

**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
JANNEL GEORGE-ODEN

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.

AGENDA
September 15, 2015

1:30 P.M. Convene and call to order.

CONSIDER CONSENT ITEMS: (Items listed as C.1 through C.5 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 APPROVE the proposed Housing Choice Voucher payment standards for the
Housing Authority of the County of Contra Costa effective October 1, 2015.

ADJOURN

CONSENT ITEMS:

- C.1 ACCEPT report on the September 2, 2015, letter to the U.S. Department of Housing and Urban Development from twenty members of the California Congressional delegation concerning the administrative fee formula for the housing choice voucher program.
- C.2 DENY claim filed by Damien Anderson.
- C.3 RECEIVE the Housing Authority of the County of Contra Costa's rolling annual public housing occupancy report for the period ending July 31, 2015.
- C.4 ACCEPT the 4th Quarter (Unaudited) Budget Report for the period ending 3/31/2015.
- C.5 ACCEPT report on the Housing Authority of the County of Contra Costa's Section 8 Management Assessment Plan score issued by the U. S. Department of Housing And Urban Development for the period April 1, 2014 through March 31, 2015.

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.

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: September 15, 2015



Contra
Costa
County

Subject: HOUSING CHOICE VOUCHER PAYMENT STANDARDS EFFECTIVE OCTOBER 1, 2015

RECOMMENDATIONS

APPROVE the proposed Housing Choice Voucher payment standards for the Housing Authority of the County of Contra Costa effective October 1, 2015.

BACKGROUND

Payment standards are used to calculate the housing assistance payment (HAP), or subsidy, that a housing authority (HA) will pay on behalf of families leasing units under the program. Each HA must establish a schedule of payment standard amounts by bedroom size. The range of possible payment standard amounts is based on HUD's published fair market rent (FMR) schedule for the FMR area within which the HA has jurisdiction. HACCC's payment standards are based on the FMRs for the Oakland-Fremont, CA Metro FMR area which includes all of Alameda and Contra Costa Counties. FMRs are based on the 40th percentile of rents charged for standard housing in the FMR area. This is the dollar amount below which 40 percent of the standard-quality rental housing units are rented. HAs may set their payment standards amounts from 90% to 110% of the published FMRs without HUD approval. Payment standards can be set higher or lower than this basic range in response to market conditions with HUD approval.

The level at which the payment standards are set directly affects the amount of subsidy a family will receive, and the amount of rent paid by program participants. If the payment standard amount is too low:

- Families may need to pay more for rent than they can afford; or
- Families may have a hard time finding acceptable units or units in more desirable areas; or
- Housing choices will be narrowed and the HA's efforts to affirmatively further fair housing will be undermined.

Action of Board On: **09/15/2015** ☐ 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: September 15, 2015

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

BACKGROUND (CONTD)

>

If the payment standards amounts are too high, owners may be encouraged to ask for higher than reasonable rents.

As approved by the Board on May 12, 2015, HACCC's payment standards are currently set at 95% of FMR for all areas of the County except for Danville, El Cerrito, Lafayette, Pleasant Hill, San Ramon and Walnut Creek. Payment standards are set at 110% of the FMRs for these cities in order to minimize future loss of vouchers there and also in an effort to minimize voucher concentration in other parts of the County.

The existing FMRs and payment standards (PS) are shown below.

Bedrooms	0	1	2	3	4	5	6	7
Existing FMR/Month	\$1,039	\$1,260	\$1,585	\$2,213	\$2,716	\$3,123	\$3,531	\$3,938
95% PS	\$987	\$1,197	\$1,506	\$2,102	\$2,580	\$2,967	\$3,354	\$3,741
110% PS	\$ 1,142	\$ 1,386	\$ 1,743	\$ 2,434	\$ 2,987	\$ 3,435	\$ 3,883	\$ 4,331

HUD publishes fair market rents annually. The proposed federal fiscal year 2016 FMRs (effective October 1, 2015) for HACCC's jurisdiction were just published. Surprisingly, given the Bay Area's rental market, the proposed FMRs are a decrease from the current ones. The proposed FMRs along with the percent decline for each are shown below.

Bedrooms	0	1	2	3	4	5	6	7
Proposed FMR/Month	\$1,025	\$1,235	\$1,562	\$2,177	\$2,427	\$2,791	\$3,155	\$3,519
Decrease	-1.3%	-2.0%	-1.5%	-1.6%	-10.6%	-10.6%	-10.6%	-10.6%

HACCC and other housing agencies in Alameda and Contra Costa Counties are discussing the new FMRs with HUD staff and are trying to determine if they can be changed in order to reflect the current rental market. However, if this issue is not resolved by the beginning of October (or whenever HUD says to start using the new FMRs), HACCC will have to start implementing payment standards based on HUD's proposed FMRs at that time. This is because one or more of HACCC's existing payment standards will fall outside of the basic range (90% to 110%) of HUD's proposed FMRs.

Therefore, if HUD's proposed FMRs for the Oakland-Fremont, CA Metro FMR become effective on October 1, 2015 (or another date if specified by HUD), staff propose that HACCC will use the following payment standards:

Bedrooms	0	1	2	3	4	5	6	7
95% PS	\$974	\$1,173	\$1,484	\$2,068	\$2,306	\$2,651	\$2,997	\$3,343
110% PS	\$1,127	\$1,358	\$1,718	\$2,394	\$2,669	\$3,070	\$3,470	\$3,870

The 110% payment standards will be used for the Cities of El Cerrito, Danville, Lafayette, Pleasant Hill, San Ramon, and Walnut Creek. The 95% rate will be used for all other areas of HACCC's jurisdiction.

FISCAL IMPACT

Funding for this program is provided by the U.S. Department of Housing and Urban Development (HUD). Funding for the proposed change is provided for in the Housing Authority of the County of Contra Costa's (HACCC) current budget.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners not approve the proposed payment standards, or others that are in the 90% to 110% of FMR range approved by HUD, then HACCC would not be in compliance with HUD regulations and would be subject to financial sanctions or other penalties.

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: September 15, 2015



Contra
Costa
County

Subject: CONGRESSIONAL LETTER TO HUD CONCERNING THE HOUSING CHOICE VOUCHER
 ADMINISTRATIVE FEE FORMULA

RECOMMENDATIONS

ACCEPT report on the September 2, 2015, letter to the U.S. Department of Housing and Urban Development from twenty members of the California Congressional delegation concerning the administrative fee formula for the housing choice voucher program.

BACKGROUND

On April 8, 2015, HUD released a “Final Draft Report” entitled, *Housing Choice Voucher Program Administrative Fee Study*. On June 26, 2015, HUD published a notice in the Federal Register seeking public comment on the variables identified by the study as impacting administrative fee costs, how HUD might use these study findings to develop a new administrative fee formula and any other issues that may arise with the development and implementation of a new administrative fee formula.

The study is the first analysis of voucher administrative costs since the late 1980’s. Not surprisingly, the study found that public housing authorities (PHAs) “have been significantly underfunded to run the HCV program.” For the past several years, administrative fee funding from Congress resulted in PHAs receiving less than the amount for which PHAs are eligible under the fee formula. For example, in FY15, PHAs received about 75% of the formula amount. The formula is based on the Fair Market Rent (FMR), “with no documented connection to what it costs to administer the HCV program.”

The study predicts that 92% of PHAs would have had greater administrative fees if the study’s proposed new fee formula had been in place and funded between July 2013 and June 2014. The proposed formula is based on seven

Action of Board On: **09/15/2015** ☐ 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: September 15, 2015

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

BACKGROUND (CONTD)

factors that the authors determined drive the variation in costs of administering the voucher program. Two of the factors, program size and wages, explain 35% of the cost variation. The five other “cost drivers” explaining an additional 30% of the cost variation are health insurance, percentage of households with earned income, new admissions rate, number of voucher holders in high-rent neighborhoods, and percentage of voucher holders living more than 60 miles from the PHA’s headquarters.

What is surprising about the study is that it describes only 63% of the costs associated with the operation of the PHAs studied. The missing data appears to have a disproportionate and negative impact on PHAs in urban areas with higher costs of living. In California alone, 39 PHAs would lose funding under the proposed formula. This represents 28% of all declining PHAs in the United States. HACCC would lose 9% of its voucher administrative funding if the proposed rule is implemented.

As part of the California Association of Housing Authorities, HACCC partnered with PHAs throughout the State to ask members of the California Congressional delegation to oppose this new formula. Part of the result of our efforts is the letter attached to this Board Order. Twenty Congressional members have signed on asking HUD to revisit their study. Signers include Congressman Mark DeSaulnier and Congressman Mike Thompson. At this point, HUD has not published or formally responded to the comments it has received. Staff will update the Board on this matter after HUD responds to comments.

FISCAL IMPACT

The Housing Authority (HACCC) faces a 9% cut in voucher administrative fees if the U.S. Department of Housing and Urban Development's (HUD) recently proposed administrative fee formula is implemented. The proposed funding cut would be effective January 1, 2017.

CONSEQUENCE OF NEGATIVE ACTION

None. Informational item only.

ATTACHMENTS

Congressional Letter

Congress of the United States
Washington, DC 20515

September 2, 2015

The Honorable Julián Castro
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, SW
Washington, DC 20410

Dear Secretary Castro:

We write to express our strong concerns regarding the Department of Housing and Urban Development's (HUD) proposed new Housing Choice Voucher (HVC) Administrative Fee formula. Under this new formula, many of the public housing authorities (PHAs) based in our congressional districts would see drastic cuts that would hinder their ability to serve our constituents.

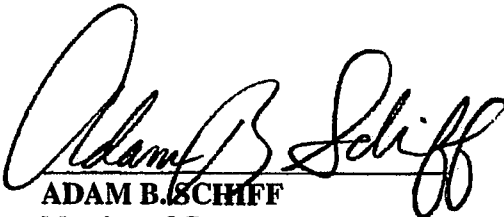
We believe that the statistical explanation provided in HUD's study, which describes only 63 percent of the costs associated with the operation of the PHAs studied, insufficiently reflects the full range of costs faced by PHAs. Specifically, the formula leaves out critical activities that are performed by PHAs including serving senior households, homeless households, providing portable vouchers, and administering special voucher programs such as HUD-Veterans Affairs Supportive Housing (HUD-VASH). In addition, we are concerned that the formula undervalues the PHAs' fee eligibility due to cost saving measures that many of the PHAs undertook during the period of study, and does not adequately take into account turnover or new admission voucher success rates.


The proposed fee formula will disproportionately hurt urban areas with higher costs-of-living. In California alone, 39 PHAs would receive reduced funding; this represents 28 percent of all declining PHAs in the United States (excluding the territories).

We ask that HUD further study its proposed formula, taking into account the comments the agency will receive from the PHAs across the country. Specifically, HUD should develop a formula that more accurately considers all administrative costs associated with PHAs and does not discount the effects of high cost-of-living and rental markets on PHA expenses. Additionally, we are concerned that the current January 1, 2017 deadline to implement the new administrative fee is not practically achievable and ask that the agency take adequate time to ensure that its administrative fee formula accurately reflects the costs associated with managing a PHA.

PHAs provide a valuable asset to the thousands of communities across America. We ask that you work to ensure these organizations are adequately equipped to address the needs of our constituents. Thank you and we look forward to working with you on this important issue.


Sincerely,



ADAM B. SCHIFF
Member of Congress


BARBARA LEE
Member of Congress


TONY CÁRDENAS
Member of Congress


JOHN GARAMENDI
Member of Congress



TED LIEU
Member of Congress



ERIC SWALWELL
Member of Congress



MAXINE WATERS
Member of Congress


MARK DESAULNIER
Member of Congress


MIKE THOMPSON
Member of Congress


LOIS CAPPS
Member of Congress

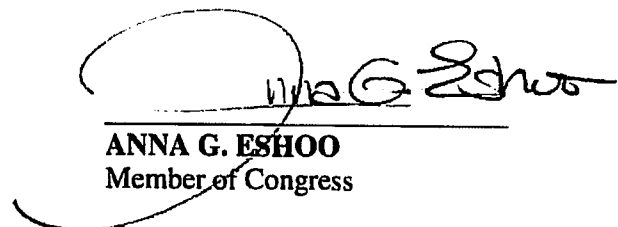

LINDA T. SÁNCHEZ
Member of Congress



JULIA BROWNLEY
Member of Congress


SAM FARR
Member of Congress



JANICE HAHN
Member of Congress


MICHAEL M. HONDA
Member of Congress


ANNA G. ESHOO
Member of Congress



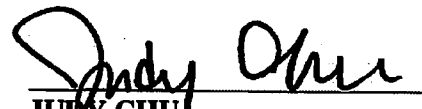
XAVIER BECERRA
Member of Congress



KAREN BASS
Member of Congress



ALAN S. LOWENTHAL
Member of Congress



JUDY CHU
Member of Congress



Contra
Costa
County

To: Contra Costa County Housing Authority Board of Commissioners

From:

Date: September 15, 2015

Subject: Claim for the Housing Authority

RECOMMENDATIONS

DENY claim filed by Damien Anderson.

BACKGROUND

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FISCAL IMPACT

None.

Action of Board On: **09/15/2015** ☐ 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: September 15, 2015

Joseph Villarreal, Executive Director

Contact: Joellen Balbas
925-335-1906

By: , Deputy

cc:



Contra
Costa
County

To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: September 15, 2015

Subject: PUBLIC HOUSING ROLLING ANNUAL OCCUPANCY REPORT FOR THE PERIOD ENDING July 31, 2015

RECOMMENDATIONS

RECEIVE the Housing Authority of the County of Contra Costa's rolling annual public housing occupancy report for the period ending July 31, 2015.

BACKGROUND

Attached are the Housing Authority of the County of Contra Costa's (HACCC's) rolling annual public housing occupancy report for the period ending July 31, 2015, and the accompanying leasing trend report for the same period. The occupancy report shows the percentage of each individual property that is leased at the end of a given month. These are then subtotaled separately for all properties except North Richmond and for North Richmond alone before being combined to show HACCC's overall occupancy percentage. North Richmond is shown separately because staff are in the process of applying to HUD to remove that property from HACCC's public housing portfolio. The trend report shows the sum of the number of new leases signed in a given month minus the number of new vacancies. A positive number shows that the occupancy rate increased during that period, a negative number indicates a decline.

For reference, the U.S. Department of Housing and Urban Development (HUD) annually evaluates a public housing authority's (PHA) management of its public housing program using four indicators, referred to collectively as the Public Housing Assessment System (PHAS). The management operations indicator is worth 25 points. Of these 25 points, the occupancy rate sub-indicator is worth 16 points. Occupancy points are assigned as follows:

Action of Board On: **09/15/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

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ATTESTED: September 15, 2015

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

BACKGROUND (CONTD)

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≥98%	16 Points
< 98% but ≥ 96%	12 Points
< 96% but ≥ 94%	8 Points
< 94% but ≥ 92%	4 Points
< 92% but ≥ 90%	1 Point
< 90%	0 Points

HUD considers a PHAs entire portfolio when assigning points for the occupancy sub-indicator.

FISCAL IMPACT

None. For reporting purposes only.

CONSEQUENCE OF NEGATIVE ACTION

None.

ATTACHMENTS

PH Rolling Annual Occupancy Report for the Period Ending July 31, 2015

**Housing Authority of the County of Contra Costa
Annual Occupancy Rates
2014-2015**

DEVELOPMENT	No of Units	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Avg. Occup. Rates
Alhambra Terrace, Martinez	50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	98.00%	98.00%	99.67%
Bridgmeont, Antioch	34	97.06%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	97.06%	94.12%	99.02%
Los Nogales, Brentwood	44	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	97.73%	95.45%	99.43%
El Pueblo, Pittsburg	172	98.26%	99.42%	98.84%	98.84%	98.26%	98.84%	98.26%	98.84%	98.84%	97.67%	98.84%	99.42%	98.69%
Los Arboles, Oakley	30	100.00%	100.00%	100.00%	96.67%	96.67%	96.67%	100.00%	96.67%	100.00%	100.00%	100.00%	100.00%	98.89%
Bay Vista, Rodeo	242	97.52%	97.52%	97.52%	97.11%	97.11%	96.28%	97.11%	96.69%	97.11%	96.69%	95.87%	96.69%	96.94%
Hacienda, Martinez	50	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Casa de Manana, Oakley	40	97.50%	97.50%	97.50%	97.50%	97.50%	97.50%	97.50%	95.00%	100.00%	100.00%	97.50%	97.50%	97.71%
Casa de Serena, Bay Point	50	98.00%	100.00%	100.00%	98.00%	98.00%	98.00%	98.00%	98.00%	98.00%	98.00%	100.00%	100.00%	98.67%
Elder Winds, Antioch	100	98.00%	98.00%	98.00%	97.00%	97.00%	98.00%	96.00%	98.00%	98.00%	98.00%	97.00%	97.00%	97.50%
Vista Del Camino, San Pablo	100	99.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.00%	100.00%	99.00%	99.00%	100.00%	99.67%
Kidd Manor, San Pablo	41	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Occup. Rate without N. Richmond	953	98.43%	98.95%	98.85%	98.43%	98.32%	98.32%	98.32%	98.22%	98.74%	98.32%	97.90%	98.11%	98.41%
Las Deltas, Richmond	72	41.67%	41.67%	40.28%	40.28%	40.28%	40.28%	40.28%	37.50%	37.50%	37.50%	36.11%	36.11%	39.12%
Las Deltas, Richmond	84	65.48%	65.48%	65.48%	65.48%	65.48%	64.29%	64.29%	64.29%	61.90%	60.71%	60.71%	58.33%	63.49%
Las Deltas, Richmond	54	48.15%	48.15%	48.15%	48.15%	48.15%	48.15%	48.15%	46.30%	46.30%	46.30%	46.30%	46.30%	47.38%
N. Richmond Occup. Rate	210	52.86%	52.86%	52.38%	52.38%	52.38%	51.90%	51.90%	50.48%	49.52%	49.05%	48.57%	47.62%	50.99%
Occup. Rate with N. Richmond	1163	90.20%	90.63%	90.46%	90.11%	90.03%	89.94%	89.94%	89.60%	89.85%	89.42%	88.99%	88.99%	89.85%

**Housing Authority of the County of Contra Costa
Annual Trend (New Lease-New Vacancies)
2014-2015**

DEVELOPMENT	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Total
Alhambra Terrace, Martinez	1	0	0	0	0	0	0	0	0	0	-1	0	0
Bridgmeont, Antioch	0	1	0	0	0	0	0	0	0	0	-1	-1	-1
Los Nogales, Brentwood	0	0	0	0	0	0	0	0	0	0	-1	-1	-2
El Pueblo, Pittsburg	-2	2	-1	0	-1	1	-1	1	0	-2	0	1	-2
Los Arboles, Oakley	0	0	0	-1	0	0	1	-1	1	0	0	0	0
Bay Vista, Rodeo	1	0	0	-1	0	-2	2	-1	1	-1	-2	3	0
Hacienda, Martinez	0	0	0	0	0	0	0	0	0	0	0	0	0
Casa de Manana, Oakley	0	0	0	0	0	0	0	-1	2	0	-1	0	0
Casa de Serena, Bay Point	0	1	0	-1	0	0	0	0	0	0	1	0	1
Elder Winds, Antioch	-1	0	0	0	0	1	-2	2	0	0	-1	0	-1
Vista Del Camino, San Pablo	0	1	0	0	0	0	0	-1	1	-1	0	0	0
Kidd Manor, San Pablo	0	0	0	0	0	0	0	0	0	0	0	0	0
Total without N. Richmond	-1	5	-1	-3	-1	0	0	-1	5	-4	-6	2	-5
Las Deltas, Richmond	0	0	-1	0	0	0	0	-2	0	0	-1	0	-4
Las Deltas, Richmond	2	0	0	0	0	-1	0	0	-2	-1	0	2	0
Las Deltas, Richmond	0	0	0	0	0	0	0	-1	-1	0	0	0	-2
N. Richmond Total	2	0	-1	0	0	-1	0	-3	-3	-1	-1	2	-6
Total with N. Richmond	1	5	-2	-3	-1	-1	0	-4	2	-5	-7	4	-11

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: September 15, 2015



Contra
Costa
County

Subject: FY 2014-2015 4th Quarter Budget Report

RECOMMENDATIONS

ACCEPT the 4th Quarter (Unaudited) Budget Report for the period ending 3/31/2015.

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 4th quarter period ending 3/31/15. 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 fourth quarter are shown in the chart below. An increase in Housing Choice Voucher (HCV) funding due to improved utilization had the most significant impact on HACCC's budget.

Projected revenue increased by \$4,939,286. This was largely a result of new project-based voucher units being brought online and new clients being called from the wait list for the first time in over 10 years. The increased revenue was largely funded through the use of HUD-held restricted reserves. Expenditures increased by \$4,906,450. This is also as a result of the utilization increase in the HCV program.

Action of Board On: **09/15/2015** ☐ 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: September 15, 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 fourth quarter was a loss of \$2,457,307. This loss was primarily a result of the HCV program utilization of the restricted reserves outlined above.

HACC Agency Summary	Annual Budget	4th Quarter Actual 3/31/15	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 96,541,964	\$ 101,481,250	\$ -0-	\$ 101,481,250	\$ 4,939,286
Expenditures	\$ 99,032,107	\$ 103,938,557	\$ -0-	\$ 103,938,557	\$(4,906,450)
	\$ (2,490,143)	\$ (2,457,307)	\$ -0-	\$ (4,660,311)	

Analysis of Agency Reserves:

Program	Beginning Balance 4/1/14 (Unaudited)	4th Quarter ending 3/31/15 (Unaudited)	Reserve Balance period ending 3/31/15 (Unaudited)
<u>Restricted Reserves</u>			
Housing Choice Vouchers	\$ 8,494,765	\$ (3,048,717)	\$ 5,446,048
Public Housing & Cap. Funds	\$ -0-	\$ -0-	\$ -0-
State & Local Programs	\$ 495,355	\$ (71,211)	\$ 424,144
Housing Certificates Programs	\$ 6,493	\$ (6,493)	\$ -0-
Total Restricted Reserves	\$ 8,996,613	\$ (3,126,421)	\$ 5,870,192
<u>Unrestricted Reserves</u>			
Housing Choice Vouchers	\$ 2,579,450	\$ 850,140	\$ 3,429,590
Public Housing & Cap. Funds	\$ 958,328	\$ (37,971)	\$ 920,357
State & Local Programs	\$ 2,159,553	\$ (92,049)	\$ 2,067,504
Housing Certificates Programs	\$ 50,738	\$ (51,007)	\$ (269)
Total Unrestricted Reserves	\$ 5,748,069	\$ 669,113	\$ 6,417,182
Total Reserves	\$ 14,744,682	\$ (2,457,307)	\$ 12,287,375

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.

Summary of Difference Between Budgeted and Quarterly-End Actual:

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 increased to an average of 6,298 units over the entire fiscal year, with 6,376 families under contract at the end of the fiscal year. The increased revenue of \$4,417,438 is a direct result of utilizing HACCC's HUD-held reserves to assist the increased number of families under contract during the fiscal year.

Expenditures – Increased expenditures reflect an increase in housing payments made to private landlords on behalf of the new families who came under contract.

Housing Choice Vouchers	Annual Budget	4th Quarter Actual 3/31/15 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 77,818,409	\$ 82,235,847	\$ -0-	\$ 82,235,847	\$ 4,417,438
Expenditures	\$ 79,713,312	\$ 84,434,424	\$ -0-	\$ 84,434,424	\$ (4,721,112)
	\$ (1,894,903)	\$ (2,198,577)	\$ -0-	\$ (2,198,577)	

Analysis of Program Reserves:

Housing Choice Vouchers	Beginning Balance 4/1/14 (Unaudited)	4th Quarter 3/31/15 (Unaudited)	Reserve Balance period ending 3/31/15 (Unaudited)
Restricted Reserves	\$ 8,494,765	\$ (3,048,717)	\$ 5,446,048
Unrestricted Reserves	\$ 2,579,450	\$ 850,140	\$ 3,429,590
Total Reserves	\$11,074,215	\$ (2,198,577)	\$ 8,875,638

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 Actual:

Revenue – Annualized revenue is \$13,274 greater than projected. The \$10,337,317 actual annual revenue is \$412,108 greater than last fiscal year. This is a result of an increase in rental income of \$230,000 through increased occupancy and \$180,000 in capital funding.

Expenditures - The \$206,570 savings is related to Capital Fund expenditures that are in progress and have not yet been completed.

Public Housing Operating and Capital Fund	Annual Budget	4th Quarter Actual 3/31/15 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 10,324,043	\$ 10,337,317	\$ -0-	\$ 10,337,317	\$ 13,274
Expenditures	\$ 10,581,858	\$ 10,375,288	\$ -0-	\$ 10,375,288	\$ 206,570
	\$ (257,815)	\$ (37,971)	\$ -0-	\$ (37,971)	

Analysis of Program Reserves:

Public Housing & Capital Fund	Beginning Balance 4/1/14 (Unaudited)	4th Quarter 3/31/15 (Unaudited)	Reserve Balance period ending 3/31/15 (Unaudited)
Restricted Reserves	\$ -0-	\$ -0-	\$ -0-
Unrestricted Reserves	\$ 958,328	\$ (37,971)	\$ 920,357
Total Reserves	\$ 958,328	\$ (37,971)	\$ 920,357

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 Actual:

Revenue –The \$81,374 growth in revenue is a result of revenue for reimbursable overhead costs from the Housing Choice Voucher program to the Shelter Plus Care Program that were incurred by the State & Local fund.

Expenditures - The \$1,731 decline was less than 1%.

State & Local Programs	Annual Budget	4th Quarter Actual 3/31/15 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 5,221,015	\$ 5,302,389	\$ -0-	\$ 5,302,389	\$ 81,374
Expenditures	\$ 5,463,918	\$ 5,465,649	\$ -0-	\$ 5,465,649	\$ (1,731)
	\$ (242,903)	\$ (163,260)	\$ -0-	\$ (163,260)	

Analysis of Reserves:

State & Local Programs	Beginning Balance 4/1/14 (Unaudited)	4th Quarter 3/31/15 (Unaudited)	Reserve Balance Period ending 3/31/15 (Unaudited)
Restricted Reserves	\$ 495,355	\$ (71,211)	\$ 424,144
Unrestricted Reserves	\$ 2,159,553	\$ (92,049)	\$ 2,067,504
Total Reserves	\$ 2,654,908	\$ (163,260)	\$ 2,491,648

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 Actual:

Revenue: The \$427,200 increase in revenue is a result of an increase in Housing Assistance Payments (HAP).

Expenditure: The \$483,166 decline is largely attributable to the \$427,200 increase in HAP. The remaining \$55,966 is allowed overhead previously incurred by the State and Local fund.

Housing Certificate Programs	Annual Budget	4th Quarter Actual 3/31/15 (Unaudited)	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 3,178,497	\$ 3,606,697	\$ -0-	\$ 3,606,697	\$ 427,200
Expenditures	<u>\$ 3,180,031</u>	<u>\$ 3,663,197</u>	<u>\$ -0-</u>	<u>\$ 3,663,197</u>	<u>\$ (483,166)</u>
	\$ (1,534)	\$ (57,500)	\$ -0-	\$ (57,500)	

Analysis of Reserves:

Housing Certificate Programs	Beginning Balance 4/1/14 (Unaudited)	4th Quarter 3/31/15 (Unaudited)	Reserve Balance period ending 3/31/15 (Unaudited)
Restricted Reserves	\$ 6,493	\$ (6,493)	\$ -0-
Unrestricted Reserves	<u>\$ 50,738</u>	<u>\$ (51,007)</u>	<u>\$ (269)</u>
Total Reserves	\$ 57,231	\$ (57,500)	\$ (269)

FISCAL IMPACT

None. Information item only.

CONSEQUENCE OF NEGATIVE ACTION

None.

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: September 15, 2015



Contra
Costa
County

Subject: Section 8 Management Assessment Plan for fiscal year ending March 31, 2015

RECOMMENDATIONS

ACCEPT report on the Housing Authority of the County of Contra Costa's Section 8 Management Assessment Plan (SEMAP) score issued by the U. S. Department of Housing And Urban Development for the period April 1, 2014 through March 31, 2015.

BACKGROUND

The Housing Authority received an 81% score this year, up from 79% last year. The SEMAP score sheet from HUD is attached.

FISCAL IMPACT

None. Information item only.

CONSEQUENCE OF NEGATIVE ACTION

None. Information item only.

Action of Board On: **09/15/2015** ☐ 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: September 15, 2015

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

ATTACHMENTS

SEMAP for fiscal year ending March 31,
2015



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
One Sansome Street, Suite 1200
San Francisco, California 94104-4430
www.hud.gov
espanol.hud.gov

JUL 27 2015

Mr. Joseph Villarreal
Executive Director
Housing Authority of the County of Contra Costa
3133 Estudillo Street
P. O. Box 2759
Martinez, CA 94553

Dear Mr. Villarreal:

This letter provides the scoring information for the **Housing Authority of the County of Contra Costa's** Section 8 Management Assessment Program (SEMAP) for fiscal year ending **March 31, 2015**. SEMAP enables HUD to better manage the Housing Choice Voucher (HCV) program by identifying PHA capabilities and deficiencies related to the administration of the HCV program. As a result, HUD will be able to provide more effective program assistance to PHAs.

The **Housing Authority of the County of Contra Costa's** final score for fiscal year ending **March 31, 2015**, is **81 %**. The Housing Authority's overall designation is **Standard**. The following are the scores for each indicator:

Indicator 1	Selection from Waiting List (24 CFR 982.54(d)(1) and 982.204(a))	15
Indicator 2	Reasonable Rent (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)	15
Indicator 3	Determination of Adjusted Income (24 CFR part 5, subpart F and 24 CFR 982.516)	0
Indicator 4	Utility Allowance Schedule (24 CFR 982.517)	5
Indicator 5	HQS Quality Control (24 CFR 982.405(b))	5
Indicator 6	HQS Enforcement (24 CFR 982.404)	10
Indicator 7	Expanding Housing Opportunities	5
Indicator 8	Payment Standards (24 CFR 982.503)	5
Indicator 9	Timely Annual Reexaminations (24 CFR 5.617)	10
Indicator 10	Correct Tenant Rent Calculations (24 CFR 982, Subpart K)	5
Indicator 11	Pre-Contract HQS Inspections (24 CFR 982.305)	5
Indicator 12	Annual HQS Inspections (24 CFR 982.405(a))	10
Indicator 13	Lease-Up	20
Indicator 14	Family Self-Sufficiency (24 CFR 984.105 and 984.305)	N/A
Indicator 15	Deconcentration Bonus	N/A