

**HOUSING AUTHORITY of the
COUNTY OF CONTRA COSTA**
CALENDAR FOR THE BOARD OF COMMISSIONERS
BOARD CHAMBERS ROOM 107, COUNTY ADMINISTRATION BUILDING
651 PINE STREET
MARTINEZ, CALIFORNIA 94553-1229

JOHN GIOIA, CHAIR
CANDACE ANDERSEN, VICE CHAIR
MARY N. PIEPHO
KAREN MITCHOFF
FEDERAL D. GLOVER
FAY NATHANIEL
AQUEELA BOWIE

JOSEPH VILLARREAL, EXECUTIVE DIRECTOR, (925) 957-8000

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO
AN ITEM THAT IS ON THE AGENDA, WILL BE LIMITED TO THREE (3) MINUTES.

The Board Chair may reduce the amount of time allotted per speaker at the beginning of each item or public comment period
depending on the number of speakers and the business of the day.
Your patience is appreciated.

A closed session may be called at the discretion of the Board Chair.

SPECIAL MEETING AGENDA
March 10, 2015

11:00 A.M. Convene and call to order.

CONSIDER CONSENT ITEMS: (Items listed as C.1 through C.2 on the following agenda)
**- Items are subject to removal from the Consent Calendar by request from any
Commissioner or on request for discussion by a member of the public. Items removed from
the Consent Calendar will be considered with the Discussion Items.**

DISCUSSION ITEMS

D. 1 CONSIDER Consent Items previously removed.

D. 2 PUBLIC COMMENT (3 Minutes/Speaker)

D.3 CONSIDER waiving the 180-day "sit-out period" for Judy Hayes, Housing Authority Administrative Services Officer, and authorizing the hiring of Ms. Hayes as a temporary Housing Authority employee effective March 28, 2015 and continuing, as needed, to train her replacement(s) through September 24, 2015.

- D.4 CONSIDER approving the 2015-2016 Annual Agency Budget; and adopting Public Housing Agency Board Resolution No. 5187 to approve the Budget.

ADJOURN

CONSENT ITEMS:

- C.1 ACCEPT the 3rd Quarter (Unaudited) Budget Report for the period ending December 31, 2014.
- C.2 ACCEPT articles regarding affordable housing issues.

GENERAL INFORMATION

Persons who wish to address the Board of Commissioners should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.

All matters listed under CONSENT ITEMS are considered by the Board of Commissioners to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Commission votes on the motion to adopt.

Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board.

Comments on matters listed on the agenda or otherwise within the purview of the Board of Commissioners can be submitted to the office of the Clerk of the Board via mail: Board of Commissioners, 651 Pine Street Room 106, Martinez, CA 94553; by fax: 925-335-1913; or via the County's web page: www.co.contracosta.ca.us, by clicking "Submit Public Comment" (the last bullet point in the left column under the title "Board of Commissioners.")

The County will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 335-1900; TDD (925) 335-1915. An assistive listening device is available from the Clerk, Room 106. Copies of taped recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 335-1900, to make the necessary arrangements.

Applications for personal subscriptions to the monthly Board Agenda may be obtained by calling the Office of the Clerk of the Board, (925) 335-1900. The monthly agenda may also be viewed on the County's internet Web Page: www.co.contra-costa.ca.us

The Closed session agenda is available each month upon request from the Office of the Clerk of the Board, 651 Pine Street, Room 106, Martinez, California, and may also be viewed on the County's

Web Page.

AGENDA DEADLINE: Thursday, 12 noon, 12 days before the Tuesday Board meetings.



Contra
Costa
County

To: Contra Costa County Housing Authority Board of Commissioners

From:

Date: March 10, 2015

Subject: Waiving The 180-Day "Sit Out Period" for Judy Hayes

RECOMMENDATIONS

1. CONSIDER waiving the 180-day "sit-out period" for Judy Hayes, who will retire as the Housing Authority's Administrative Services Officer effective March 28, 2015.
2. FIND that the appointment of Ms. Hayes is necessary to fill a critically needed position; and
3. APPROVE and AUTHORIZE the hiring of Ms. Hayes as a temporary Housing Authority employee effective March 28, 2015 and continuing as needed to train her replacement(s) through the period ending September 24, 2015.

BACKGROUND

The Public Employee Pension Reform Act of 2013 requires that active members who retire on or after January 1, 2013 must wait 180 days after retirement before returning to work as a temporary employee. The Act also allows the Board, based on a finding that the appointment is necessary to fill a critically needed position, to waive the 180 day "sit out" period.

Ms. Hayes has been employed by the Housing Authority (HACCC) for 21 years. For the past 19 she has been HACCC's Administrative Services Officer (ASO). As the ASO, Ms. Hayes serves as the sole administrative support person to HACCC's executive office. Her duties include the submission of HACCC's Board packets, monitoring of DMV records and licensing requirements of employees, monitoring of credit card purchases and oversight of the vehicle and personnel policies in addition to general administrative support. Ms. Hayes also serves as HACCC's

Action of Board On: **03/10/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 10, 2015

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

BACKGROUND (CONTD)

insurance and claims coordinator for general liability, property, auto and employee liability coverage. As part of this set of duties, Ms. Hayes sits as HACCC's representative on the Board of the Employment Risk Management Authority and also on the risk management committee of the Housing Authority Risk Retention Group.

Because of the cuts in staffing that HACCC has made over the past several years, there is no backup who can be trained to cover all of her duties. A temporary replacement will be hired one to two weeks before Ms. Hayes' retirement on March 28th and the recruitment for a permanent replacement has begun. It is expected that Ms. Hayes will spend up to two weeks training her temporary replacement beyond the week or two she will spend with them prior to her retirement and that she will spend up to six weeks training her permanent replacement. She may also be called in if needed to help with any insurance or other matters that arise before her permanent replacement is fully trained.

FISCAL IMPACT

If the request is granted, and Ms. Hayes works an anticipated eight weeks over the course of six months, wage and employment tax costs of approximately \$12,824 will be incurred. These costs are included in the Housing Authority's (HACCC) operating budget.

CONSEQUENCE OF NEGATIVE ACTION

Failure to receive Board approval will jeopardize HACCC's ability to adequately administer its insurance and claims coverage and to monitor employee's credit card usage and DMV and licensing requirements.

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: March 10, 2015



Contra
Costa
County

Subject: 2015-2016 Annual Agency Budget

RECOMMENDATIONS

1. APPROVE the 2015-2016 Annual Agency Budget; and
2. ADOPT PHA (Public Housing Agency) Board Resolution No. 5187 approving the Budget on HUD (U.S. Department of Housing and Urban Development) Form 52574.

BACKGROUND

In compliance with the United States Department of Housing and Urban Development's (HUD) regulations, staff has prepared the Housing Authority of the County of Contra Costa (HACCC) proposed FY 2015/2016 budget for the Board's approval. The proposed budget presented here includes the most recent federal funding projections available from HUD and industry groups at the time of publication. HACCC's actual funding levels for the calendar year won't be determined until sometime after October, once the federal budget is approved and national program utilization levels are calculated. However, because funding for the Housing Choice Voucher (HCV) program is adjusted quarterly and annual funding is fairly predictable for the Certificate and the State and Local programs, the public housing budget is the only area with significant uncertainty at this time.

Action of Board On: **03/10/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 10, 2015

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

BACKGROUND (CONTD)

>

The following are select comments on this year's budget:

- Budgeted revenue (mostly federal funding) is up by over \$8.2 million as more families are now housed under HACCC's various programs.
 - The majority of this gain (\$6.1 million) is due to increased housing assistance payments (HAP) in the HCV program.
 - HAP has also increased in the Certificate programs by \$700,000. This is up 19% from last year's budget.
- Program costs are up by \$6,405,333 from last year. This increase is mostly due to the increase in the number of families served by HACCC under the HCV and Certificate programs and rising housing costs.
- HACCC will provide housing assistance to over 8,100 families in its various programs.
- 6,416 vouchers are funded (6,781 is HACCC's official allocation).
- A full-time DA Fraud Investigator continues to be funded for the HCV program.
- The proposed budget anticipates a loss of \$199,644 in the public housing program.
- This loss is primarily attributable to a change in HUD regulations last year that now requires housing authorities to pay for security/police (\$698,102) and resident services (\$201,740) out of operations instead of the capital fund.
- One police officer (Pittsburg), two Sheriff's Deputies (North Richmond and Rodeo) and three resident services staff (North Richmond) are funded in the proposed budget.
- Public housing capital funds increased by \$200,000, a gain of 13% from last year.

HACCC's proposed overall budget is shown below in comparison to last year's approved budget along with the projected change in reserve levels. Following the overview, the budget is broken out for each of HACCC's four major program areas: Housing Choice Vouchers, Public Housing, State and Local programs and Certificate Programs.

Attached to this Board Order are HACCC's *Program Budget Levels* and *Consolidated Analysis of Agency Reserves*. A more detailed budget is available for viewing at HACCC's administrative office.

Agency Overview:

HACCC Agency Summary	2015-2016 Budget	2014-2015 Budget	Change
Revenue	\$104,854,022	\$96,591,595	\$ 8,262,427
Expenditures	\$ 21,710,029	\$20,778,242	(\$ 931,787)
Program Costs, Debt Services & Other Capital Improvements	\$ 84,293,816	\$77,888,483	(\$ 6,405,333)
To Reserves	(\$ 1,149,823)	(\$ 2,075,130)	\$ 925,307

HACCC Consolidated Reserves	Restricted Reserve Bal.	Unrestricted Reserve Bal.	Reserve Balances
Projected 3/31/15	\$2,132,626	\$6,544,322	\$8,676,948
This Budget	(\$ 983,553)	(\$166,270)	(\$1,149,823)
Projected to 3/31/16	\$1,149,073	\$6,378,052	\$7,527,125

As a reminder, almost all reserves are restricted for use within each program. The designation of restricted or unrestricted reserves merely indicates that the funds are obligated for special use within the program (restricted) or that they can be used for any purpose tied to the program (unrestricted). The only exception to this rule is the

unrestricted balance within the State and Local Fund. This balance can be used in any of HACCC's programs.

Housing Choice Voucher Overview:

The HCV program provides rental assistance to families in the private market. HACCC qualifies families for the program based on income. Eligible families find a home in the private rental market and HACCC provides them with a subsidy via a Housing Assistance Payments (HAP) contract with the property owner. HAP is paid by HACCC directly to the owner. Through its HCV program, HACCC is authorized to provide affordable housing assistance to as many as 6,781 families. Due to funding and regulatory restrictions, HACCC is projected to house an average of only 6,416 families per month under the proposed budget.

HCV Summary	2015-2016 Budget	2014-2015 Budget	Change
Revenue	\$84,931,760	\$77,818,409	\$7,113,351
Expenditures	\$ 6,343,537	\$6,102,682	(\$ 240,855)
Program Costs, Debt Services & Other Capital Improvements	\$79,246,338	\$73,409,526	(\$5,836,812)
To Reserves	(\$ 658,115)	(\$1,693,799)	\$1,035,684

HCV Reserves	Restricted Reserve Bal.	Unrestricted Reserve Bal.	Reserve Balances
Projected 3/31/15	\$ 1,684,052	\$ 2,979,432	\$ 4,663,484
This Budget	(\$ 854,383)	\$ 196,268	(\$ 658,115)
Projected to 3/31/16	\$ 829,669	\$ 3,175,700	\$ 4,005,369

Explanation of Change:

As stated above, the \$7,113,351 increase in revenue and the \$5,836,812 in costs are almost entirely related to increases in housing assistance payment subsidies due to an increase in the number of families served by HACCC along with rising rental costs.

Public Housing & Capital Fund Overview:

HACCC owns and manages 1,179 public housing units at 16 different sites throughout the County. Revenue to manage these properties is derived from tenant rents and an operating subsidy received from HUD. Because tenant rents are set by income and not the actual operating costs of the properties, most public housing properties across the nation are not able to charge enough rent to meet operating needs. HUD's operating subsidy is designed to offset some of the shortfall in actual operating costs versus tenant rents. HUD also provides annual Capital Fund grants via formula to approximately 3,300 housing authorities. Capital Fund grants may be used for the development, financing, and modernization of public housing developments and for management improvements.

Public Housing Summary - All Units	2015-2016 Budget	2014-2015 Budget	Change
Revenue	\$10,793,079	\$10,373,673	\$ 419,406
Expenditures	\$10,139,655	\$ 9,769,794	(\$ 369,861)
Program Costs, Debt Services & Other Capital Improvements	\$ 853,068	\$ 800,664	(\$ 52,404)
To Reserves	(\$ 199,644)	(\$ 196,785)	(\$ 2,859)

Public Housing by Asset Management Property (AMP)	Area	2015-2016 Revenue	2015-2016 Expenditure	2015-2016 Residual/(Loss)
AMP-1 & 8 Ca001,Ca011,Ca013	Martinez, Bay Point	\$1,173,095	\$1,047,075	\$126,020
AMP-2 Ca045a,Ca045b	San Pablo	\$1,128,620	\$1,058,112	\$ 70,508
AMP-3 Ca004,Ca008,Ca012	Brentwood, Oakley	\$ 955,197	\$ 809,510	\$ 145,687
AMP-4 Ca010	Rodeo	\$2,116,502	\$2,514,550	\$(398,048)
AMP-5 & 9 Ca003,Ca005,Ca015	Pittsburg & Antioch	\$2,450,820	\$2,622,072	\$(171,252)
AMP 6 & 7 Ca006,009a,Ca009b	North Richmond	\$1,275,511	\$1,335,767	\$(60,256)
Program Totals*		\$9,099,745*	\$9,387,086*	\$(287,341)*

* Operations only, does not include CFP

Public Housing Reserves	Restricted Reserve Balance	Unrestricted Reserve Balance	Reserve Balance
Projected 3/31/15	\$-0-	\$ 1,072,725	\$ 1,072,725
This Budget	\$-0-	(\$ 199,644)	(\$ 199,644)
Projected to 3/31/16	\$-0-	\$ 873,081	\$ 873,081

Explanation of Change:

The increase in revenue of \$419,406 from last year's budget is mostly due to an increase in available capital funds of \$369,861. The remaining increase of \$49,545 is projected tenant rental income.

As mentioned above, the projected loss of \$199,644 in the public housing program is primarily due to a change in HUD regulations last year that now requires housing authorities to pay for security/police (\$698,102) and resident services (\$201,740) out of operations instead of the capital fund. Every property that has these services shows a loss, every property that does not have these services shows a profit. Some combination of cuts in staffing levels and/or services will have to be made in order to balance the public housing budget. Staff will be discussing this topic with the Board in future meetings.

Housing Certificate Programs Overview:

HACCC administers two separate Housing Certificate Programs; Shelter-Plus Care and Moderate Rehabilitation (Mod Rehab). The Shelter-Plus Care Program provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services. HACCC operates the housing and financial portions of the program and the County's Homeless Program operates the supportive services and casework portions.

Approximately 285 clients are assisted under this program. The Mod Rehab program was designed in 1978 as an expansion of the rental certificate program. Mod Rehab was designed to provide low-cost loans for the rehabilitation of rental units in an effort to upgrade and preserve the nation's housing stock. In return, the owner agrees to provide long-term affordable housing for low income families. The program was repealed in 1991 and no new projects are authorized for development. HACCC administers 28 Mod Rehab units.

Certificate Programs Summary	2015-2016 Budget	2014-2015 Budget	Change
Revenue	\$3,844,402	\$3,178,497	\$ 665,905
Expenditures	\$ 326,369	\$ 300,717	(\$ 25,652)
Program Costs, Debt Services & Other Capital Improvements	\$ 3,556,464	\$2,879,314	(\$ 677,150)
To Reserves	(\$ 38,431)	(\$ 1,534)	(\$ 36,897)

Certificate Programs Reserves	Restricted Reserve Bal.	Unrestricted Reserve Bal.	Reserve Balances
Projected 3/31/15	\$ 17,071	\$ 5,594	\$ 22,665
This Budget	(\$ 6,762)	(\$ 31,669)	(\$ 38,431)
Projected to 3/31/16	\$ 10,309	(\$ 26,075)	(\$ 15,766)

Explanation of Change:

The primary change in the Certificate Programs are related to increased HAP funding and HAP expense.

State and Local Overview:

HACCC administers a variety of programs and activities that are either not HUD funded or that involve non-restricted HUD funds. Currently, HACCC is the managing general partner for two tax credit projects (DeAnza Gardens & Casa Del Rio) and contracts with the City of Antioch to run their rental rehabilitation program. Additionally, HACCC receives management fees for administering HUD programs.

State & Local Summary	2015-2016 Budget	2014-2015 Budget	Change
Revenue	\$5,284,782	\$5,221,016	\$ 63,766
Expenditures	\$4,900,468	\$4,605,049	(\$ 295,419)
Program Costs, Debt Services & Other Capital Improvements	\$ 637,947	\$798,979	\$ 161,032
To Reserves	(\$ 253,633)	(\$183,012)	(\$ 70,621)

State & Local Reserves	Restricted Reserve Bal.	Unrestricted Reserve Bal.	Reserve Balances
Projected 3/31/15	\$ 431,503	\$ 2,486,571	\$ 2,918,074
This Budget	(\$ 122,408)	(\$ 131,224)	(\$ 253,633)
Projected to 3/31/16	\$ 309,095	\$ 2,347,915	\$ 2,657,020

Explanation of Change:

The \$295,419 increase in expenditures from last year reflect administrative costs related to a new round of funding for the Rental Rehabilitation program. The reduction in program costs reflect reimbursements from the HCV program to the Shelter Plus Care program for overhead costs.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board not adopt Resolution No. 5187 approving HACCC's budget for fiscal year 2015-2016, HACCC will not be in compliance with HUD regulations. Further, HACCC would not be in compliance in fulfilling its financial and programmatic obligations to program participants and property owners, as well as HACCC employees, contractors and vendors.

ATTACHMENTS

Resolution No. 5187

PHA Board Resolution
Approving Operating Budget

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing -
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
(exp. 04/30/2016)

Public reporting burden for this collection of information is estimated to average **10 minutes per response**, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Housing Authority of the County of Contra Costa PHA Code: CA011

PHA Fiscal Year Beginning: April 1, 2015 Board Resolution Number: 5187

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- ☒ Operating Budget approved by Board resolution on: 03/10/2015
- ☐ Operating Budget submitted to HUD, if applicable, on:
- ☐ Operating Budget revision approved by Board resolution on:
- ☐ Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name: John Gioia	Signature:	Date: 03/10/2015
---	------------	---------------------

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: March 10, 2015



Contra
Costa
County

Subject: FY 2014-2015 3rd Quarter Budget Report

RECOMMENDATIONS

ACCEPT the 3rd Quarter (Unaudited) Budget Report for the period ending 12/31/14.

BACKGROUND

This report is intended to provide the Board of Commissioners with an overview of the financial position of the Housing Authority of the County of Contra Costa (HACCC) for the 3rd quarter period ending 12/31/14. The report begins with a summary of HACCC's overall fiscal standing at the end of the quarter. The overall numbers are then broken down by individual funds. Each fund overview includes a brief program summary and an explanation of the variance between budgeted and actual performance.

AGENCY OVERVIEW: Budget Report

Changes in HACCC's overall budget position for the third quarter are shown in the chart below. Major changes in Section 8 voucher program (HCV) funding had the most significant impact on HACCC's budget.

Projected revenue increased by \$2,426,731 as HCV utilization increased. This was as a result of new project-based units being brought online and new clients being called from the wait list for the first time in over 10 years. The increased revenues were largely funded through the use of HUD-held restricted reserves. Expenditures are on pace to end the year about \$1.2 million less than budgeted. However, this would still be an increase of over \$5 million from last fiscal year. As with revenues, this is mostly a result of increased leasing under the HCV program.

Action of Board On: **03/10/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 10, 2015

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

BACKGROUND (CONTD)

>

The net change to reserve totals for the end of the third quarter was a loss of \$2,585,628, almost exactly on pace to match HACCC's budgeted loss of \$6,224,050. This decline is reflective of HUD's ongoing mandate to eliminate locally controlled reserve funds.

HACC Agency Summary	Annual Budget	3rd Quarter Actual 12/31/14	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 96,541,964	\$ 74,833,204	\$ 24,135,491	\$ 98,968,695	\$2,426,731
Expenditures	<u>\$104,840,697</u>	<u>\$ 77,418,832</u>	<u>\$ 26,210,174</u>	<u>\$103,629,006</u>	\$1,211,691
	\$ (8,298,733)	\$ (2,585,628)	\$ (2,074,683)	\$ (4,660,311)	

Analysis of Agency Reserves

Program	Beginning Balance 4/1/14 (Unaudited)	3rd Quarter ending 12/31/14 (Unaudited)	Reserve Balance period ending 12/31/14 (Unaudited)
<u>Restricted Reserves</u>			
Housing Choice Vouchers	\$ 8,494,765	\$ (2,787,341)	\$ 5,707,424
Public Housing & Cap. Funds	\$ -0-	\$ -0-	\$ -0-
State & Local Programs	\$ 495,355	\$ (102,966)	\$ 392,389
Housing Certificates Programs	<u>\$ 6,493</u>	<u>\$ 11,840</u>	<u>\$ 18,333</u>
Total Restricted Reserves	\$ 8,996,613	\$ (2,878,467)	\$ 6,118,146
<u>Unrestricted Reserves</u>			
Housing Choice Vouchers	\$ 2,579,450	\$ 334,311	\$ 2,913,761
Public Housing & Cap. Funds	\$ 958,328	\$ 135,410	\$ 1,093,738
State & Local Programs	\$ 2,159,553	\$ (133,427)	\$ 2,026,126
Housing Certificates Programs	<u>\$ 50,738</u>	<u>\$ (43,453)</u>	<u>\$ 7,285</u>
Total Unrestricted Reserves	\$ 5,748,069	\$ 292,841	\$ 6,040,910
Total Reserves	\$ 14,744,682	\$ (2,585,626)	\$ 12,159,056

As a reminder, almost all reserves are restricted for use within each program. The designation of restricted or unrestricted reserves merely indicates that the funds are obligated for special use within the program (restricted) or that they can be used for any purpose tied to the program (unrestricted). The only reserves that can be used freely are unrestricted reserves within the State and Local Programs that are not tied to the tax credit properties. These reserves can be used to support any of HACCC's programs.

FUNDS OVERVIEW:

Housing Choice Vouchers

Program Summary - The HCV program provides assistance to families in the private rental market. HACCC qualifies families for the program based on income. These families find a home in the private rental market and HACCC provides them with a subsidy via a HAP contract with the property owner. HAP is paid by HACCC directly to the owner. Through its HCV program, HACCC is authorized to provide affordable housing assistance to a maximum of 6,783 families. However, due to funding constraints, the program is only able to support approximately 6,300 families currently.

Summary of Difference Between Budgeted and Quarterly-End Estimate:

Revenue – While funding constraints do not currently allow HACCC to lease all 6,783 units it has been allocated, the number of HCV units under contract has increased. The net variance of \$2,236,362 is a direct result of an increase in the number of units under contract.

Expenditures – As stated above, expenditures are on pace to end the year about \$1.2 million less than budgeted. However, this is an increase of over \$5 million from last fiscal year due to increased leasing under the HCV program. The vast majority of expenditures under the HCV program are for rent payments to private landlords.

Housing Choice Vouchers	Annual Budget	3rd Quarter Actual 12/31/2014 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 77,818,409	\$ 60,600,169	\$ 19,454,602	\$ 80,054,771	\$ 2,236,362
Expenditures	\$ 85,614,890	\$ 63,053,200	\$ 21,403,722	\$ 84,456,922	\$ 1,157,967
	\$ (7,796,481)	\$ (2,453,031)	\$ (1,949,120)	\$ (4,402,151)	

Analysis of Program Reserves:

Housing Choice Vouchers	Beginning Balance 4/1/14 (Unaudited)	3rd Quarter 12/31/2014 (Unaudited)	Reserve Balance period ending 12/31/14 (Unaudited)
Restricted Reserves	\$ 8,494,765	\$ (2,787,341)	\$ 5,707,424
Unrestricted Reserves	\$ 2,579,450	\$ 334,311	\$ 2,913,761
Total Reserves	\$11,074,215	\$ (2,453,030)	\$ 8,621,185

Public Housing Operating and Capital Funds

Program Summary - HACCC owns and manages 1,179 public housing units at 16 different sites throughout the County. Operating funds for these properties come from tenant rents as well as an operating subsidy received from HUD that is designed to cover the gap between rents collected from the low-income tenants and annual operating expenses. HUD allocates the Capital Fund annually via formula to approximately 3,200 housing authorities. Capital Fund grants may be used for development, financing, modernization, and management improvements within public housing.

Summary of Difference Between Budgeted and Quarterly-End Estimate:

Revenue – Annualized revenue is \$133,721 less than projected. However, that would be an increase of over \$265,000 from last fiscal year.

Expenditures - The \$462,493 variance is a savings of \$311,000 related to Capital Fund expenditures that either have not yet been completed or that have not yet been billed. The remaining \$156,493 in savings were realized from savings in general operations, labor, utilities and tenant services.

Public Housing Operating and Capital Fund	Annual Budget	3rd Quarter Actual 12/31/14 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 10,324,043	\$ 7,609,311	\$ 2,581,011	\$ 10,190,322	\$ (133,721)
Expenditures	\$ 10,581,858	\$ 7,473,901	\$ 2,645,465	\$ 10,119,366	\$ 462,493
	\$ (257,815)	\$ 135,410	\$ (64,454)	\$ 70,956	

Analysis of Program Reserves:

Public Housing & Capital Fund	Beginning Balance 4/1/14 (Unaudited)	3rd Quarter 12/31/14 (Unaudited)	Reserve Balance period ending 12/31/14 (Unaudited)
Restricted Reserves	\$ -0-	\$ -0-	\$ -0-
Unrestricted Reserves	\$ 958,328	\$ 135,410	\$ 1,093,738
Total Reserves	\$ 958,328	\$ 135,410	\$ 1,093,738

State and Local Programs

Program Summary - HACCC administers a variety of programs and activities that are either not funded by HUD or that involve non-restricted HUD funds. Currently, HACCC is the managing general partner for two tax credit projects (DeAnza Gardens & Casa Del Rio) and also has a contract with the City of Antioch to run their rental rehabilitation program. HACCC receives management fees for administering the Public Housing and HCV programs under HUD's asset-management model.

Summary of Difference between Budgeted and Quarterly-End Estimate:

Revenue –The variance is less than 1%.

Expenditures - The \$53,987 projected increase is related to temporary employment services for special projects and staff turnover.

State & Local Programs	Annual Budget	3rd Quarter Actual 12/31/14 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 5,221,015	\$ 3,915,532	\$ 1,305,254	\$ 5,220,786	\$ (229)
Expenditures	\$ 5,463,918	\$ 4,151,925	\$ 1,365,980	\$ 5,517,905	\$ (53,987)
	\$ (242,903)	\$ (236,393)	\$ (60,726)	\$ (297,118)	

Analysis of Reserves:

State & Local Programs	Beginning Balance 4/1/14 (Unaudited)	3rd Quarter 12/31/14 (Unaudited)	Reserve Balance Period ending 12/31/14 (Unaudited)
Restricted Reserves	\$ 495,355	\$ (102,966)	\$ 392,389
Unrestricted Reserves	\$ 2,159,553	\$ (133,427)	\$ 2,026,126
Total Reserves	\$ 2,654,908	\$ (236,393)	\$ 2,418,515

Housing Certificate Programs

Program Summary - HACCC administers two separate Housing Certificate Programs; Shelter Plus Care and Moderate Rehabilitation (Mod Rehab). The Shelter-Plus Care Program provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. HACCC assists approximately 285 clients under this program. The Mod Rehab program was designed in 1978 as an expansion of the rental certificate program. Mod Rehab was designed to provide low-cost loans for the rehabilitation of rental units in an effort to upgrade and preserve the nation's housing stock. In return, the owner agreed to provide long-term affordable housing for low income families. The program was repealed in 1991 and no new projects are authorized for development. HACCC administers 28 Mod Rehab units.

Summary of Difference Between Budgeted and Quarter-End Estimate:

Revenue-The \$324,319 variance is primarily the result of an increase in Federal funding for rent payments (HAP) and administrative fees in the Shelter Plus Care program. HAP accounted for \$287,441 of the increase.

Expenditure-The \$354,782 variance is an increase in HAP and other program costs. The other program costs were fees paid to the County's Behavior Health Department for client supportive services.

Housing Certificate Programs	Annual Budget	3rd Quarter Actual 12/31/14 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 3,178,497	\$ 2,708,191	\$ 794,624	\$ 3,502,815	\$ 324,319
Expenditures	\$ 3,180,031	\$ 2,739,805	\$ 795,008	\$ 3,534,813	\$ (354,782)
	\$ (1,534)	\$ (31,614)	\$ (384)	\$ (31,998)	

Analysis of Reserves:

Housing Certificate Programs	Beginning Balance 4/1/14 (Unaudited)	3rd Quarter 12/31/14 (Unaudited)	Reserve Balance period ending 12/31/14 (Unaudited)
Restricted Reserves	\$ 6,493	\$ 11,840	\$ 18,333
Unrestricted Reserves	\$ 50,738	\$ (43,453)	\$ 7,285
Total Reserves	\$ 57,231	\$ (31,613)	\$ 25,618

FISCAL IMPACT

None. Information item only.

ATTACHMENTS

3rd Quarter Budget Report

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

Program Budget Levels

Fiscal Year 4/1/15 thru 3/31/16



Accounts & Descriptions	Housing Vouchers	Public Housing & Capital Fund	State & Local	Housing Certif. Programs	Agency Totals
REVENUE					
Tenant Rental & Other Tenant Revenue	\$ -	\$ 3,303,355	\$ 2,482,270	\$ -	\$ 5,785,625
Governmental Grants & Subsidies	\$ 84,689,618	\$ 7,277,862	\$ 27,031	\$ 3,844,336	\$ 95,838,847
Other Misc. Revenue	\$ 242,142	\$ 211,862	\$ 2,775,481	\$ 65	\$ 3,229,551
TOTAL REVENUE	\$ 84,931,760	\$ 10,793,079	\$ 5,284,782	\$ 3,844,402	\$ 104,854,022
EXPENSES					
Administrative Salaries	\$ 2,057,649	\$ 934,503	\$ 1,885,523	\$ 118,440	\$ 4,996,116
Other Administrative Expenses	\$ 3,765,455	\$ 2,524,886	\$ 1,671,054	\$ 108,262	\$ 8,069,656
Tenant and Social Services	\$ 122,280	\$ 201,740	\$ 6,407	\$ 98,176	\$ 428,602
Utilities	\$ 50,184	\$ 1,656,347	\$ 369,356	\$ 307	\$ 2,076,194
Maintenance Salaries	\$ 1,836	\$ 945,343	\$ 176,457	\$ -	\$ 1,123,635
Other Maintenance Costs	\$ 42,431	\$ 2,717,773	\$ 518,780	\$ 254	\$ 3,279,238
Protective Services	\$ -	\$ 698,102	\$ 22,624	\$ -	\$ 720,726
General Expenses	\$ 303,703	\$ 460,961	\$ 250,267	\$ 930	\$ 1,015,862
Total Operating Expenditures	\$ 6,343,537	\$ 10,139,655	\$ 4,900,468	\$ 326,369	\$ 21,710,029
Residual Income / (Loss) from operations	\$ 78,588,223	\$ 653,424	\$ 384,314	\$ 3,518,033	\$ 83,143,994
Program Costs & other items	\$ 79,246,338	\$ 25,000	\$ 637,947	\$ 3,556,464	\$ 83,465,749
Capital Improvements	\$ -	\$ 828,068	\$ -	\$ -	\$ 828,068
Net Residual / (Deficit)	\$ (658,115)	\$ (199,644)	\$ (253,633)	\$ (38,431)	\$ (1,149,823)
Analysis of Residual					
Restricted Reserves	\$ (854,383)	\$ -	\$ (122,408)	\$ (6,762)	\$ (983,553)
Unrestricted Reserves	\$ 196,268	\$ (199,644)	\$ (131,224)	\$ (31,669)	\$ (166,270)
Net To Reserves	\$ (658,115)	\$ (199,644)	\$ (253,633)	\$ (38,431)	\$ (1,149,823)

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
CONSOLIDATED ANALYSIS OF AGENCY RESERVES
AND PROPOSED BUDGET OVERVIEW / SUMMARY



	Beginning Balance April 1, 2014 Audited	Current Fiscal Yr thru November 30, 2014	Proposed Budget Yr Period ending March 31, 2016	Projected Reserves 3/31/2016
<u>RESTRICTED RESERVES</u>				
PROGRAMS:				
Housing Vouchers Program*	\$ 4,229,348	\$ (2,545,296)	\$ (854,383)	\$ 829,669
Public Housing & Capital Fund	\$ -	\$ -	\$ -	\$ -
State & Local Programs	\$ 459,702	\$ (28,199)	\$ (122,408)	\$ 309,095
Housing Certificates Programs	\$ 6,492	\$ 10,579	\$ (6,762)	\$ 10,309
Total Restricted Reserves	\$ 4,695,542	\$ (2,562,916)	\$ (983,553)	\$ 1,149,073
<u>UNRESTRICTED RESERVES</u>				
PROGRAMS:				
Housing Vouchers Program	\$ 2,657,405	\$ 322,027	\$ 196,268	\$ 3,175,700
Public Housing & Capital Fund**	\$ 958,328	\$ 114,397	\$ (199,644)	\$ 873,081
State & Local Programs	\$ 2,629,224	\$ (142,653)	\$ (131,224)	\$ 2,355,347
Housing Certificates Programs	\$ 50,738	\$ (45,144)	\$ (31,669)	\$ (26,075)
Total Unrestricted Reserves	\$ 6,295,695	\$ 248,627	\$ (166,270)	\$ 6,378,052
Total Reserves	\$ 10,991,237	\$ (2,314,289)	\$ (1,149,823)	\$ 7,527,125

* includes HUD held reserves

**excludes invested in capital assets



Contra
Costa
County

To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: March 10, 2015

Subject: Affordable Housing Articles

RECOMMENDATIONS

ACCEPT articles regarding affordable housing issues.

BACKGROUND

For the Board's information only

FISCAL IMPACT

This is for informational purposes only and has no fiscal impact.

CONSEQUENCE OF NEGATIVE ACTION

None.

Action of Board On: **03/10/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF
COMMISSIONERS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 10, 2015

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

ATTACHMENTS

Articles

Overview of Articles

March 10, 2015

Budget Cuts Put a Big Hole in Housing Authority Security - HACCC is currently struggling with how it can continue to pay for needed security as a result of HUD funding changes last year. This article talks a little bit about the history of HUD funding for security and struggle other housing authorities are facing in continuing to pay for security.

Feinstein Renews Push to Redefine Homelessness

Stretching the Homeless - These articles discuss proposed legislation in Washington that would expand the federal definition of homelessness and the availability of housing services. However, it appears these changes will come with no additional funding.

What Happens to Families on Housing Assistance When the Assistance Goes Away? - This article discusses the results of a recent Urban Institute study of 5,000 families who left public housing for a variety of positive and negative reasons. The study looked at how their lives improved or not over the next 10-15 years.

BUDGET CUTS PUT A BIG HOLE IN HOUSING AUTHORITY SECURITY

Pittsburgh Post-Gazette – 1/26/2015 -- by Rich Lord

McKeesport resident William Doyle was fatally shot last week in the Crawford Village public housing complex that once benefited from a federally funded police presence but now relies largely on security cameras to deter crime.

Doyle, 24, who faced drug charges, didn't live in Crawford Village, said McKeesport Housing Authority executive director Stephen L. Bucklew. Nor did the men suspected of shooting him. So why were they all there?

"The criminals prey on the poor people," Mr. Bucklew said.

Housing authorities are charged with sheltering low-income families, disabled people and seniors. Since 2001, Congress and the federal Department of Housing and Urban Development, which funds the authorities, have nearly shut the spigot of funding for security in public housing communities.

McKeesport's authority, for instance, got as much as \$600,000 in annual Public Housing Drug Elimination Program grants during the 1990s, and used them to pay that city's police force for extra patrols. Now those grants are gone, and the authority struggles to come up with \$10,000 every few years to pay for occasional impact patrols.

"There are reasons why public housing has more problems with crime than other places," said Susan J. Popkin, director of The Urban Institute's Program on Neighborhoods and Youth Development. The complexes are "not very secure. They're very public. Anyone can get in there. ... They have all of the ills that come with concentrated poverty. They tend to have a lot of kids."

The Housing Authority of the City of Pittsburgh spends more than \$2 million a year for private security guards. The Pittsburgh Post-Gazette on Sunday detailed problems with the deployment of those guards.

As recently as 2001, the Allegheny County Housing Authority got \$859,000 in federal grants to fight drug dealing. Those grants were eliminated by President George W. Bush's administration. Now the county authority has to carve out \$901,000 for its own 10-man police force from an operating subsidy of \$10.8 million, which is meant to pay for management of 3,300 apartments.

HUD's only remaining contribution to public housing security comes in the form of Emergency Safety and Security Grants, which typically total around \$3 million a year nationally, and never exceed \$250,000 for a single authority. They can be spent primarily on equipment — usually surveillance cameras — and never on manpower.

The McKeesport authority recently got one of those grants, and a few months ago finished installing around 30 new cameras, plus expensive buried cables at Crawford Village. Doyle's shooting, though, occurred in an area not covered by the new, high-resolution cameras.

Complicating matters further, HUD in late 2013 barred authorities from spending capital dollars on security personnel. As a result, said Ms. Popkin, security costs come out of the operating subsidy, "and Congress has been cutting that steadily."

The Minneapolis Public Housing Authority, which once had a 12-officer police force, cut it down and then in 2011 eliminated it completely, said Mary Boler, the authority's managing director. The authority still spends around \$1.5 million a year with security firm Securitas, which mans front desks, patrols communities and monitors the security camera system.

Others have maintained large security budgets. The Chicago Housing Authority spends \$20.7 million a year on private security, plus \$2 million on its surveillance camera system, and pays \$6 million annually to the city's police department for guaranteed police patrols.

Why spend anything on security, when it's neither required nor federally funded?

"We're in various municipalities that are distressed," with limited police forces, said Frank Aggazio, executive director of the Allegheny County Housing Authority. The authority's internal police force is part of "a strategy of providing a safe, comfortable living environment."

If residents "feel uncomfortable, they leave," said Chief Mike Vogel of the county housing authority force. "We'd probably have a 30 percent vacancy rate if we didn't have police."

Housing authorities are paid by HUD according to the number of occupied units they manage, and that subsidy barely covers maintenance and administrative costs. If authorities lose residents due to a perceived safety problem, then even less money will flow from Washington.

The county authority police work closely with municipal and county officers and the district attorney, concentrating on high-impact patrols and investigations, said Chief Vogel. "We do a lot of drug roundups over the years where we put informants in, we'll come in six months later and round up 30 drug dealers," he said.

Congressionally mandated HUD budget cuts threaten to make things worse, said county authority chief financial officer Rich Stephenson.

"They're compounding the security problem," he said. "HUD needs to give us dedicated money for security."

FEINSTEIN RENEWS PUSH TO REDEFINE HOMELESSNESS

The Examiner – 2/18/2015 – by Chris Roberts

Officially, there are an estimated 6,400 homeless people in San Francisco. But there are many more adults, children and families with no permanent housing in The City — and U.S. Sen. Dianne Feinstein wants them under the same classification.

Thousands of people considered homeless by The City are not included in the official biannual homeless count tally because of differing definitions of homelessness.

People doubled up with friends or family, couch-surfing, or living in single-room-occupancy hotels are not considered homeless by the federal Department of Housing and Urban Development.

But that would change under legislation Feinstein, the San Francisco Democrat, introduced in Congress last month that would expand the federal definition of homelessness — and also expand the availability of housing services.

The disparity between people defined as homeless by the federal government and the true number of homeless people in The City is stark.

The 2013 San Francisco homeless count identified less than 900 homeless children. However, there were 2,352 homeless children in San Francisco public schools last year, according to school data.

And that disparity is playing out around the country. Nationwide, homeless counts tallied 222,197 homeless households with at least one child, but the Department of Education says there are 1.2 million homeless children in America.

Under Feinstein's Homeless Children and Youth Act, the government would recognize children and families living in SRO hotels, motels and doubled-up with friends or family as homeless.

This is Feinstein's second try at expanding the homeless definition, after similar legislation last year died in committee.

The law would not include single adults living in similar precarious situations as the homeless.

Advocates note that having more people defined as homeless would mean more money for services.

The City's total budget for homeless services is about \$163 million, with about \$30 million coming from the federal government for homeless outreach and services.

However, shelters meant for families are at capacity, with up to an eight-month wait for family shelter, according to Elizabeth Ancker, a program director with Compass Connecting Point, which manages emergency housing for families.

"That's a very problematic length of time," she said Wednesday. "Families can destabilize quite a bit [in six months or longer]."

There are currently 140 families on The City's wait list for emergency shelter. That's lower than the recent average, but that's after 100 chronically homeless families were moved into permanent supportive housing.

And The City's "permanent supportive housing options are full now," she added, with few new units in the pipeline.

It's not clear if Feinstein's bill will have better luck getting approved this year. If successful, The City's homeless problem would become statistically worse overnight.

However, HUD's "false definition" of homelessness needs changing for statistics to reflect reality, said Jennifer Friedenbach, the director of the Coalition on Homelessness.

"With a narrow definition, we create barriers to housing for people who need it," she said. "We're making the need appear smaller than it actually is."

STRETCHING THE HOMELESS

Blade, The (Toledo, OH) – 2/16/2015 – EDITORIAL

A bill sponsored by Republican U.S. Sen. Rob Portman of Ohio would expand the federal definition of homelessness, enabling nearly 1 million more homeless children and young people nationwide to gain access to federal housing aid. By including children who live doubled up or in motels, the measure provides a more relevant definition of homelessness, and would serve children who are disconnected from social-service providers and vulnerable to pimps and traffickers.

However, the well-intended bill does not provide more money for the hundreds of thousands of people who would be newly eligible for homeless programs run by the U.S. Department of Housing and Urban Development. Without a funding increase, the benefits of expanding eligibility are minimal — and potentially even risky if assistance is diverted from the neediest cases.

Even now, HUD-funded homeless programs — amounting to \$2.4 billion in President Obama's proposed 2016 budget — serve only a fraction of those who are eligible. By using the Department of Education's definition of homelessness instead of HUD's, Mr. Portman's bill could more than triple the number of people who become eligible for already underfunded programs.

In Ohio, 23,748 children were homeless at some time last year, but HUD counted only 4,714 households with children as homeless. Because of HUD's narrow definition, only an estimated one in five homeless children in Ohio is eligible for federal housing programs.

In Toledo, roughly 1,000 people are homeless at any time. But the number of people who are homeless in the city at some time during the year is probably three times higher.

Nationwide, an estimated 610,000 people — including more than 12,000 in Ohio — are homeless at any time. More than one-third of them are in families. Those families, under the current definition of homelessness, include people who live on the street, in shelters, in cars, and under bridges.

Mr. Portman's bill would offer HUD homeless aid to poorly housed families who live doubled up with other households or in motels. That's appropriate: Children and families who live in such dangerous and deplorable conditions need help. They can be even more disconnected from service providers and vulnerable to pimps, human traffickers, and gangs than are children in shelters.

With current funding, however, they would get little aid from HUD programs. Any help they receive would come at the expense of families who are literally homeless and on the street.

The Portman bill has the right idea. Even without more money, Congress should pass it. Expanding eligibility would give local communities more choices in setting priorities, as well as open doors for especially at-risk families who cannot now get help.

But Mr. Portman and other bill sponsors, including Democrat Dianne Feinstein of California, should not pat themselves on the back yet. Without a substantial increase in funding, the measure could be more of a false promise than a real help to some of the nation's most vulnerable people.

WHAT HAPPENS TO FAMILIES ON HOUSING ASSISTANCE WHEN THE ASSISTANCE GOES AWAY?

Washington Post – 9/22/2014 -- by Emily Badger

Housing constitutes the largest expense that most of us bear every month, as well as the most essential. And yet of all of the forms of aid we offer the poor — food stamps, income support, school lunch, health care — housing assistance can be the most precarious.

Only about a quarter of all families who qualify for public housing or vouchers [ever receive the help](#), creating long backlogs and year-long waits. And families who do receive it may lose the aid for several reasons, both seemingly good (a marriage or raise made them ineligible) or bad (a rules violation got them evicted). Here is one woman, from a [new Urban Institute study of housing assistance recipients](#), describing her deep fear of losing housing assistance:

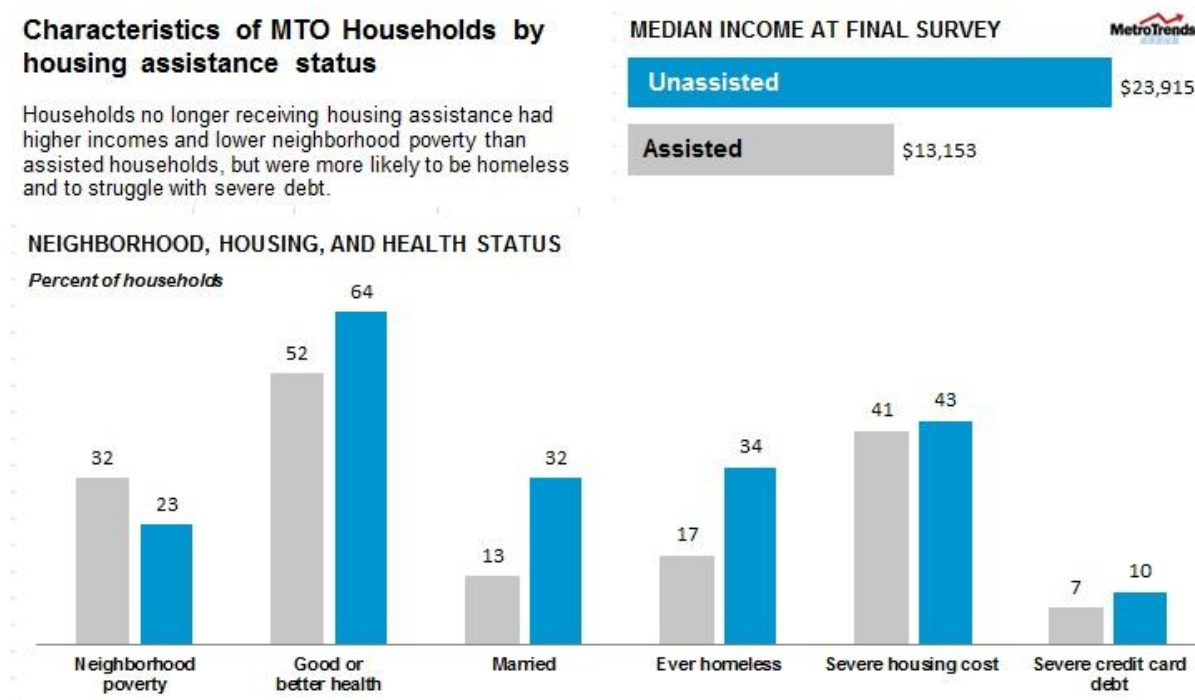
You have to go through hell and high water to get housing. And I thought, what if I can't afford full rent? Where will my kids be, in a shelter? So you get scared because it takes so long to get housing. You know what I mean? It's like a trap. It's hard to get in, and because of that, you're scared to get out.

Despite this shaky picture, we actually don't know a lot about what happens to families as they transition off (or get evicted from) housing assistance. But the answer is more important than ever as local housing agencies, facing shrinking budgets and rising demand, look for ways to stretch their resources further. If we were to set time limits on housing vouchers, what would happen to families when their time is up? Does housing aid offer a ["springboard to better](#)

[outcomes" or a safety net](#) without which families will fall into homelessness? In short, are people better off when they leave these programs?

The new Urban study, from Robin Smith, Susan Popkin, Taz George and Jennifer Comey, suggests some discouraging answers. They examined data from HUD's Moving To Opportunity demonstration, which followed a sample of about 5,000 families who started in public housing in five cities in 1994 over the next 10-15 years. At the time, the project was trying to track what happens to low-income families who are given the chance to move to low-poverty neighborhoods (Thomas Edsall at the New York Times recently wrote an exhaustive piece about [the conflicting and controversial answers to this question](#)).

The Urban researchers, though, have posed a different question about the data: Regardless of how families originally received the assistance, what happened to the households who were no longer getting any housing aid by the end of the survey? About 35 percent of all the MTO families met this description. And the below chart summarizes the mixed results in their lives:



The households who were no longer receiving assistance by the end of the survey were making significantly more money than those who still were, and they reported being in better health.

"But even among the households that left on a more positive trajectory, they're still struggling heavily with debt," says George. "They're still on other forms of public assistance. They're severely burdened in terms of finding affordable housing."

Many of these families earned too much that they no longer qualified for housing help, but that actually left them with *higher* housing cost burdens on the open market. And it left them more

prone to homelessness, even if they left assistance for positive reasons. Whatever additional money these families were seeing through better jobs or new marriages, the costs of finding housing on their own erased many of those benefits.

"This really spoke to us that there needed to be a two-pronged set of solutions," Popkin says. "One is a much bigger focus on eviction prevention for people lucky enough to get in. The other is some kind of graduated way of getting people off so they aren't just left hanging. Because it's a big cliff when they go."

The first solution could entail efforts to identify and work with tenants who might violate program rules. The second could involve slowly reducing the size of assistance until a family is on firmer ground. As with a lot of ideas about how to strengthen housing assistance, both would require more time from staff and more money for families. Which brings us back to the original problem that housing agencies are already tight on money.

"I don't see a free solution to the problem," George says.

Emily Badger is a reporter for Wonkblog covering urban policy. She was previously a staff writer at The Atlantic Cities.