

## INFORMATIONAL REPORT

**DATE ISSUED:** March 3, 2008  
**REPORT NO:** HCR 08-40  
**SUBJECT:** Activity Performance Report – Second Quarter FY 2008 (Citywide)

### **NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION**

#### **SUMMARY**

This report includes a description of goals and performance information for the period October 1, 2007 through December 31, 2007. In addition to the key performance measures described herein, (Attachment 1, Activity Performance Report), there were other achievements not easily described in statistical terms that are pertinent to the agency's activities and goals.

#### **Agency Highlights**

##### **SDHC Receives, Allocates \$2.1 Million in HUD Shelter Plus Care Funds**

The San Diego Housing Commission has awarded \$2.1 million in "Shelter Plus Care" federal grants to local nonprofit organizations. The funds will be used to provide affordable housing and comprehensive supportive services to homeless and disabled individuals. The grants are funded by the U.S. Department of Housing & Urban Development (HUD).

Allocations will be as follows: \$769,500 for a new program (The Cove Apartments) operated by The Association for Community Housing Solutions (TACHS); and \$1.3 million in renewal grants for Pathfinders of San Diego, Stepping Stone, St. Vincent de Paul, Center for Social Support and Education, and an existing TACHS program.

##### **\$15,000 Raised for United Way**

In response to the agency's annual campaign to solicit donations for United Way of San Diego, Housing Commission employees raised \$15,000. The pledged dollars will be collected by way of 2008 payroll deductions.

#### **HOUSING FINANCE & DEVELOPMENT**

##### **New and Renovated Affordable Housing Completed In City Heights**

Two affordable rental developments in City Heights celebrated grand openings – Auburn Park and Townspeople Apartments.

Auburn Park is a newly-constructed 69-unit rental community serving low-income families. It received \$6.5 million from the Redevelopment Agency, and participated in the Housing Commission-administered Density Bonus and Inclusionary Housing Programs. The developer, Affirmed Housing Group, incorporated generous infrastructure improvements on and around the site, including palm tree-lined sidewalks and a community park.

Townspople Apartments is an acquisition-rehabilitation development serving very-low income individuals diagnosed with HIV/AIDS. The 24-unit project received \$1.6 million in Housing Commission funding.

### **More Affordable Housing Underway**

Father Joe's Villages has broken ground on Boulevard Apartments. Located in North Park, the 24-unit "workforce housing" project will serve very low-income individuals. Boulevard Apartments participated in the Inclusionary Housing Program and received \$2.4 million from the Redevelopment Agency.

## **FINANCIAL SERVICES**

### **Change to Electronic Paycheck Stubs Saves Money, Time**

In support of the agency's goal to streamline and automate its internal operations, the Financial Services Department successfully transitioned to an electronic paycheck stub system. Now that all employees are enrolled in direct deposit, there is no longer a need for the agency to provide hard-copy pay stub information. Instead, employees can now view their pay stubs via a secure online system. This change will reduce printing and paper costs, as well as administrative time spent on bundling and distributing pay stubs.

## **POLICY & PUBLIC AFFAIRS**

### **Agency Plays Active Role in Passage of Density Bonus Regulations**

The agency's Policy team was instrumental in the passage of the City of San Diego's Density Bonus Ordinance revision. Given the amount of community opposition that arose in the early part of 2007, the Policy team embarked on an education campaign to assist community leaders in understanding the ordinance's finer points. By leveraging existing relationships with housing advocates, opposition diminished and the revisions were adopted by the City Council on November 6, 2007.

### **SDHC in the News**

In the 2<sup>nd</sup> quarter, the Housing Commission received coverage in 37 news features (print and broadcast). Of these, 35 were positive news stories, and two were neutral. Numerous articles featured the retirement of Elizabeth C. Morris and the agency's transition out of public housing.

## **ASSET MANAGEMENT**

### **Upgrades Completed at Fulton, Golferest and Saranac Sites**

Renovations have been completed at three affordable housing sites owned by the Housing Commission – Fulton Street, Golferest Drive and Saranac Street. The scope of work at all three sites involved major building system assembly repair and/or reconstruction work to structural framing components, windows, siding, stucco, and roofing, as well as repainting of exterior building facade. Upgrades were also made to the irrigation systems, landscaping, sidewalks and site grading.

The rehabilitation of the properties came about in response to construction defect litigation between the Housing Commission and the buildings' original development contractor. Funding for this work came directly from proceeds of the litigation settlement.

**Resident Services Department Renamed As Workforce & Economic Development Unit**

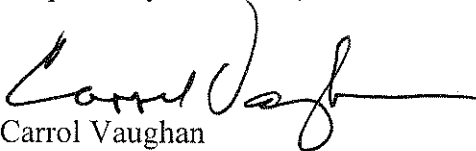
The department formerly known as Resident Services is now the Workforce & Economic Development Unit, or W&ED. The new name more accurately reflects the department's approach to helping families achieve self-sufficiency and financial stability. W&ED works with 500 families each year by providing career planning, financial education, academic tutoring and more – including the Aspire program described below.

**Grants Help Expand Resident Asset Building Program**

Thanks to a \$100,000 grant from the U.S. Department of Health & Human Services and \$35,000 donated by other partners, W&ED will be able to continue and expand its Aspire program. The program helps residents build financial assets and gain economic independence. Aspire provides residents with resources needed to purchase a home, start a small business or complete their educations. Participants also learn financial literacy and budget management skills.

Key to the program's success are Individual Development Accounts, through which clients' savings are increased through matching funds. The new grants will fund the savings matches. In addition to the Health & Human Services grant, other contributors include US Bank, Citibank, Union Bank, San Diego National Bank and San Diego Foundation.

Respectfully submitted,



Carrol Vaughan

Interim President & Chief Executive Officer

Attachment 1: Activity Performance Report

# ACTIVITY PERFORMANCE REPORT FY08

Attachment 1

Activity: Goal	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Comments
Rental Assistance: Assist 13,775 families. <sup>1</sup>	Total: 12,355	Total: 12,543			Increased goal due to additional public housing disposition vouchers. Lease Rate: 92% due to additional public housing disposition units not yet under lease.
Rehabilitation/Private Property: Oversee physical improvement of 237 Owner Occupied/400 CDBG/Rental Property: 140 lead-based paint reduction <sup>2</sup>	54/49/33	44/71/77			YTD: 98/120/110
Major Renovations:					
<ul style="list-style-type: none"> <li>• Complete 791 Capital Improvements at Commission owned and managed units</li> </ul>	375	41			YTD: 416
<ul style="list-style-type: none"> <li>• 1,200 maintenance quality assurance program inspections</li> </ul>	142	24			YTD: 166
Rental Development: Facilitate development or preservation of 600 affordable units. <sup>3</sup>	Starts 398 Loan Closings 0 Completions 0	Starts 0 Loan Closings 0 Completions 24			Increased goal from 400 to 600 units due to additional funding YTD: Starts -- 398 YTD: Loan Completions 0 YTD: Completions -- 24 TOTAL: 422
Homeowner: Assist 90 first-time homebuyers. <sup>4</sup>	13	22			YTD: 35
Resident Services: Aid 500 assisted families in self-sufficiency programs. <sup>5</sup>	446	480			This quarter included 34 enrollments and 4 graduates.
Housing Management:					
<ul style="list-style-type: none"> <li>• Own/Manage/Maintain 1,723 units.<sup>6</sup></li> </ul>	1,723	1,723			CURRENT: 1,723
<ul style="list-style-type: none"> <li>• Maintain 99% occupancy rate.<sup>7</sup></li> </ul>	97.25%	97.42%			YTD: 97.34%
<ul style="list-style-type: none"> <li>• Complete 12,500 work orders for property repair/improvement.<sup>8</sup></li> </ul>	4,868	4,407			YTD: 9,275
<ul style="list-style-type: none"> <li>• Respond to emergency resident requests for work within 12 hours.</li> </ul>	6.56 hrs	7.70 hrs			AVERAGE: 5.97 hrs
Special Purpose Programs: Secure funding to provide housing opportunities for 595 persons. <sup>9</sup>	549	763			Additional grants received in 2 <sup>nd</sup> quarter YTD: 763

Note 1: All data shown is incremental for the reporting quarter only, unless otherwise indicated.

<sup>1</sup> "Rental Assistance" includes all tenant-based and project-based rental housing assistance administered by the San Diego Housing Commission, including Section 8 (Vouchers, New Construction, and Moderate Rehabilitation). Project-based and sponsor-based assistance for persons with special needs is reported under Special Purpose Programs, below.

<sup>2</sup> "Rehabilitation/Private Property" includes housing units repaired and/or rehabilitated at publicly owned complexes, and privately owned rental, mobile home and other owner-occupied units rehabilitated with financial assistance from the San Diego Housing Commission.

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- <sup>3</sup> "Rental Development" includes newly affordable housing units with enforceable rental restrictions constructed, acquired and/or acquired and rehabilitated, and extension of affordability restrictions that would otherwise be terminated. Goal reflects only units utilizing direct HC loans. Starts include projects for which a financing mechanism was approved by the appropriate authority. Completion is when authority is received to occupy the units or equivalent. Recent experience shows that for each 10 units started, about 6 units are completed, with the balance of the projects being canceled.
- <sup>4</sup> "Homeowners" includes newly developed for-sale units and first-time homebuyers receiving assistance in acquiring a home using one or more of the tools administered by the San Diego Housing Commission. Each first-time homebuyer may receive more than one form of assistance (e.g., down payment grant plus shared equity loan). Completion is defined as the point when the homebuyer assumes title, except when the only form of assistance is issuance of a Mortgage Credit Certificate (MCC); completion of MCC-only is defined as the point when the MCC is issued, which may be later than close of escrow and assumption of title.
- <sup>5</sup> "Resident Services" includes families resident in publicly owned affordable housing or receiving rental assistance enrolled in family self-sufficiency programs administered by the San Diego Housing Commission.
- <sup>6</sup> "Housing Management" includes all housing units owned, managed or maintained by the San Diego Housing Commission.
- <sup>7</sup> "Occupancy Rate" reflect all units managed by the agency.
- <sup>8</sup> Work orders are not considered complete until final billing is received from contractors or agency staff has completed all work. Delays in contractor billing can result in changes to the number of work orders reported after the end of the fiscal quarter.
- <sup>9</sup> "Special Purpose Programs" includes transitional housing units and beds supported through financing of operations or development, and project-based or sponsor-based rental assistance for persons with special needs. All tenant-based assistance is reported above in Rental Assistance.