



SAN DIEGO  
HOUSING  
COMMISSION

We're About People

# San Diego Housing Commission (SDHC) Fiscal Year (FY) 2024 Budget (July 1, 2023 – June 30, 2024)

## Budget in City Format

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# SDHC – FY 2024 Budget Mission Statement

## **Mission Statement**

The San Diego Housing Commission (SDHC) fosters social and economic stability for vulnerable populations in the City of San Diego through:

- Quality, affordable housing
- Opportunities for financial self-reliance
- Homelessness solutions

## **Fiscal Year 2024 Budget Summary**

The San Diego Housing Commission (SDHC) is an award-winning public housing agency that creates innovative programs to provide housing opportunities for individuals and families with low income or experiencing homelessness in the City of San Diego. SDHC helps pay rent for more than 17,000 households with low income by providing federal Section 8 Housing Choice Voucher (HCV) rental assistance. HCV participants pay a predetermined portion of their income toward rent, with the remainder paid by federal funds that SDHC administers, up to the applicable payment standard. More than half of these households are seniors or individuals with disabilities. SDHC also leads collaborative efforts to address homelessness in the City of San Diego, administering City of San Diego and federal funds for shelters, transitional housing 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.

The \$595 million proposed Fiscal Year 2024 Budget would enable SDHC to:

- Assist more than 17,000 households with low income by providing rental assistance through the federal Section 8 HCV program;
- Continue the Landlord Partnership Program, which provides incentives and benefits for landlords who rent to households in the Section 8 HCV rental assistance program.
- Help 2,000 families that receive federal rental assistance or reside in public housing to have opportunities to become more financially self-reliant through the SDHC Achievement Academy, a learning and resource center.
- Create affordable housing units;
- Assist households to become first-time homebuyers;
- Facilitate the construction of Accessory Dwelling Units (ADUs) through the issuance of loans.



# SDHC – FY 2024 Budget Mission Statement (Continued)

- Acquire and develop affordable housing units, including units for San Diegans experiencing homelessness
- Renovate and rehabilitate SDHC-owned affordable rental housing units;
- Continue to own and/or manage 4,120 affordable housing units in the City of San Diego, including SDHC's nonprofit affiliate, Housing Development Partners (HDP), and federal public housing units;
- Continue HOUSING FIRST – SAN DIEGO, SDHC's homelessness action plan, by providing expanded and additional, multifaceted solutions to address homelessness in the City of San Diego, such as:
  - Expanding homelessness prevention and diversion assistance, such as staff to provide mediation or financial assistance to help families at risk of becoming homeless;
  - Collaborating with landlords in the City of San Diego through the Landlord Engagement and Assistance Program (LEAP) to create housing opportunities for individuals and families experiencing homelessness;
  - Providing new Permanent Supportive Housing for individuals experiencing homelessness. SDHC invests federal and local dollars into new construction development, acquisition, and rehabilitation of properties;
  - Continuing SDHC's "Moving On" rental assistance program, through which federal rental housing vouchers are provided to individuals and families who previously experienced homelessness and 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 transition-age youth, individuals experiencing homelessness and veterans experiencing chronic homelessness; and
- Directly operate programs through HOUSING FIRST – SAN DIEGO and administer and provide oversight for over 55 contracted programs that align with the Community Action Plan for the City of San Diego and the City of San Diego's FY 2024 priorities regarding the provision of services to the persons experiencing homelessness in the City of San Diego. These include but are not limited to: the City's three Bridge Shelters and shelters for specific populations, such as the Harm Reduction Shelter, the Shelter for Women with higher-care needs and the LGBTQ+ Affirming Shelter; two permanent affordable housing properties that provide 332 permanent housing units with supportive services; the City's three Storage Centers with up to 1,100 storage containers; a variety of rapid rehousing and permanent supportive housing programs funded through the U.S. Department of Housing and Urban Development's (HUD) Continuum of Care grants; the City's Homelessness Response Center, which provides on-site intake, assessment, triage and system navigation for housing interventions, linkages to community resources and access to shelter beds throughout the City's shelter system; and project management, support for partnership collaboration and detailed reporting for the Community Action Plan on Homelessness for the City of San Diego.



# SDHC – FY 2024 Budget Mission Statement (Continued)

The proposed SDHC FY 2024 Budget will be presented to the City Council Budget Review Committee in May 2023 for its review and will then be presented to the Housing Authority of the City of San Diego for its review in June 2023.

SDHC's FY 2024 Budget is composed of four divisions: Rental Assistance, Real Estate, Homeless Housing Innovations and Operations Support:

- Rental Assistance Division (RAD) funding is budgeted at \$291 million. RAD provides federal rental assistance for households with low income 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 with programs that emphasize career planning, job skills, job placement 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 \$89 million. RED creates and preserves affordable housing as a developer, owner, lender, partner, Multifamily Housing Revenue Bond issuer, and administrator of the City of San Diego's affordable housing programs. RED also helps families that meet eligibility requirements to become first-time homebuyers.
- Homeless Housing Innovations Division (HHI) funding is budgeted at \$63 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 division administers programs for shelters, transitional housing, interim housing, rapid rehousing, and permanent supportive housing and services.
- Operations Support funding is budgeted at \$28 million. Operations Support provides support services to carry out SDHC's mission. These include: 1) Board & Executive Functions, which provides strategic planning, leadership and management to implement housing programs; 2) Communications & Government Relations, which fosters transparency through government relations activities, responds to public records requests, and ensures consistency and accuracy in SDHC communications; 3) Human Resources; 4) Financial Services; 5) Information Technology; 6) Procurement; 7) Compliance and Equity Assurance; 8) Section 3 & Outreach; 9) Compliance and Special Programs; 10) Agency Policy; and 11) City-County Reinvestment Task Force.

Funds allocated for ending reserves are budgeted at \$124 million and are committed for use to create and preserve affordable housing. These funds contain three types of reserves and are restricted by use: 1) Program Restricted Reserves to provide for housing programs; 2) Property Reserves to provide for replacement requirements; and 3) Contingency Reserves, 3.5 percent of annual budgeted new revenue.



# SDHC – FY 2024 Budget

## A. Budget Summary

Table A - San Diego Housing Commission - Budget Summary						
	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Proposed	FY 2023-2024 Change
Positions (FTE)	352	331	366	366	395	29
Personnel Expense	\$ 44,270,000	\$ 51,064,000	\$ 47,460,000	47,460,000	\$ 53,696,000	\$ 6,236,000
Non-Personnel Expense	559,790,000	688,116,000	547,295,000	547,295,000	541,190,000	\$ (6,105,000)
<b>TOTAL</b>	<b>\$ 604,060,000</b>	<b>\$ 739,180,000</b>	<b>\$ 594,755,000</b>	<b>\$ 594,755,000</b>	<b>\$ 594,886,000</b>	<b>\$ 131,000</b>



# SDHC – FY 2024 Budget

## B. Expenditures

Table B - San Diego Housing Commission - Expenditures							
	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Proposed	FY 2023-2024 Change	
PERSONNEL							
Salaries & Wages	\$ 32,430,000	\$ 39,121,000	\$ 34,523,000	\$ 34,523,000	\$ 39,695,000	\$ 5,172,000	
Fringe Benefits (health)	5,213,000	4,957,000	5,851,000	5,851,000	6,195,000	344,000	
Fringe Benefits (pension)	4,381,000	4,297,000	4,686,000	4,686,000	5,089,000	403,000	
Fringe Benefits (other--Life, LTD, Medicare, Workers Comp, SUI and 457)	2,246,000	2,689,000	2,400,000	2,400,000	2,717,000	317,000	
SUBTOTAL PERSONNEL	\$ 44,270,000	\$ 51,064,000	\$ 47,460,000	\$ 47,460,000	\$ 53,696,000	\$ 6,236,000	
NON-PERSONNEL							
Housing Program Expense	\$ 380,138,000	\$ 461,310,000	\$ 341,932,000	\$ 341,932,000	\$ 353,023,000	\$ 11,091,000	
Property Expense	11,069,000	25,852,000	13,373,000	13,373,000	15,806,000	2,433,000	
Professional Services, Supplies & Other	20,158,000	18,864,000	18,475,000	18,475,000	17,609,000	(866,000)	
Debt Payments	10,354,000	9,898,000	34,377,000	34,377,000	9,348,000	(25,029,000)	
Capital Expenditures	28,753,000	3,770,000	23,506,000	23,506,000	21,291,000	(2,215,000)	
Reserves	109,318,000	168,422,000	115,632,000	115,632,000	124,113,000	8,481,000	
SUBTOTAL NON-PERSONNEL	\$ 559,790,000	\$ 688,116,000	\$ 547,295,000	\$ 547,295,000	\$ 541,190,000	\$ (6,105,000)	
TOTAL	\$ 604,060,000	\$ 739,180,000	\$ 594,755,000	\$ 594,755,000	\$ 594,886,000	\$ 131,000	



# SDHC – FY 2024 Budget

## C. Significant Budget Adjustments

Table C - San Diego Housing Commission - Significant Budget Adjustments			
Significant Budget Adjustments	Position	Revenue	Expenses
<b>Personnel Salaries and Benefits Adjustments</b>			
Salaries & Wages	Primarily due to an increase in proposed headcount for FY2024 as well as COLA of 4%		\$ 5,172,000
Fringe Benefits (health)	Primarily due to an increase in proposed headcount for FY2024 as well as a MOU increase of 3%		344,000
Fringe Benefits (pension)	Primarily due to an increase in proposed headcount for FY2024		403,000
Fringe Benefits (Life, LTD, Medicare, Workers Comp, SUI, and 457)	Primarily due to an increase in proposed headcount for FY2024		317,000
<b>Personnel Adjustments</b>			<b>\$ 6,236,000</b>
<b>Non-Personnel Expenditure Adjustments</b>			
Housing Program Expense	Higher expense in FY24 primarily due to an increase in Section 8 voucher payment standards and the award of additional EHV and VASH vouchers as well as an increase in project based vouchers and expenses relating to new homeless programs including Housing Instability Prevention Program, expansion of Prevention & Diversion and inclusion of new homeless shelters. This is offset by a decrease following the windup of the HSAP program in FY23.		\$ 11,091,000
Property Expense	Increase in the operating expenses of properties, particularly in relation to utilities, remediation and trash services.		2,433,000
Professional Services, Supplies & Other	Decrease is primarily due to costs relating to HSAP included in FY23, offset by an increase in Professional Consulting and IT related expenditures in FY24		(866,000)
Debt Payments	Decrease due to payoffs/paydowns of Notes on Affordable Housing Properties in FY23		(25,029,000)
Capital Expenditures	Decrease due to a slight reduction in amount of discretionary funding allocated to property acquisitions and rehabilitation in FY24		(2,215,000)
Reserves	Increase in funds committed for the creation of affordable housing		8,481,000
<b>Non-Personnel Expenditure Adjustments</b>			<b>\$ (6,105,000)</b>
<b>TOTAL EXPENSE ADJUSTMENTS</b>			<b>\$ 131,000</b>
<b>Revenue Adjustments</b>			
Section 8/MTW	Increase primarily due to increased funding for MTW vouchers and Emergency Housing Vouchers offset by one-time funding to retire loans on SDHC owned properties in FY23 which was not renewed in FY24.	\$ 9,160,000	
HOME, CDBG & Other Federal	Increase in HOME income due to the timing of loans to be funded offset by a reduction in CDBG funding for Homelessness Response Center.	4,454,000	
Housing Innovation Funds	Increase primarily due to new Continuum of Care award received for Moving Home RRH Program	2,048,000	
SDHC Real Estate	Increase primarily due to an anticipated increase in rental income in FY24	3,623,000	
Affordable Housing Fund	Decrease in anticipated Affordable Housing Fund collections to line up with current actual collection trends	(1,643,000)	
Other Local Funds	Increase due to higher City Local funds for homeless programs and other grant funds anticipated in FY24	8,570,000	
STATE	Decrease primarily due to lower anticipated HHAP funding in addition to lower expected CalHome program income.	(2,122,000)	
FUND BALANCE FROM PRIOR YEARS	Decrease primarily due to the HSAP balance included in FY23 that was used up during the year. This is offset by an increase in MTW admin balance due to savings resulting from the diversion of resources to the HSAP program in FY23.	(23,959,000)	
<b>TOTAL REVENUE ADJUSTMENTS</b>		<b>\$ 131,000</b>	





# SDHC – FY 2024 Budget

## D. Reimbursements to Departments/Entities

Table D - San Diego Housing Commission - Reimbursements to Departments/Entities							
Departments/Entities	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Proposed	FY 2023-2024 Change	
Homeless Housing Innovations - Interim Shelter for Homeless Adults	\$ 1,600,000	\$ 1,165,424	\$ 1,823,404	\$ 1,823,404	\$ 2,238,253	\$ 414,849	
Homeless Housing Innovations - Homelessness Response Center (GF)	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,409,258	\$ 1,109,258	
Homeless Housing Innovations - Homelessness Response Center (LMIFH)	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	
Homeless Housing Innovations - Coordinated Street Outreach	\$ 1,000,000	\$ 973,158	\$ -	\$ 500,000	\$ 1,100,000	\$ 1,100,000	
Homeless Housing Innovations - New Interim Shelters	\$ 6,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Homeless Housing Innovations - Bishop Shelter	\$ -	\$ -	\$ 622,900	\$ 622,900	\$ 622,900	\$ -	
Homeless Housing Innovations - Harm Reduction Shelter	\$ -	\$ 1,028,936	\$ 2,149,237	\$ 2,149,237	\$ 2,149,237	\$ -	
Homeless Housing Innovations - Women Shelter	\$ -	\$ 160,619	\$ -	\$ -	\$ 1,067,617	\$ 1,067,617	
Homeless Housing Innovations - Sprung Shelter	\$ -	\$ 197,057	\$ -	\$ -	\$ -	\$ -	
Homeless Housing Innovations - Bridge Shelter	\$ -	\$ 11,760	\$ 3,190,909	\$ 1,858,748	\$ -	\$ (3,190,909)	
Homeless Housing Innovations - LGBT Youth Shelter	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	
Homeless Housing Innovations - Youth Shelter	\$ -	\$ -	\$ -	\$ -	\$ 524,989	\$ 524,989	
Homeless Housing Innovations - HMIS	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	
Homeless Housing Innovations - Rapid Rehousing	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	
Homeless Housing Innovations - PEER Program	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	
Homeless Housing Innovations - Day Center	\$ -	\$ 214,284	\$ -	\$ 150,000	\$ 400,000	\$ 400,000	
Homeless Housing Innovations - Housing Instability Prevention	\$ -	\$ -	\$ -	\$ 3,570,000	\$ 2,250,000	\$ 2,250,000	
Homeless Housing Innovations - Hotels Supportive Services	\$ -	\$ 814,117	\$ -	\$ -	\$ -	\$ -	
Homeless Housing Innovations - Storage Connect 1	\$ -	\$ -	\$ -	\$ -	\$ 1,396,389	\$ 1,396,389	
Homeless Housing Innovations - Storage Connect 2	\$ -	\$ -	\$ -	\$ 785,544	\$ 531,436	\$ 531,436	
Homeless Housing Innovations - Transitional Storage Center	\$ -	\$ -	\$ -	\$ 272,369	\$ 243,252	\$ 243,252	
Homeless Housing Innovations - Connections Interim Housing	\$ 272,106	\$ 268,106	\$ 404,528	\$ 404,528	\$ 550,403	\$ 145,875	
Homeless Housing Innovations - Serial Inebriate Program	\$ 290,000	\$ 290,000	\$ 290,000	\$ 290,000	\$ 290,000	\$ -	





# SDHC – FY 2024 Budget

## E. Revenues

**Table E San Diego Housing Commission - Revenues**

Revenue Source	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Proposed	FY 2023-2024 Change
<b>FEDERAL</b>						
Section 8/MTW	\$ 272,625,000	\$ 245,239,000	\$ 306,562,000	\$ 306,562,000	\$315,722,000	\$9,160,000
HOME, CDBG & Other Federal	15,927,000	210,187,000	23,029,000	\$ 23,029,000	27,483,000	4,454,000
Housing Innovation Funds	8,003,000	18,592,000	6,683,000	\$ 6,683,000	8,731,000	2,048,000
<b>FEDERAL TOTAL</b>	<b>\$ 296,555,000</b>	<b>\$ 474,018,000</b>	<b>\$ 336,274,000</b>	<b>\$ 336,274,000</b>	<b>\$ 351,936,000</b>	<b>\$ 15,662,000</b>
<b>LOCAL</b>						
SDHC Real Estate	\$ 40,831,000	\$ 40,778,000	\$ 41,427,000	\$ 41,427,000	\$ 45,050,000	\$ 3,623,000
Affordable Housing Fund	7,049,000	16,373,000	7,459,000	\$ 7,459,000	5,816,000	(1,643,000)
Other Local Funds	16,944,000	14,617,000	14,977,000	\$ 14,977,000	23,547,000	8,570,000
<b>LOCAL TOTAL</b>	<b>\$ 64,824,000</b>	<b>\$ 71,768,000</b>	<b>\$ 63,863,000</b>	<b>\$ 63,863,000</b>	<b>\$ 74,413,000</b>	<b>\$ 10,550,000</b>
<b>STATE</b>	<b>\$ 31,264,000</b>	<b>\$ 26,555,000</b>	<b>\$ 31,622,000</b>	<b>\$ 31,622,000</b>	<b>\$ 29,500,000</b>	<b>\$ (2,122,000)</b>
<b>FUND BALANCE FROM PRIOR YEARS</b>	<b>\$ 211,417,000</b>	<b>\$ 166,839,000</b>	<b>\$ 162,996,000</b>	<b>\$ 162,996,000</b>	<b>\$ 139,037,000</b>	<b>\$ (23,959,000)</b>
<b>TOTAL</b>	<b>\$ 604,060,000</b>	<b>\$ 739,180,000</b>	<b>\$ 594,755,000</b>	<b>\$ 594,755,000</b>	<b>\$ 594,886,000</b>	<b>\$ 131,000</b>

