6,224,575	0%
Construction Services	3,020,597	0	3,020,597	0%
Workforce & Economic Development	2,902,515	(414)	2,902,101	0%
<b>Housing Development</b>	<b>3,477,507</b>	<b>2,724,533</b>	<b>6,202,040</b>	<b>78%</b>
Rental Housing Development	3,477,507	2,724,533	6,202,040	78%
<b>Housing Finance</b>	<b>42,825,693</b>	<b>10,690,121</b>	<b>53,515,814</b>	<b>25%</b>
Rental Housing Finance	22,454,805	4,117,934	26,572,739	18%
Homeownership	5,497,280	5,730,786	11,228,066	104%
Rehabilitation	6,684,119	(226,410)	6,457,709	-3%
Rental Housing	775,390	39,241	814,631	5%
Owner Occupied	5,908,729	(265,651)	5,643,078	-4%
Portfolio Servicing & Occupancy Monitoring	2,572,635	47,546	2,620,181	2%
Special Purpose Housing	5,616,854	1,020,265	6,637,119	18%
<b>Operations</b>	<b>12,365,031</b>	<b>43,310</b>	<b>12,408,341</b>	<b>0%</b>
Board & Executive Functions	941,094	65,000	1,006,094	7%
Support Services	10,148,100	0	10,148,100	0%
Human Resources	690,232	0	690,232	0%
Information Technology	2,516,696	0	2,516,696	0%
Business Services	1,126,637	0	1,126,637	0%
Financial Services	2,046,714	0	2,046,714	0%
Facilities Management	3,767,821	0	3,767,821	0%
Policy & Public Affairs	1,275,837	(21,690)	1,254,147	-2%
Policy & Public Affairs	622,876	0	622,876	0%
Communications	463,391	0	463,391	0%
Reinvestment Task Force	189,570	(21,690)	167,880	-11%
<b>Program ,Contingency &amp; Unobligated Reserve:</b>	<b>34,265,274</b>	<b>5,920,432</b>	<b>40,185,706</b>	<b>17%</b>
<b>FY09 Proposed Activity Based Budget</b>	<b>265,430,249</b>	<b>25,984,800</b>	<b>291,415,049</b>	<b>10%</b>

## **EXPLANATION OF PROPOSED FY09 BUDGET REVISIONS BY ACTIVITY**

### **Housing Services**

#### **Rental Assistance**

The increase of \$6,606,818 is primarily due to greater funding of HAP from HUD and less expenditure than anticipated in the original FY09 Budget leading to carryover of \$4,736,592. In addition, there is \$1,018,798 of new funds added to provide for the VASH Program and an estimate of \$683,374 of new funds for additional Section 8 Voucher HAP based on actual HAP payments received from HUD in CY08. There is also a transfer of \$168,054 of Section 8 Voucher administrative fees from Reserves to Rental Assistance to provide for the estimated over lease of units for the remainder of FY09.

#### **Workforce & Economic Development**

The \$414 reduction in direct hire contracts is the result of higher administrative expenses in FY08 than forecast in the original FY09 Budget.

### **Housing Development**

#### **Rental Housing Development**

The increase of \$2,724,533 in Rental Housing Development is the result of the following changes: the addition of \$600,000 of carryover due to less expense in site acquisition/housing development than forecast in the original FY09 Budget and new funds of \$2,124,533 for the Neighborhood Stabilization Program for acquisition of foreclosed properties.

### **Housing Finance**

#### **Rental Housing Finance**

The increase of \$4,117,934 in Rental Housing Finance is primarily the result of the additions of \$5,544,837 of unanticipated HOME Program and HTF Linkage loan payoffs in FY09 and \$5,291,557 of HOME Program and Inclusionary prior year continuing appropriation cancelled in FY09 and a reduction in the estimated carryover of \$5,863,301. The reduction in carryover is a combination of less carryover due to the prior year commitment of funds anticipated to carryover in the original budget, higher expenses in FY08 than anticipated in the original budget and more program income. There was also a transfer of \$715,530 from Rental Housing Finance to Homeownership to provide for additional first time home buyer opportunities. A \$139,629 reduction in new awards is also included in this revision: \$371 additional HOME Program award and \$140,000 reduction of CDBG funds due to the transfer of the CDBG monitoring function to the City of San Diego.

**Homeownership**

The increase of \$5,730,786 in Homeownership is primarily due to the addition of \$6,173,600 for the Neighborhood Stabilization Program to assist first time home buyers purchase foreclosed properties. Other increases in this activity include the transfer of \$715,530 from Rental Housing Finance to Homeownership to provide additional first time homebuyer opportunities and \$200,000 freed up by the cancellation of a prior year continuing appropriations in FY09. These additions are offset by a \$1,038,344 reduction in carryover due to the combination of more commitments set up in FY08 and higher prior year expenses in FY08 than anticipated in the original budget. There is also a \$320,000 reduction in the FY09 CDBG award as a result of the nonprofit monitoring function being transferred to the City of San Diego.

**Rehabilitation-Rental Housing**

The increase of \$39,241 in Rehabilitation Rental Housing is due to the carryover of administrative funding not spent in FY08.

**Rehabilitation-Owner Occupied**

The decrease of \$265,651 in Rehabilitation Owner Occupied is the result \$25,651 less carryover than anticipated in the original FY09 Budget. There was \$608,598 less awards in FY08 than anticipated. This reduction was partially offset by the carryover of \$425,909 of unspent of loans and grants, \$93,344 of program income and \$63,694 of loan payoffs. In FY09, there was a reduction of \$240,000 in new awards; the addition of \$200,000 for the Neighborhood Stabilization Program was offset by a reduction of \$440,000 of CDBG funds as the nonprofit monitoring function is transferred to the City of San Diego

**Portfolio Servicing & Occupancy Monitoring**

The increase of \$47,546 in this activity is due to interest earned and lower program costs in FY08 than forecast in the Foreclosure fund.

**Special Purpose Housing**

The increase of \$1,020,265 in Special Purpose Housing is the result of the following changes in FY08 and FY09. There is \$373,333 more carryover than anticipated in the FY08 original budget resulting from \$469,502 of awards received; \$397,750 less program expenses and \$493,919 more commitments set up than anticipated. In FY09, there was a \$146,932 loan payoff received and a \$500,000 commitment was cancelled.

## **Operations**

### **Board & Executive Functions**

The Board & Executive Functions activity has increased \$65,000 to provide for the City Performance Audit in FY09.

### **Reinvestment Task Force**

The Reinvestment Task Force activity has been reduced \$21,690 as a result of the addition of \$38,310 of unspent administrative carryover from FY08 and the reduction of \$10,000 in the County of San Diego funding of the RTF and the reduction of \$50,000 of CDBG funding requested but not awarded by City of San Diego.

## **Reserves**

### **Reserves**

The overall increase of \$5,920,432 in Reserves includes an increase of \$4,156,530 in Program Reserves and a \$1,763,902 increase in Unobligated Reserves. Each of these changes in Reserves is explained below.

The increase of \$4,156,530 in Program Reserves is due to the following changes.

1. The Public Housing reserves increased \$2,419,523. The increase is due to the addition of \$1,996,966 in administrative and program savings from FY08; the reduction \$163,053 for repositioning fees approved by HUD for CY08 and the addition of \$585,610 for the estimated award of repositioning fees in CY09.
2. The Section 8 Voucher reserves increased \$1,981,427 due to higher administrative fees and less administrative costs in FY08 than forecast in the original FY09 Budget. These increases were slightly offset by the use of administrative fees to fund over leased units and commitments that were set up in FY08 leading to less carryover in the FY09 Budget.
3. The \$944,237 for administrative support in the new Neighborhood Stabilization Program has been added to Reserves until it is determined how the administrative support will be distributed between the City of San Diego and the Housing Commission.
4. There is a decrease of \$1,309,516 in San Diego Local Units reserves. \$1,077,846 of this decrease is the result of more commitments in FY08 than anticipated. The remaining decrease of \$231,670 is the result of higher administrative and program costs in FY08 than forecast.

5. The remaining addition of \$165,714 is the result of increases and decreases in several funds ranging from -\$115,167 to +\$95,751. Most of the change is the result of administrative savings and income received in FY08.

The increase in Unobligated Reserves of \$1,763,902 is the result of \$1,257,144 of additional income from bond fees, MCC fees, loan payoffs and interest earned. In addition, there is \$572,576 of administrative and program savings from FY08. There is also a reduction due to the transfer of \$65,818 of unobligated reserves to other activities to fund the performance audit, changes in the FY09 CDBG award and the reduction in the City Properties rental income.

**PREVIOUS FY09 BUDGET REVISIONS**

<u>DATE OF REVISION</u>	<u>CHANGE TO THE FY08 BUDGET</u>	<u>APPROVING AUTHORITY</u>	<u>COMMENTS:</u>
	265,032,348		Approved Original Budget.
05/28/08	0	President & CEO	Transfer \$20,000 Bond Program funds from Reserves to Business Services consultants for an internship program with SDSU.
07/29/08	0	Housing Authority (HAR08-027)	Transfer \$564,857 from various funding sources in Reserves to Construction Services dwelling equipment for the purchase of stoves.
08/05/08	36,301	President & CEO	Add \$36,301 Lease Sale funds to Special Purpose Housing loans & grants to provide additional funding for the Winter Shelter.
08/12/08	61,600	President & CEO	Add carryover of \$61,600 ROSS Neighborhood Network funds to Workforce & Economic Development in various accounts. Also, transfer \$61,600 SDHC Local funds from the activity to Reserves.
08/18/08	0	President & CEO	Transfer \$100,000 within Workforce & Economic Development in order to keep federal and nonfederal funds separate.
08/28/08	0	President & CEO	Transfer \$8,000 Bond Program funds from Reserves to Portfolio Servicing consultants to provide for an agency temp to assist with the first time homebuyer program.
08/28/08	0	President & CEO	Transfer \$5,000 within Workforce & Economic Development in order to more accurately identify funds.
09/10/08	300,000	Housing Commission (HCR08-046)	Add \$300,000 to Workforce & Economic Development various accounts for the Assets for Independent program. Additional funds include \$150,000 federal funds and \$150,000 nonfederal match funds.
11/05/08	0	President & CEO	Transfer \$23,604 from PH AMP7 funds in Reserves to Construction Services dwelling equipment to pay for refrigerators installed at this site.
11/05/08	0	President & CEO	Transfer \$26,358 Bond Program funds from Reserves to Rehab Owner Occupied loans & grants to cover 2-months expenses for Rebuilding Together. This funding was revised because the City's new CDBG process put a financial burden on this nonprofit.
11/12/08	0	President & CEO	Various transfers among accounts in Rehab Rental Housing and Rehab Owner Occupied in order to close the HUD Lead Control Grant and complete disbursements to contractors.
11/12/08	0	President & CEO	Various transfers among accounts in Rehab Rental Housing and Rehab Owner Occupied in order to close the HUD Lead Demo Grant and complete disbursements to contractors.
11/12/08	0	President & CEO	Transfer \$12,913 SDHC Local Units funds from Reserves to Construction Services dwelling equipment to pay for refrigerators installed at HC owned sites.
11/14/08	0	President & CEO	Transfer \$40,000 Bond Program funds from Reserves to Board & Executive Functions in order to utilize local funds to pay for a portion of the new CEO's contract.
11/21/08	0	Housing Commission (HCR08-122)	Transfer \$95,000 from various funding sources in Reserves to Human Resources consultants for an agency-wide classification & compensation study.
11/21/08	0	President & CEO	Transfer \$1,471 Maya Linda funds from Reserves to Construction Services consultants to conduct a road survey at this site.
<hr/> 265,430,249			

SCHEDULE OF AGENCY RESERVES

Type of Reserve	FY09 Proposed Use	FY08 Amount	FY09 Original	FY09 Current	FY09 Proposed
<b>I Program Reserves</b>					
The Program Reserves provide for future personnel, services and supplies or housing expenditures on specific housing programs. These funds are generally restricted and must be used in support of each program or returned to the funding source. This reserve also includes a sinking fund for the future purchase of State units.					
CalHOME Program	Administration for FY10	4,344	40,000	40,000	61,776
Central Office Cost Center	Administration for FY09	98,249	0	0	0
Coastal, Condo & NCFUA	Administration for FY10	0	0	0	79,931
HOME	Administration for FY10 & FY11	1,368,503	888,997	865,247	910,144
Housing Rehab Trust Fund	Administration for FY10	0	0	0	19,602
HTF - CDBG	Administration for FY10	0	0	0	12,887
HUD Development	Future Public Housing Development	0	443,207	443,207	443,207
HUD Lead Demo Program	Administration for FY10	233,108	0	0	95,751
HUD Lead Hazard Control	Administration for FY10	122,463	0	0	92,313
Inclusionary Housing Fund	Administration for FY09 & FY10	464,280	0	0	0
Neighborhood Stabilization	Administration for FY10 & FY11	0	0	0	944,237
Property Mgmt - City Properties Mgmt	Administration for FY09	722	0	0	0
Property Mgmt - Maya Apartments	Future Capital Improvements	729,396	831,943	787,827	820,430
Property Mgmt - State Rental	Future Capital Improvements	295,871	192,571	192,571	186,182
Property Mgmt - State Rental Local Funds	Provide Sinking Fund for State Units	2,000,000	2,000,000	2,000,000	2,000,000
Property Mgmt - University Canyon Management	Future Capital Improvements	1,231,668	2,417,782	2,417,782	2,302,615
Property Mgmt - SDHC Local Units	Future Capital Improvements	30,000	2,286,828	1,849,857	540,341
Public Housing - Capital Funds	Administration for FY09 & FY10	43,905	72,000	72,000	0
Public Housing - Local Funds	Provide Public Housing Support	1,000,000	0	0	0
Public Housing - Management/AMPS	Future Capital Improvements	3,597,436	6,597,900	6,521,463	8,940,986
Public Housing - ROSS PH Family Self Sufficiency	Administration for FY09	130,000	0	0	0
Redevelopment Agency - CCDC Homeownership	Administration for FY10	109,000	109,000	109,000	109,915
Redevelopment Agency - City Heights Redevelopment	Administration for FY10	221,271	254,731	254,731	194,979
Redevelopment Agency - Crossroads HELP	Administration for FY10	51,963	68,885	68,885	72,871
Redevelopment Agency - Linda Vista	Administration for FY10	44,915	45,674	45,674	52,789
Redevelopment Agency - Market Street Redevelopment	Administration for FY10	14,392	13,334	13,334	13,241
Redevelopment Agency - North Park	Administration for FY10	0	61,304	61,304	61,304
Redevelopment Agency - San Ysidro	Administration for FY10	0	65,217	65,217	65,217
Redevelopment Agency - SEDC Mt Hope Rehabilitation	Administration for FY10	15,496	13,421	13,421	13,852
Redevelopment Agency - SEDC Southcrest	Administration for FY10	12,452	12,480	12,480	14,260
Section 8 - HCV FSS Coordinator	Administration for FY10	130,000	130,000	130,000	132,000
Section 8 - HCV FSS Homeownership Coordinator	Administration for FY10	65,000	65,000	65,000	66,000
Section 8 - Local Funds	Provide for Section 8 Support	1,900,000	1,900,000	1,900,000	1,900,000
Section 8 Surplus Admin Fees	Administration for FY10	2,061,614	2,098,684	2,074,934	4,086,564
Shea Homes	Administration for FY10	0	0	0	9,919
Shelter Plus Care	Administration for FY10	41,562	34,292	34,292	51,307
Southeast Economic Development Centre	Administration for FY10	0	100,249	100,249	0
State REO	Administration for FY10	20,808	21,425	21,425	21,810
	Subtotal	16,038,418	20,764,924	20,159,900	24,316,430

**II Contingency Reserves**

The Contingency Reserves include amounts to provide for potential litigation, uninsured losses and building reserves. The unexpended Contingency Reserves will be re-budgeted in the following year.

Local Funds	Provide for potential litigation	300,000	300,000	300,000	300,000
Local Funds	Provide for uninsured losses	300,000	300,000	300,000	300,000
Local Funds	Provide for office facility	1,831,000	2,000,000	2,000,000	2,000,000
SDHC Local Units	Provide for development of new affordable units	1,005,546	7,370,808	7,370,808	7,370,808
	Subtotal	3,436,546	9,970,808	9,970,808	9,970,808

**III Unobligated Reserves**

The Unobligated Reserves include amounts that are available for any unanticipated housing purpose.

Local Funds	Unanticipated Needs	7,078,369	4,252,674	4,134,566	5,898,468
-------------	---------------------	-----------	-----------	-----------	-----------

**Total Program, Contingency & Unobligated Reserves 26,553,333 34,988,406 34,265,274 40,185,706**

**AGENCY SUMMARY OF REVENUES**

	Current FY09 Budget (Column A)	Proposed FY09 Revision (Column B)	Revised FY09 Budget (Column C)	% of Chg Rev/Curr (Column D)
<b>Revenues</b>				
Assets for Independence - Federal	250,000	0	250,000	0%
Assets for Independence - Nonfederal	245,000	0	245,000	0%
Bond Program	9,773,640	857,588	10,631,228	9%
Cal State Housing Trust Fund	0	146,932	146,932	0%
CalHOME Program	1,006,109	253,076	1,259,185	25%
Capital Fund & Capital AMP Funds	72,000	(72,000)	0	-100%
Centre City Development Corporation	836,500	(94,085)	742,415	-11%
CDBG	3,129,615	(941,976)	2,187,639	-30%
City Heights Redevelopment	1,773,483	(372,366)	1,401,117	-21%
City's Properties Management	77,054	(818)	76,236	-1%
Coastal Housing/FUA	152,834	23,618	176,452	15%
Community Outreach Partnership Center	17,000	0	17,000	0%
Condo Conversion/Density Bonus	193,569	56,313	249,882	29%
County CDBG RTF	70,000	(10,000)	60,000	-14%
Discretionary	7,027,656	970,977	7,998,633	14%
Family Health Centers of San Diego	30,572	0	30,572	0%
HCV FSS Coordinator	390,000	1,586	391,586	0%
HCV FSS Homeownership Coordinator	195,000	(3,619)	191,381	-2%
HOME Program	17,842,827	485,978	18,328,805	3%
Housing Rehabilitation Trust Fund	417,450	69,994	487,444	17%
HTF - CDBG	347,985	71,871	419,856	21%
HTF - Linkage Fees	7,103,097	1,428,511	8,531,608	20%
HTF - Redevelopment Agency	39,688	12,265	51,953	31%
HTF - TOT	26,720	2,854	29,574	11%
HUD Development	443,207	0	443,207	0%
HUD Lead Reduction Demo	374,023	148,072	522,095	40%
HUD Lead Hazard Control Grant Program	271,954	92,313	364,267	34%
Inclusionary Housing Fund	5,467,372	2,554,026	8,021,398	47%
Lease Sale Proceeds	3,948,405	613,699	4,562,104	16%
Market Street Redevelopment	114,852	2,595	117,447	2%
Maya Apartments	2,267,876	32,603	2,300,479	1%
National City CDBG RTF	0	25,766	25,766	0%
Neighborhood Stabilization Program	0	9,442,370	9,442,370	0%
North County Future Urbanizing Area (NCFUA)	146,442	8,649	155,091	6%
Public Housing Asset Management Projects (AMPS)	7,633,369	2,419,523	10,052,892	32%
Redevelopment Agency - Crossroads HELP	437,210	110,854	548,064	25%
Redevelopment Agency - Linda Vista	236,492	34,383	270,875	15%
Redevelopment Agency - North Park	470,000	0	470,000	0%
Redevelopment Agency - San Ysidro	500,000	0	500,000	0%
Rental Rehabilitation	37,788	0	37,788	0%
ROSS Neighborhood Networks	61,600	0	61,600	0%
San Diego Housing Commission Local Units	22,099,436	(1,304,897)	20,794,539	-6%
Section 8 Disaster Voucher	0	7,152	7,152	0%
Section 8 Moderate Rehabilitation	435,951	29,555	465,506	7%
Section 8 VASH	0	1,018,798	1,018,798	0%
Section 8 Voucher	161,850,691	7,562,943	169,413,634	5%
SEDC	100,249	(100,249)	0	-100%
SEDC Mt Hope Rehabilitation	78,320	12,267	90,587	16%
SEDC Southcrest Redevelopment Agency	66,750	12,414	79,164	19%
Shea Homes	0	9,919	9,919	0%
Shelter Plus Care	1,647,246	486,517	2,133,763	30%
State Rental	899,283	(6,389)	892,894	-1%
State REO	21,425	385	21,810	2%
University Canyon Management	4,797,509	(115,167)	4,682,342	-2%
WED Youth Individual Development Account	5,000	0	5,000	0%
<b>Total Budget</b>	<b>265,430,249</b>	<b>25,984,800</b>	<b>291,415,049</b>	<b>10%</b>



## AGENCY SUMMARY OF EXPENDITURES

	Current FY09 Budget (Column A)	Proposed FY09 Revision (Column B)	Revised FY09 Budget (Column C)	% of Chg Rev/Curr (Column D)
Staffing	243.50	0.00	243.50	0%
<b>Expenditures</b>				
1 Salaries & Benefits	18,686,970	0	18,686,970	0%
<b>Services &amp; Supplies</b>				
2 Legal	768,861	(353)	768,508	0%
3 Training	203,134	(201)	202,933	0%
4 Travel	110,949	(201)	110,748	0%
5 Audit	91,000	0	91,000	0%
6 Contract/Consultant	2,503,572	129,205	2,632,777	5%
7 Office & Building Rent	1,898,678	0	1,898,678	0%
8 Sundry	1,985,606	(364)	1,985,242	0%
9 Insurance	488,662	0	488,662	0%
10 Office Equipment	731,185	0	731,185	0%
<b>Total Services &amp; Supplies</b>	<b>8,781,647</b>	<b>128,086</b>	<b>8,909,733</b>	<b>1%</b>
<b>Housing Programs</b>				
11 Resident Workforce & Economic Development	1,320,421	0	1,320,421	0%
12 Maintenance Expenses	2,949,581	0	2,949,581	0%
13 Utilities	2,014,887	0	2,014,887	0%
14 PILOT & Property Taxes	42,450	0	42,450	0%
15 Collection Loss	155,762	0	155,762	0%
16 Mortgage Payments	2,106,255	0	2,106,255	0%
17 Protective Services	416,385	0	416,385	0%
18 Rent to Owners	151,855,062	6,468,262	158,323,324	4%
19 Loans & Grants	34,265,779	10,695,941	44,961,720	31%
20 Relocation	969,227	0	969,227	0%
21 Site Acquisition & Housing Development	5,273,642	2,772,079	8,045,721	53%
22 Capital Improvements	1,466,123	0	1,466,123	0%
23 Dwelling Equipment	860,784	0	860,784	0%
<b>Total Housing Programs</b>	<b>203,696,358</b>	<b>19,936,282</b>	<b>223,632,640</b>	<b>10%</b>
<b>Program, Contingency &amp; Unobligated Reserves</b>	<b>34,265,274</b>	<b>5,920,432</b>	<b>40,185,706</b>	<b>17%</b>
<b>Total Budget</b>	<b>265,430,249</b>	<b>25,984,800</b>	<b>291,415,049</b>	<b>10%</b>