



Fiscal Year 2009 Budget

HOUSING COMMISSION

**Sal Salas, Chair
Tony Yip, Vice Chair
Jennifer Adams-Brooks
Khadija Basir
Todd Gloria**

**Carrol M. Vaughan
Interim President & Chief Executive Officer**



REPORT

DATE ISSUED: April 18, 2008

REPORT NO: HCR 08-027

ATTENTION: Chair and Members of the Housing Commission
For the Agenda of April 25, 2008

SUBJECT: Proposed Fiscal Year 2009 Budget

REQUESTED ACTION:

Housing Commission and Housing Authority adoption of the Proposed Fiscal Year 2009 (FY09) Budget and authority for the Housing Commission Board and the President & Chief Executive Officer to amend the FY09 Budget under specific circumstances.

STAFF RECOMMENDATION:

1. Housing Commission and Housing Authority adoption of the \$265.0 million FY09 Proposed Activity Based Budget (Attachment 1).
2. Housing Authority delegation to the Housing Commission to amend the FY09 Budget for amounts up to \$250,000 consistent with prior delegation of the Housing Authority and with adopted policies, programs and activities.
3. Housing Commission continued delegation of authority to the President & CEO to amend the FY09 Budget for amounts up to \$100,000 consistent with policies, programs and activities approved by the Housing Commission and Housing Authority.

EXECUTIVE SUMMARY:

The proposed FY09 Budget totals \$265,032,348, a decrease of \$7.9 million from the current FY08 Budget of \$272,915,239. There are no City General Funds in this budget.

Of the \$7.9 million decrease in the FY09 Budget, most is due to the following factors. First, there is a decrease of \$13.7 million budgeted for Housing Finance and Construction Services. This is because loans and grants and capital improvement funds will be obligated in the current year, leading to less carryover from FY08 into FY09 than had carried into FY08 from FY07. In addition, there is a decrease of \$4.0 million in site acquisition primarily due to the purchase of 36 University Canyon units for public housing and a reduction of \$3 million due to the payoff of the University Canyon loan in FY08. These decreases are partially offset by an increase of \$7.0 million in reserves primarily due to the \$6.3 million of additional income from the operation of SDHC Local Units that will provide funding to begin to develop 350 affordable units. Also, there is an increase of \$6.0 million in rent to owners primarily due to increase in Section 8 Voucher funds for rent to owners that is based on HUD determined formulas.

The proposed FY09 Budget shows a \$15.0 million (7%) decrease for housing programs, while administrative costs increase by a modest \$44,844. Reserves increase overall by \$7.0 million (25%) primarily due to the \$6.3 million of additional income from the operation of SDHC Local Units. Although Program Reserves increased by \$3.6 million, Unobligated Reserves decreased by \$2.9 million and represents slightly more than 1.6% of the total budget.

FY2009 is the second year of the three-year Memorandum of Understanding (MOU) with the Service Employees International Union (SEIU) and includes a provision for a 2% salary increase. The budget

contains a net increase of 5.50 positions and 14.00 reclassifications. The increase in staffing is partially offset by decrease in contract/consultant as a result of replacing the human resources services contract with in-house staff.

Overall, personnel changes provide for a net FY09 Budget increase of 5% in salaries and benefits.

Authority to Amend the Budget

Each year, the Housing Authority delegates certain authority to the Commissioners to amend the agency's budget. Currently that authority is \$250,000 and this report recommends a continuation of the same authority level. This will allow Commissioners to accept unexpected funds and move funds within the approved budget up to \$250,000. In addition, the Housing Authority has the right to request that any Commission action be brought before it for review.

FISCAL CONSIDERATIONS:

The FY09 Proposed Budget anticipates revenues of \$265,032,348 from almost 70 sources (a net decrease of \$7.9 million from FY08). Of these funds, 79% are federal, 1% state, and 20% are locally generated. There are no City General Funds in this budget. Approval of the Proposed Budget will appropriate funds for the Agency to pursue the strategies and goals outlined in the proposed FY09-FY11 Business Plan.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

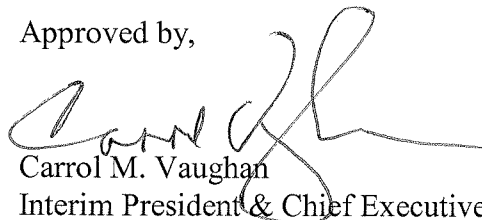
The Housing Commission approved similar recommendations for the Fiscal Year 2008 Budget on April 27, 2007. On June 19, 2007, the Housing Authority approved the FY08 Budget and approved the delegation of \$250,000 of approval authority to the Housing Commission to amend the budget.

Respectfully submitted,



John Pfeiffer, CPA
Chief Financial Officer

Approved by,



Carrol M. Vaughan
Interim President & Chief Executive Officer

Attachment: Proposed FY09 Budget

Distribution of these attachments may be limited. Copies are available for review during business hours at the Housing Commission offices at 1122 Broadway, Suite 300.

FY09 BUDGET
San Diego Housing Commission

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San Diego HOUSING COMMISSION

Mission:

We are committed to providing quality housing opportunities to improve the lives of those in need.

Vision:

An affordable home for every San Diegan

Goals:

● **Provide Housing and Career Growth Opportunities:**

Focus our highest priority on assisting San Diegans of very low income with safe and quality housing.

Advocate for and aggressively pursue increased funding for affordable housing programs.

Further resident initiatives including opportunities for self-sufficiency and self-improvement.

● **Advocate, Educate and Build Alliances:**

Inform, educate and guide the public about housing needs, fair housing, and affordable housing opportunities.

Forge partnerships with others in the community to expand housing opportunities and integrated services.

Build communication and alliances among neighborhoods, clients and others to further our mission throughout the City.

● **Foster Respect and Service:**

Create a supportive and innovative work environment which promotes staff's mandate to provide highest quality customer service, both internally and externally.

Conduct business in a manner which effectively uses resources, respects diversity, and promotes dignity, self-reliance and equal opportunity.

I EXECUTIVE SUMMARY

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FY09 BUDGET
San Diego Housing Commission

Agency Overview

	Original FY08	Current FY08	Proposed FY09	Change
I. ACTIVITY GROUPS				
Housing Services	154,630,950	173,147,910	171,601,370	(1,546,540)
Housing Development	7,022,535	7,022,535	3,477,507	(3,545,028)
Housing Finance	38,467,434	53,586,417	42,755,034	(10,831,383)
Operations	11,190,279	11,214,009	12,210,031	996,022
Program, Contingency & Unobligated Reserves	19,977,140	27,944,368	34,988,406	7,044,038
Total Activity Groups	231,288,338	272,915,239	265,032,348	(7,882,891)
II. REVENUES				
Restricted Revenues				
Section 8	137,157,916	156,662,470	162,871,642	6,209,172
Other HUD	25,651,539	23,460,157	10,658,799	(12,801,358)
State	1,050,663	1,088,816	1,926,817	838,001
CDBG	3,351,474	3,488,119	3,129,615	(358,504)
Restricted Local	13,591,838	21,691,239	34,866,598	13,175,359
Subtotal	180,803,430	206,390,801	213,453,471	7,062,670
Unrestricted Revenues				
Rental Rehabilitation	34,848	34,848	37,788	2,940
Local	21,980,911	24,025,456	20,713,400	(3,312,056)
Affordable Housing Fund	11,768,015	16,785,518	12,984,862	(3,800,656)
HOME	16,701,134	25,678,616	17,842,827	(7,835,789)
Subtotal	50,484,908	66,524,438	51,578,877	(14,945,561)
Total Revenues	231,288,338	272,915,239	265,032,348	(7,882,891)
III. EXPENDITURES				
Salaries & Benefits	17,838,859	17,838,859	18,686,970	848,111
Services & Supplies	8,594,369	9,477,693	8,674,426	(803,267)
Housing Programs	184,877,970	217,654,319	202,682,546	(14,971,773)
Program, Contingency & Unobligated Reserves	19,977,140	27,944,368	34,988,406	7,044,038
Total Expenditures	231,288,338	272,915,239	265,032,348	(7,882,891)
Continuing Appropriations	19,813,067	18,895,270	6,287,958	(12,607,312)

FY09 BUDGET

San Diego Housing Commission

Summary of FY09 Budget

I. Budget Issues

Fiscal Year 2009 (FY09) will bring many important changes and initiatives to the Housing Commission. First, a new President & Chief Executive Officer (CEO) will be welcomed to the organization to provide entrepreneurial leadership as the Housing Commission enters a new strategic phase. Following the successful completion of the public housing disposition project, the Housing Commission will begin to develop additional affordable housing owned by the Housing Commission. New strategies planned for FY09 include addressing the foreclosure issue in the community, additional emphasis on identifying housing solutions for homeless persons and increased attention to housing policy issues in the City.

As in past years the Housing Commission has experienced increased program activity but insufficient growth of revenues eligible to support related administrative activities. Through pursuit of the Business Plan Strategies to increase revenues along with ongoing management actions to constrain costs, this budget proposes a balance of administrative revenues with expenditures. It is noteworthy that supervision and overhead costs associated with this budget are held to less than five percent of the budget. However, even with these actions, reserves will be needed to fill the gap in several areas.

In FY09, restructuring will be completed in Financial Services and the housing development and housing finance activities are once again separated. The housing development activity will include actions taken by the Housing Commission to expand its portfolio and housing finance activity will focus on financing other organizations in their development of affordable housing in the City.

It is commonly assumed that it is prudent to budget a reserve for unanticipated events with reserves of up to five percent considered optimal. The Housing Commission anticipates having \$4.3 million or 1.6 percent of the total budget available in FY09 in Unobligated Reserves (compared with 2.5 percent in FY08). This is a decrease of \$2.9 million from the current FY08 Budget and is primarily the result of using Unobligated Reserves to fund administrative expenses and Facilities Management in FY09. Due to the downturn in the real estate market, the lease up of the first two floors at Smart Corner has lagged and it was necessary to use unobligated funds to support the extended leasing period. This downturn has also resulted in the expectation of lower HOME shared equity loan repayments and Affordable Housing and Inclusionary fees and it was necessary to use unobligated funds to support the administrative expenses of Housing Finance activities. In addition to the Unobligated Reserves, the budget also contains \$20.8 million in reserves for specific programs and \$10.0 million for Contingency Reserves for potential litigation, uninsured losses, office facility and new affordable units. Altogether, 13.2 percent of the budget is set aside for unexpected or future year obligations.

Levels of Production

This proposed budget implements the City Council-approved multifaceted strategy (included in the Housing Element of the General Plan and the Consolidated Plan). This strategy recognizes the varied affordable housing needs of San Diegans living in the City's diverse neighborhoods. Through a variety of programs, the Commission will continue to serve more than 80,000 San Diegans. Of course, available resources are not sufficient to fully satisfy all housing needs. In essence, the \$265.0 million proposed FY09 Budget would enable the San Diego Housing Commission to:

- * Assist 13,780 households to rent private housing.
- * Subsidize approximately 80 first-time homebuyers.

FY09 BUDGET

San Diego Housing Commission

Summary of FY09 Budget

- * Initiate production of 720 additional affordable rental units, some Housing Commission owned.
- * Oversee physical improvements to 1,556 homes and apartments.
- * Manage 1,800 units of publicly owned housing.
- * Provide special purpose housing opportunities for 640 persons.
- * Aid 500 families toward self-sufficiency.

As has been the case in the past, staff will report quarterly on progress towards meeting major production goals. Also, the Housing Commission will continue to streamline its processes, ensure program compliance, and seek greater public understanding of housing issues. The Housing Commission is committed to maximizing the value of the resources allocated for each activity, controlling administrative costs, and providing the most affordable housing feasible.

II. Activity Based Budget

The Activity Based Budget aggregates expenditures in four Activity Groups plus Reserves. The Activity Groups are:

Housing Services covers direct services including Rental Assistance, Property Management (including Management, Routine Maintenance and Asset Management) and Workforce & Economic Development Activities;

Housing Development covers all rental housing development accomplished by the Housing Commission, nonprofit and for profit entities. In FY08, the development and financing of rental housing were combined in the Rental Housing Production activity. In FY09, Rental Housing Production was separated into two activities, Rental Housing Development and Rental Housing Finance;

Housing Finance covers all of the loan and grant programs including Rental Housing Production, Homeownership, Rehabilitation (Owner Occupied and Rental Housing), Portfolio Servicing and Occupancy Monitoring, and Special Purpose Housing Activities;

Operations covers administration including Board and Executive Functions, Support Services (including Human Resources, Information Technology, Business Services, Financial Services and Facilities Management), Policy & Public Affairs and Communications Activities; and

Reserves include Program Reserves, Contingency Reserves and Unobligated Reserves.

The following chart shows the proposed FY09 Budget for each of the four Activity Groups and Reserves and it compares the FY09 Budget to FY08.

FY09 BUDGET
San Diego Housing Commission

Summary of FY09 Budget

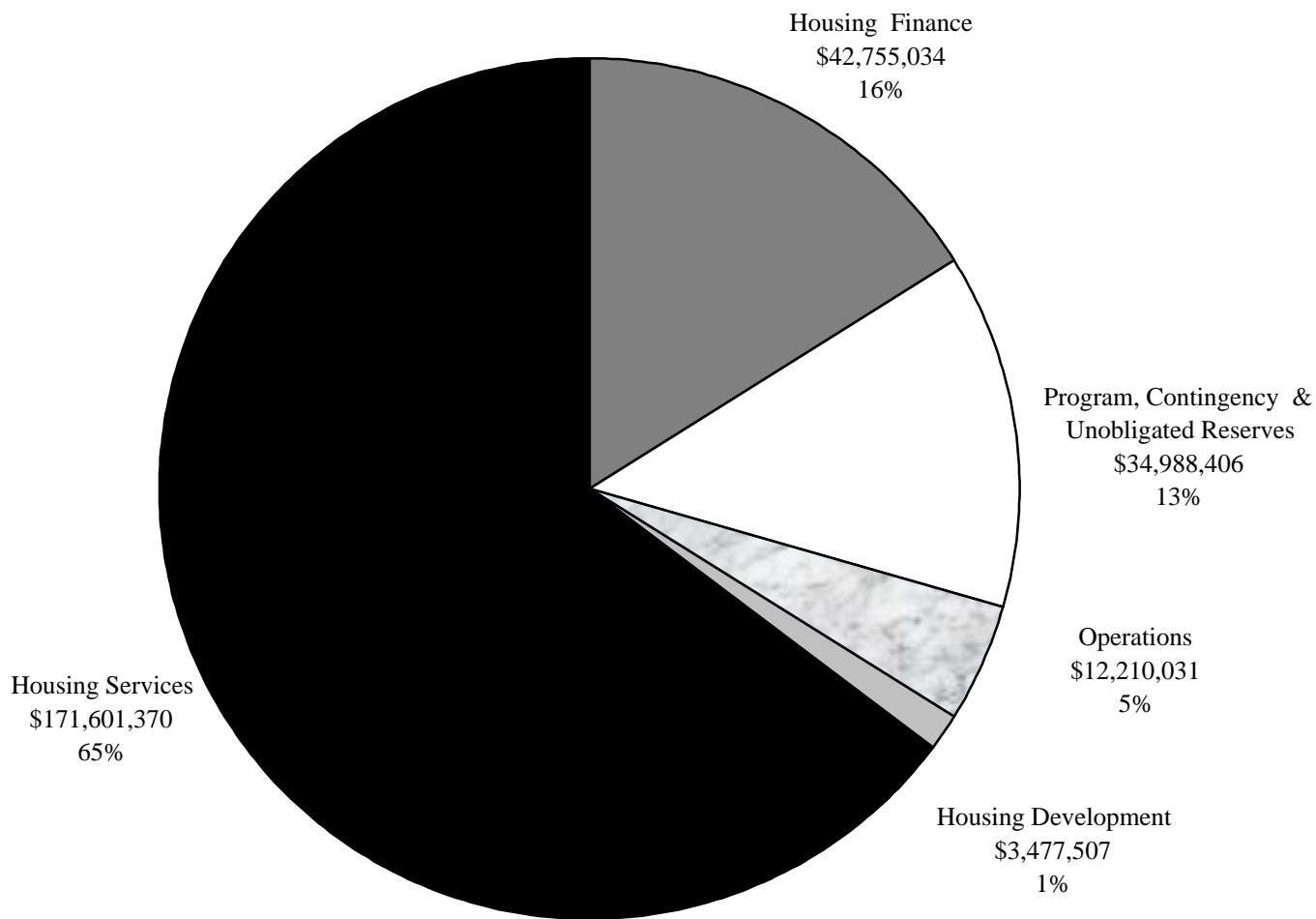
	Number of Staff	Salaries & Benefits	Services & Supplies	Housing Programs	FY09 Proposed Budget	FY 08 Current Budget
Hsg. Services	152.97	\$10,479,508	\$2,910,697	\$158,211,165	\$171,601,370	\$173,147,910
Hsg. Dev.	1.08	104,846	257,661	3,115,000	3,477,507	7,022,535
Hsg. Finance	37.00	3,277,183	1,196,272	38,281,579	42,755,034	53,586,417
Operations	52.45	4,825,433	4,309,796	3,074,802	12,210,031	11,214,009
Reserves	0.00	0	0	0	34,988,406	27,944,368
Total	243.50	\$18,686,970	\$8,674,426	\$202,682,546	\$265,032,348	\$272,915,239
Continuing Appropriations					\$6,287,958	\$18,895,270

Continuing Appropriations represent projects, contracts or activities approved in FY08 or earlier but not completed to date. As such, these funds are not available for allocation. Estimated Continuing Appropriations of \$6.3 million are not included in the proposed FY09 Budget total but are shown on the budget summary charts to give a complete picture of resources and activity levels.

More information regarding each Activity Group and the component Activities is available in Section II, with further detail for Sub Activities shown in Section III.

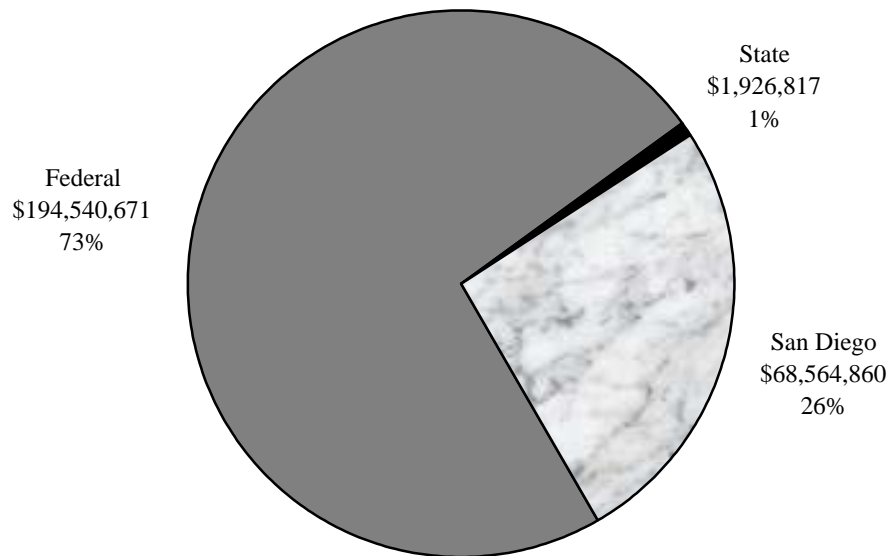
FY09 Budget by Activity Group

Total \$265,032,348*

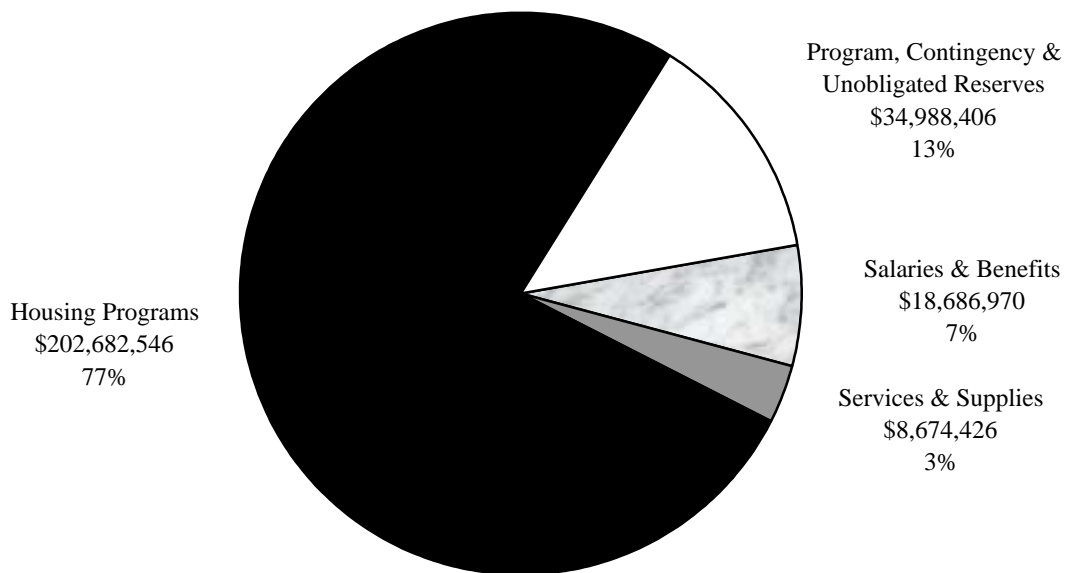


***Note: Does not include Continuing Appropriations of \$6,287,958**

FY09 Revenue by Major Category Total \$265,032,348*

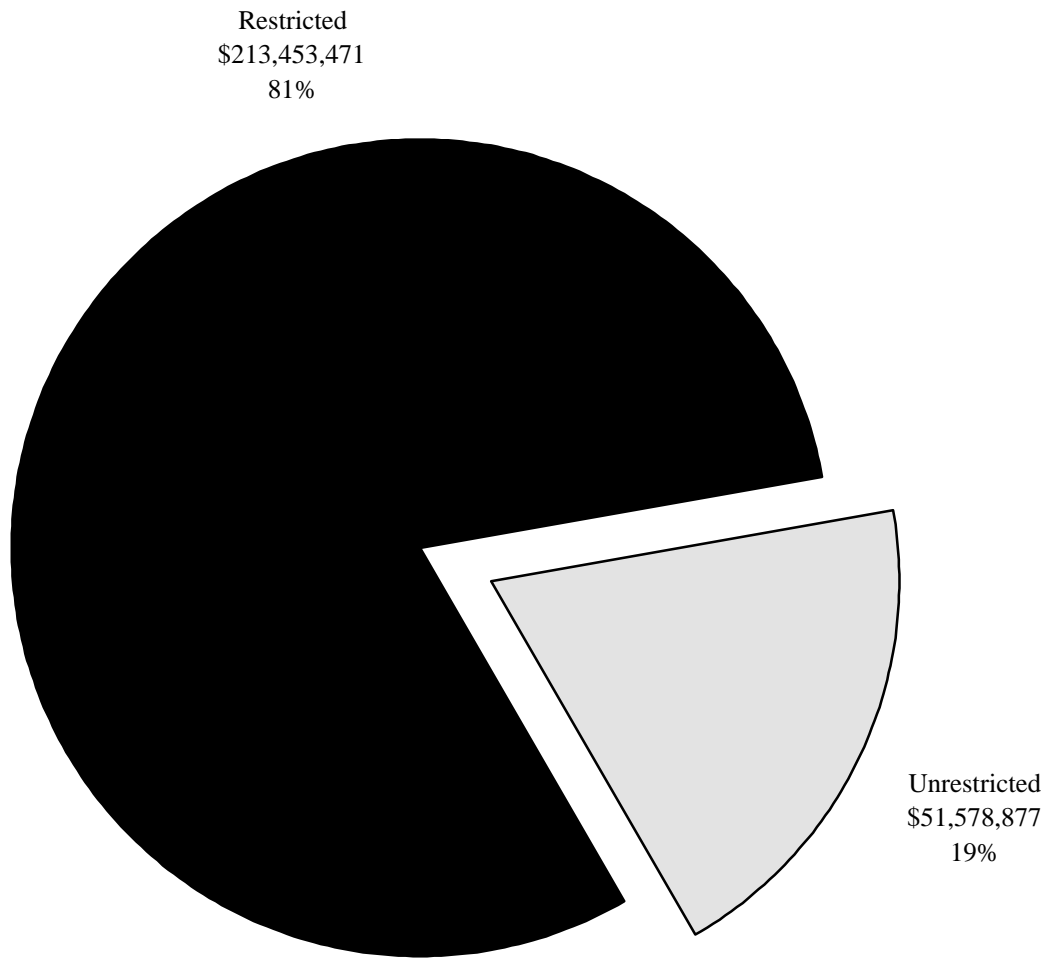


FY09 Expense by Major Category Total \$265,032,348*



*Note: Does not include Continuing Appropriations of \$6,287,958

**FY09 Revenues
Restricted and Unrestricted
Total \$265,032,348***



*** Note: Does not include Continuing Appropriations of \$6,287,958**

II FY09 ACTIVITY BASED BUDGET

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FY09 BUDGET

San Diego Housing Commission

Schedule I

Activity Based Budget Summary										
Activities	# of Staff	Salaries & Benefits	Services & Supplies	Housing Programs	Contingency Reserves	Program & Reserves	Total Proposed Budget	Continuing Appropriations	FY08 Current Budget	FY08 Original Budget
Housing Services	152.97	10,479,508	2,910,697	158,211,165	0	171,601,370	41,099	173,147,910	154,630,950	
Rental Assistance	92.00	6,125,163	1,511,325	149,380,577	0	157,017,065	29,099	151,887,079	134,463,479	
Property Management	47.32	3,249,431	964,642	7,761,717	0	11,975,790	0	18,535,969	17,767,073	
Management	20.92	1,247,403	502,106	1,582,483	0	3,331,992	0	7,280,897	5,883,025	
Routine Maintenance	20.63	1,458,257	283,213	4,483,105	0	6,224,575	0	6,290,675	6,290,675	
Construction Services	5.77	543,771	179,323	1,696,129	0	2,419,223	0	4,964,397	5,593,373	
Workforce & Economic Development	13.65	1,104,914	434,730	1,068,871	0	2,608,515	12,000	2,724,862	2,400,398	
Housing Development	1.08	104,846	257,661	3,115,000	0	3,477,507	0	7,022,535	7,022,535	
Rental Housing Development	1.08	104,846	257,661	3,115,000	0	3,477,507	0	7,022,535	7,022,535	
Housing Finance	37.00	3,277,183	1,196,272	38,281,579	0	42,755,034	5,700,915	53,586,417	38,467,434	
Rental Housing Finance	10.60	1,053,063	421,474	20,980,268	0	22,454,805	1,492,711	31,102,691	18,982,137	
Homeownership	3.10	239,050	82,801	5,175,429	0	5,497,280	1,909,954	6,467,739	5,753,737	
Rehabilitation	11.60	1,064,854	360,099	5,232,808	0	6,657,761	300,000	8,755,133	7,835,614	
Rental Housing	3.95	360,661	212,958	186,771	0	760,390	0	2,508,425	2,451,774	
Owner Occupied	7.65	704,193	147,141	5,046,037	0	5,897,371	300,000	6,246,708	5,383,840	
Portfolio Servicing & Occupancy Monitoring	9.55	714,669	287,351	1,562,615	0	2,564,635	0	2,991,718	2,799,101	
Special Purpose Housing	2.15	205,547	44,547	5,330,459	0	5,580,553	1,998,250	4,269,136	3,096,845	
Operations	52.45	4,825,433	4,309,796	3,074,802	0	12,210,031	545,944	11,214,009	11,190,279	
Board & Executive Functions	3.40	629,586	271,508	0	0	901,094	0	851,878	851,878	
Support Services	42.05	3,457,858	3,515,440	3,059,802	0	10,033,100	497,944	9,530,596	9,506,866	
Human Resources	2.95	301,685	293,547	0	0	595,232	0	580,891	580,891	
Information Technology	9.65	775,297	1,741,399	0	0	2,516,696	122,944	2,221,904	2,221,904	
Business Services	8.00	627,347	479,290	0	0	1,106,637	0	909,667	909,667	
Financial Services	20.00	1,606,334	440,380	0	0	2,046,714	0	1,946,779	1,923,049	
Facilities Management	1.45	147,195	560,824	3,059,802	0	3,767,821	375,000	3,871,355	3,871,355	
Policy & Public Affairs	7.00	737,989	522,848	15,000	0	1,275,837	48,000	831,535	831,535	
Policy & Public Affairs	2.35	246,696	361,180	15,000	0	622,876	48,000	359,447	359,447	
Communications	3.65	362,326	101,065	0	0	463,391	0	472,088	472,088	
Reinvestment Task Force	1.00	128,967	60,603	0	0	189,570	0	0	0	
Program, Contingency & Unobligated Reserves	0.00	0	0	0	0	34,988,406	0	27,944,368	19,977,140	
FY09 Proposed Activity Based Budget	243.50	18,686,970	8,674,426	202,682,546	0	34,988,406	6,287,958	272,915,239	231,288,338	
FY08 Current Budget	238.00	17,838,859	9,477,693	217,654,319	0	27,944,368	0	272,915,239	231,288,338	

Activities and Revenues

Activities	Restricted Revenue Sources							Unrestricted Revenue Sources			
	FY09 Proposed Budget (B)	Section 8 (C)	Other HUD & HHS (D)	State (E)	CDBG (F)	Restricted Local (G)	Rental Rehabilitation (H)	Local (I)	Affordable Housing Fund (J)	HOME (K)	
Housing Services	171,601,370	157,579,015	1,212,969	582,726	0	12,208,894	0	17,766	0	0	
Rental Assistance	157,017,065	157,017,065	0	0	0	0	0	0	0	0	
Property Management	11,975,790	0	995,969	582,726	0	10,379,329	0	17,766	0	0	
Management	3,331,992	0	873,107	132,723	0	2,323,099	0	3,063	0	0	
Routine Maintenance	6,224,575	0	107,875	394,207	0	5,716,915	0	5,578	0	0	
Construction Services	2,419,223	0	14,987	55,796	0	2,339,315	0	9,125	0	0	
Workforce & Economic Development	2,608,515	561,950	217,000	0	0	1,829,565	0	0	0	0	
Housing Development	3,477,507	0	0	0	0	1,877,507	0	1,600,000	0	0	
Rental Housing Development	3,477,507	0	0	0	0	1,877,507	0	1,600,000	0	0	
Housing Finance	42,755,034	0	2,204,781	964,706	2,763,961	4,734,579	37,788	2,532,019	12,801,163	16,716,037	
Rental Housing Finance	22,454,805	0	0	0	520,122	420,021	0	62,953	7,201,713	14,249,996	
Homeownership	5,497,280	0	0	964,706	391,905	785,220	0	50,000	2,636,940	668,509	
Rehabilitation	6,657,761	0	608,815	0	989,319	3,529,338	0	391,246	593,621	545,422	
Rental Housing	760,390	0	385,388	0	164,701	0	0	210,301	0	0	
Owner Occupied	5,897,371	0	223,427	0	824,618	3,529,338	0	180,945	593,621	545,422	
Portfolio Servicing & Occupancy Monitoring	2,564,635	0	0	0	862,615	0	0	1,390,314	59,596	252,110	
Special Purpose Housing	5,580,553	0	1,595,966	0	0	0	37,788	637,506	2,309,293	1,000,000	
Operations	12,210,031	2,998,943	93,650	125,389	365,654	2,393,962	0	5,810,941	183,699	237,793	
Board & Executive Functions	901,094	426,649	14,257	14,362	47,891	256,629	0	65,320	33,117	42,869	
Support Services	10,033,100	2,557,294	79,393	111,027	217,763	2,067,333	0	4,654,784	150,582	194,924	
Human Resources	595,232	290,189	7,939	11,090	21,796	199,691	0	29,948	15,070	19,509	
Information Technology	2,516,696	979,599	24,519	34,055	67,607	627,249	0	676,401	46,751	60,515	
Business Services	1,106,637	497,027	15,205	23,871	37,613	421,220	0	52,022	26,010	33,669	
Financial Services	2,046,714	790,479	31,730	42,011	90,747	819,173	0	128,592	62,751	81,231	
Facilities Management	3,767,821	0	0	0	0	0	0	3,767,821	0	0	
Policy & Public Affairs	1,275,837	15,000	0	0	100,000	70,000	0	1,090,837	0	0	
Policy & Public Affairs	622,876	15,000	0	0	0	0	0	607,876	0	0	
Communications	463,391	0	0	0	0	0	0	463,391	0	0	
Reinvestment Task Force	189,570	0	0	0	100,000	70,000	0	19,570	0	0	
Program, Contingency & Unobligated Reserves	34,988,406	2,293,684	7,147,399	253,996	0	13,651,656	0	10,752,674	0	888,997	
FY09 Proposed Budget	265,032,348	162,871,642	10,658,799	1,926,817	3,129,615	34,866,598	37,788	20,713,400	12,984,862	17,842,827	
FY08 Current Budget	272,915,239	156,662,470	23,460,157	1,088,816	3,488,119	21,691,239	34,848	24,025,456	16,785,518	25,678,616	

FY09 BUDGET
San Diego Housing Commission

ACTIVITY GROUP I: HOUSING SERVICES			
<p>Housing Services encompasses those activities that provide direct housing assistance and supportive services to the agency's primary clients, approximately 80,000 low-, very low-, and extremely low-income persons. These program activities provide eligible families with Rental Assistance; oversee Property Management and Maintenance of agency-owned and managed complexes; and coordinate the provision of Workforce & Economic Development to assist clients to promote self-sufficiency and economic stability.</p>			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 173,147,910	\$ 171,601,370
	Continuing Appropriations	\$ 1,130,428	\$ 41,099
	Positions	152.79	152.97

The Housing Services Activity Group includes the following Activities:

ACTIVITY IA: RENTAL ASSISTANCE			
<p>PURPOSE AND DESCRIPTION: The Rental Assistance Program (RAP) provides rental subsidies using federal funds to about 14,000 qualified low-income households (40,000 individuals) living in privately-owned rental units. The primary program is the federally funded Section 8 Housing Choice Voucher Program. It also includes Section 8 Moderate Rehabilitation. The primary activities of the department include maintaining the waiting list (currently at 19,000 families) and determining the initial and continuing eligibility of participating families.</p>			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 151,887,079	\$ 157,017,065
	Continuing Appropriations	\$ 55,134	\$ 29,099
	Positions	87.35	92.00

FY09 BUDGET
San Diego Housing Commission

ACTIVITY IB: PROPERTY MANAGEMENT			
PURPOSE AND DESCRIPTION: Property Management is responsible for the operation of all 1,784 Housing Commission-owned and/or managed units. Routine Maintenance provides for the daily routine and preventive maintenance functions of all Housing Commission-owned properties. Construction Services ensures the long-term viability of the Housing Commission's housing stock through the completion of needed capital improvement projects.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 18,535,969	\$ 11,975,790
	Continuing Appropriations	\$ 870,914	\$ 0
	Positions	51.79	47.32

ACTIVITY IC: WORKFORCE & ECONOMIC DEVELOPMENT			
PURPOSE AND DESCRIPTION: To promote self-sufficiency and economic stability in housing-assisted families through career development, access to education and training, financial education, and asset building. To support aging in place and independent living for elderly and disabled residents. Services include: 1) Assist up to 500 FSS program participants in identifying and pursuing careers that offer upward mobility; provide career coaching and referral services; collaborate with community organizations that provide supportive services, job training, education, and financial literacy; provide access to technology; and promote asset building strategies and homeownership. 2) Promote youth development through academic tutoring, access to technology, financial education and asset building. 3) Support socialization and independent living for elderly and disabled residents by providing access to specialized services, activities and resources. Actively pursue new funding sources to replace funding specifically tied to public housing, including HUD and other government agencies, financial institutions, and private and corporate foundations.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 2,724,862	\$ 2,608,515
	Continuing Appropriations	\$ 204,380	\$ 12,000
	Positions	13.65	13.65

FY09 BUDGET
San Diego Housing Commission

ACTIVITY GROUP II: HOUSING DEVELOPMENT			
Housing Development seeks to create additional Housing Commission-owned affordable rental housing to serve families earning at or below 80% Area Median Income.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
Budget	\$	7,022,535	\$ 3,477,507
Continuing Appropriations	\$	0	\$ 0
Positions		1.08	1.08

The Housing Development Activity Group includes the following Activity:

ACTIVITY IIA: RENTAL HOUSING DEVELOPMENT			
PURPOSE AND DESCRIPTION: Identify and pursue market opportunities to expand the City's inventory of new affordable housing through Housing Commission ownership.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
Budget	\$	7,022,535	\$ 3,477,507
Continuing Appropriations	\$	0	\$ 0
Positions		1.08	1.08

FY09 BUDGET
San Diego Housing Commission

ACTIVITY GROUP III: HOUSING FINANCE			
<p>Housing Finance activities facilitate the creation of additional affordable housing opportunities by providing financing for development of housing by nonprofits and for-profits; support for low- and moderate-income homebuyers; preservation of existing affordable housing; and provision of technical assistance, underwriting and loan servicing.</p>			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
Budget	\$	53,586,417	\$ 42,755,034
Continuing Appropriations	\$	16,853,040	\$ 5,700,915
Positions		38.00	37.00

The Housing Finance Activity Group includes the following Activities:

ACTIVITY IIIA: RENTAL HOUSING FINANCE			
<p>PURPOSE AND DESCRIPTION: This activity involves the development and preservation of affordable rental housing units using a variety of financing sources for acquisition, acquisition with rehabilitation, and new construction. This activity also provides project management support for units in development. Included in this activity is the provision of technical assistance and/or financing to nonprofit and for-profit developers and development and implementation of policies and programs that promote private sector development of affordable rental housing.</p>			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
Budget	\$	31,102,691	\$ 22,454,805
Continuing Appropriations	\$	8,370,181	\$ 1,492,711
Positions		10.60	10.60

FY09 BUDGET
San Diego Housing Commission

ACTIVITY IIB: HOMEOWNERSHIP			
PURPOSE AND DESCRIPTION: This activity provides for a range of financial products and technical assistance designed to help low- and moderate-income families purchase homes and improve affordability for existing homeowners.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 6,467,739	\$ 5,497,280
	Continuing Appropriations	\$ 3,294,032	\$ 1,909,954
	Positions	3.10	3.10

ACTIVITY IIC: REHABILITATION			
PURPOSE AND DESCRIPTION: The Rehabilitation activity provides financial and technical assistance for the renovation of homes or mobile homes occupied by low-income households, and investor-owned housing occupied by low-income renters. A significant portion of the Rehabilitation activities are focused in designated Redevelopment Areas of the City. Rehabilitation includes lead paint hazard reduction to eliminate and prevent childhood lead poisoning.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 8,755,133	\$ 6,657,761
	Continuing Appropriations	\$ 729,441	\$ 300,000
	Positions	11.60	11.60

ACTIVITY IID: PORTFOLIO SERVICING & OCCUPANCY MONITORING			
PURPOSE AND DESCRIPTION: This activity includes servicing and administration of the Housing Commission's loan portfolio and bond portfolio; monitoring projects for compliance with occupancy and affordability restrictions; managing the Housing Commission's relocation/tenant assistance program; and managing tenant relocation under the City's condominium conversion ordinance.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 2,991,718	\$ 2,564,635
	Continuing Appropriations	\$ 0	\$ 0
	Positions	10.55	9.55

FY09 BUDGET
San Diego Housing Commission

ACTIVITY IIIE: SPECIAL PURPOSE HOUSING		
PURPOSE AND DESCRIPTION: This activity provides funding to support affordable housing or services for persons with special needs. Includes transitional housing and permanent supportive housing or services as well as homeless services.		
RESOURCE ALLOCATION:		
		FY08 Current
		FY09 Proposed
Budget	\$	4,269,136
Continuing Appropriations	\$	4,459,386
Positions		2.15
		5,580,553
		1,998,250
		2.15

FY09 BUDGET
San Diego Housing Commission

ACTIVITY GROUP IV: OPERATIONS			
Operations activities provide support services to carry out housing program mission and goals. Board & Executive Functions provide strategic planning, policy direction, leadership, and management to implement housing programs. Support Services include internal operations needed to deliver housing program services and projects.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 11,214,009	\$ 12,210,031
	Continuing Appropriations	\$ 911,802	\$ 545,944
	Positions	46.13	52.45

The Operations Activity Group includes the following Activities:

ACTIVITY IVA: BOARD & EXECUTIVE FUNCTIONS			
PURPOSE AND DESCRIPTION: This activity includes strategic planning, policy analysis and development, management, and direction for the agency. The President & Chief Executive Officer and Executive Vice President & Chief Operating Officer and their immediate support staff, as well as support to the Boards of the Housing Commission and Housing Authority are included.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 851,878	\$ 901,094
	Continuing Appropriations	\$ 0	\$ 0
	Positions	3.70	3.40

FY09 BUDGET
San Diego Housing Commission

ACTIVITY IVB: SUPPORT SERVICES			
PURPOSE AND DESCRIPTION: Operations activities of the agency provide direct staff, equipment and contracting services to support housing program functions. These internal operations of the Housing Commission include Human Resources, Information Technology, Business Services, Financial Services, and Facilities Management.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 9,530,596	\$ 10,033,100
	Continuing Appropriations	\$ 861,754	\$ 497,944
	Positions	36.43	42.05

ACTIVITY IVC: POLICY & PUBLIC AFFAIRS			
PURPOSE AND DESCRIPTION: Policy serves to plan, direct and coordinate all Housing Commission policy and governmental affairs activities by establishing positive, collaborative working relationships with legislators, other agencies, City departments, and outside interests to effectuate the goals and mission of the Housing Commission. Activities include policy and legislative research; collaborating with stakeholders; monitoring activities of interested groups; representing the agency at public affairs and meetings; and facilitating the development of policies that further the mission of the Housing Commission. Communications serves to increase awareness and build support among all audiences for and about the agency's accomplishments, programs, offerings and initiatives; to educate clients and the community about the agency's affordable housing programs and services; and to improve the flow of information within the agency between management and staff and among departments. Activities include media relations; ombudsmanship; educational activities; and responding to requests for public information. Oversight of the Reinvestment Task Force was transferred from Housing Finance Portfolio Servicing to this activity.			
RESOURCE ALLOCATION:		FY08 Current	FY09 Proposed
	Budget	\$ 831,535	\$ 1,275,837
	Continuing Appropriations	\$ 50,048	\$ 48,000
	Positions	6.00	7.00

III ADDENDA

FY09 BUDGET
San Diego Housing Commission

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Activity Based Budget Detail

HOUSING SERVICES

ACTIVITY GROUP

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES													
ACTIVITY: RENTAL ASSISTANCE													
SUBACTIVITY: Rental Assistance													
Purpose and Description of the Activity:	Provide rental subsidies using federal funds to 13,780 qualified low-income households (40,000 individuals) living in tenant-selected, privately owned rental units.												
Strategies:	<ol style="list-style-type: none"> 1. Maximize utilization of housing assistance through maintaining average lease-up rate of 99%-100%. (Business Plan Strategy 30) 2. Maintain and maximize a PIC score of 98% or above to ensure uninterrupted and full program funding. (Business Plan Strategy 30) 3. Restructure RAP processes and procedures to incorporate the best practices for the department and to streamline the program operations. (Business Plan Goal 4) 4. Build strong alliance with San Diego Apartment Association and participating owners in order to ensure adequate program support that enables our clients to have sufficient housing choices. (Business Plan Strategy 32) 5. Provide new online services to our customers allowing them to access previously unavailable information regarding their unit inspection, rent portions, assigned staff person and upcoming appointments. (Business Plan Strategy 33) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 151,887,079</td> <td style="text-align: right;">\$ 157,017,065</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 55,134</td> <td style="text-align: right;">\$ 29,099</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">87.35</td> <td style="text-align: right;">92.00</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 151,887,079	\$ 157,017,065	Continuing Appropriations	\$ 55,134	\$ 29,099	Positions	87.35	92.00
	FY08 Current	FY09 Proposed											
Budget	\$ 151,887,079	\$ 157,017,065											
Continuing Appropriations	\$ 55,134	\$ 29,099											
Positions	87.35	92.00											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING SERVICES****RENTAL ASSISTANCE****Rental Assistance**

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	5,783,071	6,125,163	6%
Services & Supplies	1,353,486	1,511,325	12%
Housing Programs			
Rent to Owners	144,750,522	149,380,577	3%
Housing Programs Total	144,750,522	149,380,577	3%
TOTAL EXPENDITURES	151,887,079	157,017,065	3%
REVENUES			
Restricted			
Section 8	151,461,129	157,017,065	4%
Restricted Total	151,461,129	157,017,065	4%
Unrestricted			
Local	425,950	0	-100%
Unrestricted Total	425,950	0	-100%
TOTAL REVENUES	151,887,079	157,017,065	3%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES													
ACTIVITY: PROPERTY MANAGEMENT													
SUBACTIVITY: Management													
Purpose and Description of the Activity:	Ensure full utilization of existing housing resources through the achievement and maintenance of industry standard 95% occupancy rate.												
Strategies:	Transition to private sector methods in all areas of operations. (Business Plan Strategy 6)												
Resource Allocation:	<table border="1"> <thead> <tr> <th></th> <th>FY08 Current</th> <th>FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$ 7,280,897</td> <td>\$ 3,331,992</td> </tr> <tr> <td>Continuing Appropriations</td> <td>\$ 0</td> <td>\$ 0</td> </tr> <tr> <td>Positions</td> <td>25.10</td> <td>20.92</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 7,280,897	\$ 3,331,992	Continuing Appropriations	\$ 0	\$ 0	Positions	25.10	20.92
	FY08 Current	FY09 Proposed											
Budget	\$ 7,280,897	\$ 3,331,992											
Continuing Appropriations	\$ 0	\$ 0											
Positions	25.10	20.92											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

HOUSING SERVICES

PROPERTY MANAGEMENT

Management

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	1,548,408	1,247,403	-19%
Services & Supplies	1,158,109	502,106	-57%
Housing Programs			
Other Housing Programs	4,574,380	1,582,483	-65%
Housing Programs Total	<u>4,574,380</u>	<u>1,582,483</u>	<u>-65%</u>
TOTAL EXPENDITURES	7,280,897	3,331,992	-54%
REVENUES			
Restricted			
Other HUD	2,374,527	873,107	-63%
State	177,608	132,723	-25%
Restricted Local	4,720,205	2,323,099	-51%
Restricted Total	<u>7,272,340</u>	<u>3,328,929</u>	<u>-54%</u>
Unrestricted			
Local	8,557	3,063	-64%
Unrestricted Total	<u>8,557</u>	<u>3,063</u>	<u>-64%</u>
TOTAL REVENUES	7,280,897	3,331,992	-54%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES													
ACTIVITY: PROPERTY MANAGEMENT													
SUBACTIVITY: Routine Maintenance													
Purpose and Description of the Activity:	Provide for the cost effective daily routine and preventive maintenance of all Housing Commission-owned and/or managed properties.												
Strategies:	<ol style="list-style-type: none"> 1. Transition from centralized to site based service delivery model. (Business Plan Strategy 6) 2. Maintain all Housing Commission-owned and managed properties to high standard to promote neighborhood support and asset viability. (Business Plan Goal 1) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 6,290,675</td> <td style="text-align: right;">\$ 6,224,575</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">20.92</td> <td style="text-align: right;">20.63</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 6,290,675	\$ 6,224,575	Continuing Appropriations	\$ 0	\$ 0	Positions	20.92	20.63
	FY08 Current	FY09 Proposed											
Budget	\$ 6,290,675	\$ 6,224,575											
Continuing Appropriations	\$ 0	\$ 0											
Positions	20.92	20.63											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

HOUSING SERVICES

PROPERTY MANAGEMENT

Routine Maintenance

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	1,488,124	1,458,257	-2%
Services & Supplies	296,608	283,213	-5%
Housing Programs			
Other Housing Programs	4,505,943	4,483,105	-1%
Housing Programs Total	<u>4,505,943</u>	<u>4,483,105</u>	-1%
TOTAL EXPENDITURES	6,290,675	6,224,575	-1%
REVENUES			
Restricted			
Other HUD	2,517,292	107,875	-96%
State	400,841	394,207	-2%
Restricted Local	<u>3,323,902</u>	<u>5,716,915</u>	<u>72%</u>
Restricted Total	6,242,035	6,218,997	0%
Unrestricted			
Local	<u>48,640</u>	<u>5,578</u>	<u>-89%</u>
Unrestricted Total	48,640	5,578	-89%
TOTAL REVENUES	6,290,675	6,224,575	-1%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES													
ACTIVITY: PROPERTY MANAGEMENT													
SUBACTIVITY: Construction Services													
Purpose and Description of the Activity:	Complete capital improvement projects at Housing Commission-owned and managed developments.												
Strategies:	Ensure the long-term viability of Housing Commission-owned developments and the achievement of 95% occupancy through the completion of capital improvement projects. (Business Plan Strategy 3)												
Resource Allocation:	<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 4,964,397</td> <td style="text-align: right;">\$ 2,419,223</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 870,914</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">5.77</td> <td style="text-align: right;">5.77</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 4,964,397	\$ 2,419,223	Continuing Appropriations	\$ 870,914	\$ 0	Positions	5.77	5.77
	FY08 Current	FY09 Proposed											
Budget	\$ 4,964,397	\$ 2,419,223											
Continuing Appropriations	\$ 870,914	\$ 0											
Positions	5.77	5.77											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING SERVICES****PROPERTY MANAGEMENT****Construction Services**

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	535,728	543,771	2%
Services & Supplies	384,635	179,323	-53%
Housing Programs			
Other Housing Programs	4,044,034	1,696,129	-58%
Housing Programs Total	<u>4,044,034</u>	<u>1,696,129</u>	<u>-58%</u>
TOTAL EXPENDITURES	4,964,397	2,419,223	-51%
REVENUES			
Restricted			
Other HUD	2,068,722	14,987	-99%
State	8,750	55,796	538%
Restricted Local	<u>2,723,277</u>	<u>2,339,315</u>	<u>-14%</u>
Restricted Total	4,800,749	2,410,098	-50%
Unrestricted			
Local	<u>163,648</u>	<u>9,125</u>	<u>-94%</u>
Unrestricted Total	163,648	9,125	-94%
TOTAL REVENUES	4,964,397	2,419,223	-51%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES													
ACTIVITY: WORKFORCE & ECONOMIC DEVELOPMENT													
SUBACTIVITY: Workforce & Economic Development													
Purpose and Description of the Activity:	To promote self-sufficiency and economic stability in housing-assisted families through career development, access to education and training, financial education, and asset building. To support aging in place and independent living for elderly and disabled residents.												
Strategies:	<ol style="list-style-type: none"> 1. Coordinate programs, partnerships and supportive services that assist Housing Commission clients in achieving economic self-sufficiency and financial stability through the administration of the Family Self-Sufficiency Program, learning opportunity centers, and specialized senior/disabled services. (Business Plan Strategy 7) 2. To improve and streamline service delivery to a broader client base by centralizing learning opportunity centers. (Business Plan Strategy 8) 3. Actively pursue new funding sources to replace funding specifically tied to public housing, including HUD and other government agencies, financial institutions, and private and corporate foundations. (Business Plan Strategy 8) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 2,724,862</td> <td style="text-align: right;">\$ 2,608,515</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 204,380</td> <td style="text-align: right;">\$ 12,000</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">13.65</td> <td style="text-align: right;">13.65</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 2,724,862	\$ 2,608,515	Continuing Appropriations	\$ 204,380	\$ 12,000	Positions	13.65	13.65
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Budget	\$ 2,724,862	\$ 2,608,515											
Continuing Appropriations	\$ 204,380	\$ 12,000											
Positions	13.65	13.65											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

HOUSING SERVICES

WORKFORCE & ECONOMIC DEVELOPMENT

Workforce & Economic Development

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	1,072,651	1,104,914	3%
Services & Supplies	415,796	434,730	5%
Housing Programs			
Other Housing Programs	1,236,415	1,068,871	-14%
Housing Programs Total	<u>1,236,415</u>	<u>1,068,871</u>	<u>-14%</u>
TOTAL EXPENDITURES	2,724,862	2,608,515	-4%
REVENUES			
Restricted			
Section 8	553,954	561,950	1%
Other HUD	1,841,524	217,000	-88%
Restricted Local	329,384	1,829,565	455%
Restricted Total	<u>2,724,862</u>	<u>2,608,515</u>	<u>-4%</u>
TOTAL REVENUES	2,724,862	2,608,515	-4%

Activity Based Budget Detail

HOUSING DEVELOPMENT

ACTIVITY GROUP

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING DEVELOPMENT																					
ACTIVITY: RENTAL HOUSING DEVELOPMENT																					
SUBACTIVITY: Rental Housing Development																					
Purpose and Description of the Activity:	Identify and pursue market opportunities to expand the City's inventory of additional affordable housing through Housing Commission ownership.																				
Strategies:	<ol style="list-style-type: none"> 1. Leverage existing assets to create funding mechanism to support acquisition and/or development activity. (Business Plan Strategy 4) 2. Initiate acquisition and/or development of 120 units of affordable housing consistent with the Public Housing Disposition Strategy. (Business Plan Strategy 4) 3. Analyze feasibility for creation of additional affordable housing on existing Housing Commission-owned real estate. (Business Plan Goal 1) 																				
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%;"></th> <th style="width: 15%; text-align: center;">FY08 Current</th> <th style="width: 10%;"></th> <th style="width: 15%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">7,022,535</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">3,477,507</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Positions</td> <td></td> <td style="text-align: right;">1.08</td> <td></td> <td style="text-align: right;">1.08</td> </tr> </tbody> </table>			FY08 Current		FY09 Proposed	Budget	\$	7,022,535	\$	3,477,507	Continuing Appropriations	\$	0	\$	0	Positions		1.08		1.08
		FY08 Current		FY09 Proposed																	
Budget	\$	7,022,535	\$	3,477,507																	
Continuing Appropriations	\$	0	\$	0																	
Positions		1.08		1.08																	

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING DEVELOPMENT****RENTAL HOUSING DEVELOPMENT****Rental Housing Development**

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	121,173	104,846	-13%
Services & Supplies	258,155	257,661	0%
Housing Programs			
Site Acquisition	6,643,207	3,115,000	-53%
Housing Programs Total	<u>6,643,207</u>	<u>3,115,000</u>	<u>-53%</u>
TOTAL EXPENDITURES	7,022,535	3,477,507	-50%
REVENUES			
Restricted			
Other HUD	5,443,207	0	-100%
Restricted Local	0	1,877,507	0%
Restricted Total	<u>5,443,207</u>	<u>1,877,507</u>	<u>-66%</u>
Unrestricted			
Local	1,579,328	1,600,000	1%
Unrestricted Total	<u>1,579,328</u>	<u>1,600,000</u>	<u>1%</u>
TOTAL REVENUES	7,022,535	3,477,507	-50%

Activity Based Budget Detail

HOUSING FINANCE

ACTIVITY GROUP

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE													
ACTIVITY: RENTAL HOUSING FINANCE													
SUBACTIVITY: Rental Housing Finance													
Purpose and Description of the Activity:	Provide financing to nonprofit and for-profit entities for production or preservation of affordable rental housing, including special purpose housing, through issuance of bonds, loans, grants, tax credits, inclusionary and density bonus units, contribution of land, land-use regulations and technical assistance.												
Strategies:	<ol style="list-style-type: none"> 1. Initiate creation or preservation of 600 rental units through financing (new construction, acquisition, acquisition with rehabilitation), affordable at/below 60% Area Median Income. (Business Plan Strategy 9) 2. Provide technical assistance to nonprofits in the form of project development assistance and provide workshops for developers regarding rental housing development issues. (Business Plan Goal 3) 3. Provide project management support for 1,000 units in development. (Business Plan Goal 1) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 31,102,691</td> <td style="text-align: right;">\$ 22,454,805</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 8,370,181</td> <td style="text-align: right;">\$ 1,492,711</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">10.60</td> <td style="text-align: right;">10.60</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 31,102,691	\$ 22,454,805	Continuing Appropriations	\$ 8,370,181	\$ 1,492,711	Positions	10.60	10.60
	FY08 Current	FY09 Proposed											
Budget	\$ 31,102,691	\$ 22,454,805											
Continuing Appropriations	\$ 8,370,181	\$ 1,492,711											
Positions	10.60	10.60											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING FINANCE****RENTAL HOUSING FINANCE****Rental Housing Finance**

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	1,013,983	1,053,063	4%
Services & Supplies	530,217	421,474	-21%
Housing Programs			
Loans & Grants	29,498,223	20,917,315	-29%
Other Housing Programs	60,268	62,953	4%
Housing Programs Total	29,558,491	20,980,268	-29%
TOTAL EXPENDITURES	31,102,691	22,454,805	-28%
REVENUES			
Restricted			
State	604	0	-100%
CDBG	449,041	520,122	16%
Restricted Local	944,528	420,021	-56%
Restricted Total	1,394,173	940,143	-33%
Unrestricted			
Local	148,268	62,953	-58%
Affordable Housing Fund	11,712,713	7,201,713	-39%
HOME	17,847,537	14,249,996	-20%
Unrestricted Total	29,708,518	21,514,662	-28%
TOTAL REVENUES	31,102,691	22,454,805	-28%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE													
ACTIVITY: HOMEOWNERSHIP													
SUBACTIVITY: Homeownership													
Purpose and Description of the Activity:	Provide financial and technical assistance to homebuyers and to private entities operating homeownership programs. Also provide housing programs and/or incentives to developers of affordable homeownership opportunities.												
Strategies:	<ol style="list-style-type: none"> 1. For 80 homebuyers: administer first-time homebuyer financial assistance programs (including deferred second trust deed loans, down payment/closing cost assistance grants, and mortgage credit certificates). Determine buyer eligibility for a variety of affordable for-sale (price-restricted) units with particular emphasis on those within 120% of Area Median Income. (Business Plan Strategy 18) 2. Underwrite, process and fund all first-time homebuyer program loans and grants in accordance with Housing Commission policies, guidelines and regulations. (Business Plan Strategy 13) 3. Contract with nonprofit credit counseling agency to provide one-time emergency assistance to ten eligible families at risk of losing their homes to foreclosure. (Business Plan Strategy 20) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 6,467,739</td> <td style="text-align: right;">\$ 5,497,280</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 3,294,032</td> <td style="text-align: right;">\$ 1,909,954</td> </tr> <tr> <td>Positions</td> <td style="text-align: center;">3.10</td> <td style="text-align: center;">3.10</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 6,467,739	\$ 5,497,280	Continuing Appropriations	\$ 3,294,032	\$ 1,909,954	Positions	3.10	3.10
	FY08 Current	FY09 Proposed											
Budget	\$ 6,467,739	\$ 5,497,280											
Continuing Appropriations	\$ 3,294,032	\$ 1,909,954											
Positions	3.10	3.10											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

HOUSING FINANCE

HOMEOWNERSHIP

Homeownership

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	231,884	239,050	3%
Services & Supplies	82,723	82,801	0%
Housing Programs			
Loans & Grants	6,153,132	5,175,429	-16%
Housing Programs Total	<u>6,153,132</u>	<u>5,175,429</u>	-16%
TOTAL EXPENDITURES	6,467,739	5,497,280	-15%
REVENUES			
Restricted			
State	25,879	964,706	3628%
CDBG	449,664	391,905	-13%
Restricted Local	62,356	785,220	1159%
Restricted Total	<u>537,899</u>	<u>2,141,831</u>	298%
Unrestricted			
Local	0	50,000	0%
Affordable Housing Fund	1,161,206	2,636,940	127%
HOME	4,768,634	668,509	-86%
Unrestricted Total	<u>5,929,840</u>	<u>3,355,449</u>	-43%
TOTAL REVENUES	6,467,739	5,497,280	-15%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE													
ACTIVITY: REHABILITATION													
SUBACTIVITY: Rental Housing													
Purpose and Description of the Activity:	Provide technical and financial assistance for the rehabilitation of privately-owned housing occupied by low-income renters.												
Strategies:	<ol style="list-style-type: none"> 1. Provide lead based paint reduction grants for 87 rental housing units. (Business Plan Strategy 11) 2. Provide accessibility grants for 15 tenants with disabilities. (Business Plan Strategy 11) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 2,508,425</td> <td style="text-align: right;">\$ 760,390</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">3.95</td> <td style="text-align: right;">3.95</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 2,508,425	\$ 760,390	Continuing Appropriations	\$ 0	\$ 0	Positions	3.95	3.95
	FY08 Current	FY09 Proposed											
Budget	\$ 2,508,425	\$ 760,390											
Continuing Appropriations	\$ 0	\$ 0											
Positions	3.95	3.95											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

HOUSING FINANCE

REHABILITATION

Rental Housing

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	344,317	360,661	5%
Services & Supplies	326,842	212,958	-35%
Housing Programs			
Loans & Grants	1,744,488	157,000	-91%
Other Housing Programs	92,778	29,771	-68%
Housing Programs Total	1,837,266	186,771	-90%
TOTAL EXPENDITURES	2,508,425	760,390	-70%
REVENUES			
Restricted			
Other HUD	2,267,748	385,388	-83%
State	33,051	0	-100%
CDBG	0	164,701	0%
Restricted Total	2,300,799	550,089	-76%
Unrestricted			
Local	0	210,301	0%
HOME	207,626	0	-100%
Unrestricted Total	207,626	210,301	1%
TOTAL REVENUES	2,508,425	760,390	-70%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE													
ACTIVITY: REHABILITATION													
SUBACTIVITY: Owner Occupied													
Purpose and Description of the Activity:	Provide financial and technical assistance to low-income owners wishing to rehabilitate their owner-occupied housing and to nonprofit entities that assist such owners.												
Strategies:	<ol style="list-style-type: none"> 1. Provide financial assistance in the rehabilitation of 259 owner-occupied residences consisting of: <ul style="list-style-type: none"> • Deferred loans to 160 very low-, low-, and moderate-income single family homeowners • Grants for 70 very low-income mobile home owners • Lead based paint reduction grants for 29 single family owner-occupied homes (Business Plan Strategy 11) 2. Monitor CDBG-financed nonprofit rehabilitation for 400 residential units. 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 6,246,708</td> <td style="text-align: right;">\$ 5,897,371</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 729,441</td> <td style="text-align: right;">\$ 300,000</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">7.65</td> <td style="text-align: right;">7.65</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 6,246,708	\$ 5,897,371	Continuing Appropriations	\$ 729,441	\$ 300,000	Positions	7.65	7.65
	FY08 Current	FY09 Proposed											
Budget	\$ 6,246,708	\$ 5,897,371											
Continuing Appropriations	\$ 729,441	\$ 300,000											
Positions	7.65	7.65											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

HOUSING FINANCE

REHABILITATION

Owner Occupied

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	669,780	704,193	5%
Services & Supplies	218,673	147,141	-33%
Housing Programs			
Loans & Grants	5,237,295	4,962,402	-5%
Other Housing Programs	120,960	83,635	-31%
Housing Programs Total	5,358,255	5,046,037	-6%
TOTAL EXPENDITURES	6,246,708	5,897,371	-6%
REVENUES			
Restricted			
Other HUD	495,724	223,427	-55%
CDBG	700,074	824,618	18%
Restricted Local	3,501,352	3,529,338	1%
Restricted Total	4,697,150	4,577,383	-3%
Unrestricted			
Local	0	180,945	0%
Affordable Housing Fund	868,841	593,621	-32%
HOME	680,717	545,422	-20%
Unrestricted Total	1,549,558	1,319,988	-15%
TOTAL REVENUES	6,246,708	5,897,371	-6%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE			
ACTIVITY: PORTFOLIO SERVICING & OCCUPANCY MONITORING			
SUBACTIVITY: Portfolio Servicing & Occupancy Monitoring			
Purpose and Description of the Activity:	Servicing of the Housing Commission's \$220 million loan portfolio and \$450 million bond portfolio, and contract monitoring for compliance with loan terms and conditions. Monitoring projects for compliance with occupancy and affordability restrictions, and assist in managing tenant relocation under the City's condominium conversion ordinance.		
Strategies:	<ol style="list-style-type: none"> 1. Provide servicing for the loans in the Housing Commission's portfolio to ensure that all loans are in compliance with the loan terms and conditions. 2. Provide compliance monitoring for 431 projects and 15,193 units with occupancy and affordability restrictions. 3. Assist in managing the tenant relocation requirement for the City of San Diego's condominium conversion ordinance. 		
Resource Allocation:		FY08 Current	FY09 Proposed
	Budget	\$ 2,991,718	\$ 2,564,635
	Continuing Appropriations	\$ 0	\$ 0
	Positions	10.55	9.55

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

HOUSING FINANCE

PORTFOLIO SERVICING & OCCUPANCY MONITORING

Portfolio Servicing & Occupancy Monitoring

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	822,521	714,669	-13%
Services & Supplies	300,806	287,351	-4%
Housing Programs			
Site Acquisition	1,868,391	1,562,615	-16%
Housing Programs Total	1,868,391	1,562,615	-16%
TOTAL EXPENDITURES	2,991,718	2,564,635	-14%
REVENUES			
Restricted			
CDBG	1,464,474	862,615	-41%
Restricted Local	298,502	0	-100%
Restricted Total	1,762,976	862,615	-51%
Unrestricted			
Local	857,859	1,390,314	62%
Affordable Housing Fund	30,000	59,596	99%
HOME	340,883	252,110	-26%
Unrestricted Total	1,228,742	1,702,020	39%
TOTAL REVENUES	2,991,718	2,564,635	-14%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE													
ACTIVITY: SPECIAL PURPOSE HOUSING													
SUBACTIVITY: Special Purpose Housing													
Purpose and Description of the Activity:	Provide transitional and permanent supportive housing for individuals and families in the City of San Diego with special needs, identified as specific disabilities, e.g., mental illness, homeless, HIV AIDS, chronic substance abuse and victims of domestic violence.												
Strategies:	<ol style="list-style-type: none"> 1. Fund the development of at least two 20-bed special purpose housing facilities. (Business Plan Strategy 16) 2. Provide a portion of the funding for at least 400 beds in transitional housing programs throughout the City. (Business Plan Strategy 16) 3. Provide a minimum of 200 units of permanent supportive housing for 225 homeless, disabled individuals and families. (Business Plan Goal 1) 4. Provide a minimum of 50 temporary tenant-based rental assistance Vouchers to graduates of transitional housing and domestic violence programs. (Business Strategy 26) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 4,269,136</td> <td style="text-align: right;">\$ 5,580,553</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 4,459,386</td> <td style="text-align: right;">\$ 1,998,250</td> </tr> <tr> <td>Positions</td> <td style="text-align: center;">2.15</td> <td style="text-align: center;">2.15</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 4,269,136	\$ 5,580,553	Continuing Appropriations	\$ 4,459,386	\$ 1,998,250	Positions	2.15	2.15
	FY08 Current	FY09 Proposed											
Budget	\$ 4,269,136	\$ 5,580,553											
Continuing Appropriations	\$ 4,459,386	\$ 1,998,250											
Positions	2.15	2.15											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

HOUSING FINANCE

SPECIAL PURPOSE HOUSING

Special Purpose Housing

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	199,217	205,547	3%
Services & Supplies	45,281	44,547	-2%
Housing Programs			
Rent to Owners	1,074,656	2,474,485	130%
Loans & Grants	2,949,982	2,855,974	-3%
Housing Programs Total	4,024,638	5,330,459	32%
TOTAL EXPENDITURES	4,269,136	5,580,553	31%
REVENUES			
Restricted			
Section 8	15,000	0	-100%
Other HUD	1,180,282	1,595,966	35%
CDBG	793	0	-100%
Restricted Total	1,196,075	1,595,966	33%
Unrestricted			
Rental Rehabilitation	34,848	37,788	8%
Local	566,274	637,506	13%
Affordable Housing Fund	2,381,939	2,309,293	-3%
HOME	90,000	1,000,000	1011%
Unrestricted Total	3,073,061	3,984,587	30%
TOTAL REVENUES	4,269,136	5,580,553	31%

Activity Based Budget Detail

OPERATIONS

ACTIVITY GROUP

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS													
ACTIVITY: BOARD & EXECUTIVE FUNCTIONS													
SUBACTIVITY: Board & Executive Functions													
Purpose and Description of the Activity:	Responsible for providing effective policy direction to the agency and developing efficient programs and practices, assuring implementation in a manner that carries out the strategies and goals of the Business Plan. Perform periodic evaluation of program and organizational effectiveness and efficiency. Provide direct support to the Board of Commissioners. Includes President & Chief Executive Officer, Executive Vice President & Chief Operating Officer, and immediate support staff.												
Strategies:	<ol style="list-style-type: none"> 1. Continue to provide strong agency leadership to deliver quality housing programs. (Business Plan Goal 3) 2. Continue to build community support for affordable housing by taking a leadership role in these efforts with the business, civic and public sectors of San Diego. (Business Plan Goal 3) 3. Coordinate with other City agencies and departments regarding programs, legislation, etc., to further affordable housing goals. (Business Plan Goal 3) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 851,878</td> <td style="text-align: right;">\$ 901,094</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">3.70</td> <td style="text-align: right;">3.40</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 851,878	\$ 901,094	Continuing Appropriations	\$ 0	\$ 0	Positions	3.70	3.40
	FY08 Current	FY09 Proposed											
Budget	\$ 851,878	\$ 901,094											
Continuing Appropriations	\$ 0	\$ 0											
Positions	3.70	3.40											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

OPERATIONS

BOARD & EXECUTIVE FUNCTIONS

Board & Executive Functions

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	579,889	629,586	9%
Services & Supplies	271,989	271,508	0%
TOTAL EXPENDITURES	851,878	901,094	6%
REVENUES			
Restricted			
Section 8	360,464	426,649	18%
Other HUD	104,534	14,257	-86%
State	12,520	14,362	15%
CDBG	53,373	47,891	-10%
Restricted Local	136,055	256,629	89%
Restricted Total	666,946	759,788	14%
Unrestricted			
Local	69,295	65,320	-6%
Affordable Housing Fund	36,046	33,117	-8%
HOME	79,591	42,869	-46%
Unrestricted Total	184,932	141,306	-24%
TOTAL REVENUES	851,878	901,094	6%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS													
ACTIVITY: SUPPORT SERVICES													
SUBACTIVITY: Human Resources													
Purpose and Description of the Activity:	Monitor and evaluate new human resources service delivery partnerships to ensure the appropriate selection, staffing, classification, and compensation of personnel to support the Housing Commission's needs in the area of human capital management and labor relations in accordance with employment regulations and practices.												
Strategies:	<ol style="list-style-type: none"> 1. Conduct classification and job compensation studies to enhance operational and staffing resources. (Business Plan Strategy 54) 2. Review and research evaluation tools to assist in standardizing consistency in performance measurements and documentation. (Business Plan Strategy 52) 3. Develop and implement appropriate Human Resources recommendations in accordance with best practices to streamline processes and improve employment/business outcomes. (Business Plan Goal 5) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 580,891</td> <td style="text-align: right;">\$ 595,232</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 19,069</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">.65</td> <td style="text-align: right;">2.95</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 580,891	\$ 595,232	Continuing Appropriations	\$ 19,069	\$ 0	Positions	.65	2.95
	FY08 Current	FY09 Proposed											
Budget	\$ 580,891	\$ 595,232											
Continuing Appropriations	\$ 19,069	\$ 0											
Positions	.65	2.95											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

OPERATIONS

SUPPORT SERVICES

Human Resources

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	76,793	301,685	293%
Services & Supplies	504,098	293,547	-42%
TOTAL EXPENDITURES	580,891	595,232	2%
REVENUES			
Restricted			
Section 8	194,024	290,189	50%
Other HUD	114,221	7,939	-93%
State	14,339	11,090	-23%
CDBG	21,182	21,796	3%
Restricted Local	142,068	199,691	41%
Restricted Total	485,834	530,705	9%
Unrestricted			
Local	49,162	29,948	-39%
Affordable Housing Fund	14,306	15,070	5%
HOME	31,589	19,509	-38%
Unrestricted Total	95,057	64,527	-32%
TOTAL REVENUES	580,891	595,232	2%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS													
ACTIVITY: SUPPORT SERVICES													
SUBACTIVITY: Information Technology													
Purpose and Description of the Activity:	Provide information technology and telecommunication services to internal and external customers. Services include acquisition and implementation of commercial off-the-shelf technology, application maintenance, developing and maintaining systems and security policies, database management, custom report development, network and user support, and computer training.												
Strategies:	<ol style="list-style-type: none"> 1. Partner with other departments to achieve a higher degree of organizational effectiveness through identification and implementation of technological solutions to accomplish Housing Commission objectives. (Business Plan Goal 4) 2. Continue implementation of a multiyear document imaging project to reduce paper storage requirements and enhance the ability to search documents such as Section 8 client information. (Business Plan Strategy 48) 3. Implement new software system to facilitate management of Commission-owned units based on industry best practices. (Business Plan Goal 4) 4. Begin server virtualization project to facilitate management, business continuity, and disaster recovery. (Business Plan Strategy 51) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 2,221,904</td> <td style="text-align: right;">\$ 2,516,696</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 122,944</td> <td style="text-align: right;">\$ 122,944</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">7.65</td> <td style="text-align: right;">9.65</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 2,221,904	\$ 2,516,696	Continuing Appropriations	\$ 122,944	\$ 122,944	Positions	7.65	9.65
	FY08 Current	FY09 Proposed											
Budget	\$ 2,221,904	\$ 2,516,696											
Continuing Appropriations	\$ 122,944	\$ 122,944											
Positions	7.65	9.65											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

OPERATIONS

SUPPORT SERVICES

Information Technology

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	660,479	775,297	17%
Services & Supplies	1,561,425	1,741,399	12%
TOTAL EXPENDITURES	2,221,904	2,516,696	13%
REVENUES			
Restricted			
Section 8	775,852	979,599	26%
Other HUD	268,604	24,519	-91%
State	33,457	34,055	2%
CDBG	65,398	67,607	3%
Restricted Local	336,383	627,249	86%
Restricted Total	1,479,694	1,733,029	17%
Unrestricted			
Local	600,519	676,401	13%
Affordable Housing Fund	44,164	46,751	6%
HOME	97,527	60,515	-38%
Unrestricted Total	742,210	783,667	6%
TOTAL REVENUES	2,221,904	2,516,696	13%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS																										
ACTIVITY: SUPPORT SERVICES																										
SUBACTIVITY: Business Services																										
Purpose and Description of the Activity:	Responsible for providing continued improvement and technological innovation for the effective organizational development of the agency's human capital. Administer an equal opportunity program that promotes staff respect, dignity, and worth. Also provides procurement service to stakeholders of the Housing Commission that include purchasing, contract monitoring, inventory control, disposition management, and mail services management.																									
Strategies:	<ol style="list-style-type: none"> 1. Maintain an environment conducive to the development of highly effective work teams through focused training and coaching for an overall improvement of departmental productivity and communication. (Business Plan Goal 5) 2. Evaluate agency's Equal Opportunity Employment/Contracting Programs to maintain a respectful environment, which stimulates productivity and enhances diversity. (Business Plan Goal 5) 3. Expand Succession Planning Program to ensure qualified replacement candidates are prepared to assume the duties and responsibilities of higher level positions and provide continuity of leadership and service. (Business Plan Strategy 56) 4. Implement contract administration guidelines to ensure standardization in the contracting process and effective management of the same, utilizing user friendly and efficient buying methods. (Business Plan Strategy 59) 5. Ensure agency compliance with procurement policy by reviewing process to monitor cost and compliance, and by improving accountability in the procurement of goods and services. (Business Plan Strategy 60) 																									
Resource Allocation:	<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%;"></th> <th style="width: 15%; text-align: center;">FY08</th> <th style="width: 10%;"></th> <th style="width: 10%; text-align: center;">FY09</th> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Current</td> <td></td> <td style="text-align: center;">Proposed</td> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">909,667</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">1,106,637</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Positions</td> <td></td> <td style="text-align: right;">7.00</td> <td></td> <td style="text-align: right;">8.00</td> </tr> </tbody> </table>			FY08		FY09			Current		Proposed	Budget	\$	909,667	\$	1,106,637	Continuing Appropriations	\$	0	\$	0	Positions		7.00		8.00
		FY08		FY09																						
		Current		Proposed																						
Budget	\$	909,667	\$	1,106,637																						
Continuing Appropriations	\$	0	\$	0																						
Positions		7.00		8.00																						

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****OPERATIONS****SUPPORT SERVICES****Business Services**

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	491,469	627,347	28%
Services & Supplies	418,198	479,290	15%
TOTAL EXPENDITURES	909,667	1,106,637	22%
REVENUES			
Restricted			
Section 8	346,812	497,027	43%
Other HUD	167,041	15,205	-91%
State	21,114	23,871	13%
CDBG	28,098	37,613	34%
Restricted Local	207,136	421,220	103%
Restricted Total	770,201	994,936	29%
Unrestricted			
Local	78,562	52,022	-34%
Affordable Housing Fund	18,984	26,010	37%
HOME	41,920	33,669	-20%
Unrestricted Total	139,466	111,701	-20%
TOTAL REVENUES	909,667	1,106,637	22%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS													
ACTIVITY: SUPPORT SERVICES													
SUBACTIVITY: Financial Services													
Purpose and Description of the Activity:	Provide financial services to stakeholders of the Housing Commission. Includes accounting services such as accounts payable, accounts receivable, revenue and expense analysis, budget development, monitoring, enforcement and financial reporting, audit, cash management and investment, financial systems and internal control. Also provides safety and risk management services.												
Strategies:	<ol style="list-style-type: none"> 1. Provide timely, accurate and relevant financial information, reporting tools and services to Housing Commission program areas to assist in the successful administration of agency programs and overall mission. (Business Plan Strategy 61) 2. Continue an annual risk control program that provides a safe operational environment and protects the organization's assets. (Business Plan Goal 4) 3. Maximize financial performance in the investment portfolio by broadening scope of instruments utilized. (Business Plan Strategy 64) 4. Strengthen technical skills of accounting supervisors and cross-train accounting technicians. (Business Plan Strategy 61) 5. Develop monthly, quarterly and annual closing procedures. (Business Plan Strategy 61) 												
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">FY08 Current</th> <th style="width: 20%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$ 1,946,779</td> <td style="text-align: right;">\$ 2,046,714</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$ 11,775</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">20.00</td> <td style="text-align: right;">20.00</td> </tr> </tbody> </table>		FY08 Current	FY09 Proposed	Budget	\$ 1,946,779	\$ 2,046,714	Continuing Appropriations	\$ 11,775	\$ 0	Positions	20.00	20.00
	FY08 Current	FY09 Proposed											
Budget	\$ 1,946,779	\$ 2,046,714											
Continuing Appropriations	\$ 11,775	\$ 0											
Positions	20.00	20.00											

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****OPERATIONS****SUPPORT SERVICES****Financial Services**

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	1,528,004	1,606,334	5%
Services & Supplies	418,775	440,380	5%
TOTAL EXPENDITURES	1,946,779	2,046,714	5%
REVENUES			
Restricted			
Section 8	648,621	790,479	22%
Other HUD	354,826	31,730	-91%
State	39,630	42,011	6%
CDBG	78,532	90,747	16%
Restricted Local	429,392	819,173	91%
Restricted Total	1,551,001	1,774,140	14%
Unrestricted			
Local	225,625	128,592	-43%
Affordable Housing Fund	53,039	62,751	18%
HOME	117,114	81,231	-31%
Unrestricted Total	395,778	272,574	-31%
TOTAL REVENUES	1,946,779	2,046,714	5%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS			
ACTIVITY: SUPPORT SERVICES			
SUBACTIVITY: Facilities Management			
Purpose and Description of the Activity:	Maintain a safe, secure and healthy operational environment for staff, clients and visitors of the Housing Commission.		
Strategies:	Assume full responsibility for management of the Commission's office facility and complete lease up of 1 st and 2 nd floors. (Business Plan Strategy 1)		
Resource Allocation:		FY08 Current	FY09 Proposed
	Budget	\$ 3,871,355	\$ 3,767,821
	Continuing Appropriations	\$ 707,966	\$ 375,000
	Positions	1.13	1.45

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:
ACTIVITY:
SUBACTIVITY:

OPERATIONS
SUPPORT SERVICES
Facilities Management

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	96,485	147,195	53%
Services & Supplies	675,225	560,824	-17%
Housing Programs			
Site Acquisition	760,923	596,027	-22%
Other Housing Programs	2,338,722	2,463,775	5%
Housing Programs Total	<u>3,099,645</u>	<u>3,059,802</u>	-1%
TOTAL EXPENDITURES	3,871,355	3,767,821	-3%
REVENUES			
Unrestricted			
Local	3,871,355	3,767,821	-3%
Unrestricted Total	<u>3,871,355</u>	<u>3,767,821</u>	-3%
TOTAL REVENUES	3,871,355	3,767,821	-3%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS																					
ACTIVITY: POLICY & PUBLIC AFFAIRS																					
SUBACTIVITY: Policy & Public Affairs																					
Purpose and Description of the Activity:	Plan, direct and coordinate all Housing Commission public policy and governmental affairs activities by establishing positive, collaborative working relationships with legislators, other agencies, City departments and outside interests to effectuate the goals and mission of the Housing Commission. Activities include policy and legislative research, collaborating with stakeholders, monitoring activities of interested groups, representing the agency at policy, public affairs and Commission meetings, and facilitating the development of policies that further the mission of the Housing Commission. Discussions with elected officials occur on a local level and center around specific policy initiatives.																				
Strategies:	<ol style="list-style-type: none"> 1. Identify and facilitate the establishment of short and long-range Housing Commission legislative goals and priorities for legislative support on the municipal, state and federal levels. (Business Plan Strategy 40) 2. Make recommendations to the Board of Commissioners, various City boards and committees, and City Council regarding proposed local legislation and the possible impacts on the local housing market. (Business Plan Goal 3) 3. Confer with elected and appointed officials to represent the Housing Commission's position with primary concentration on local and regional issues affecting the affordable housing industry's interests; implement and conduct a City Council and Mayoral candidate outreach program. (Business Plan Strategy 37) 4. Create a local affordable housing think tank. (Business Plan Goal 3) 5. Initiate a local infrastructure bond measure for affordable housing developments. (Business Plan Strategy 41) 																				
Resource Allocation:	<table border="1"> <thead> <tr> <th></th> <th></th> <th>FY08 Current</th> <th></th> <th>FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td>\$</td> <td>359,447</td> <td>\$</td> <td>622,876</td> </tr> <tr> <td>Continuing Appropriations</td> <td>\$</td> <td>50,048</td> <td>\$</td> <td>48,000</td> </tr> <tr> <td>Positions</td> <td></td> <td>2.35</td> <td></td> <td>2.35</td> </tr> </tbody> </table>			FY08 Current		FY09 Proposed	Budget	\$	359,447	\$	622,876	Continuing Appropriations	\$	50,048	\$	48,000	Positions		2.35		2.35
		FY08 Current		FY09 Proposed																	
Budget	\$	359,447	\$	622,876																	
Continuing Appropriations	\$	50,048	\$	48,000																	
Positions		2.35		2.35																	

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

OPERATIONS

POLICY & PUBLIC AFFAIRS

Policy & Public Affairs

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	228,129	246,696	8%
Services & Supplies	131,318	361,180	175%
Housing Programs			
Loans & Grants	0	15,000	0%
Housing Programs Total	0	15,000	0%
TOTAL EXPENDITURES	359,447	622,876	73%
REVENUES			
Restricted			
Section 8	0	15,000	0%
CDBG	177,478	0	-100%
Restricted Total	177,478	15,000	-92%
Unrestricted			
Local	181,969	607,876	234%
Unrestricted Total	181,969	607,876	234%
TOTAL REVENUES	359,447	622,876	73%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS																					
ACTIVITY: POLICY & PUBLIC AFFAIRS																					
SUBACTIVITY: Communications																					
Purpose and Description of the Activity:	Increase awareness and build support among all audiences for and about the agency's accomplishments, programs, offerings and initiatives. Educate clients and the community about the agency's affordable housing programs and services. Improve flow of information within the agency between management and staff and among departments.																				
Strategies:	<ol style="list-style-type: none"> 1. Inform the agency's internal and external publics about affordable housing issues and Housing Commission programs and roles, building support for new initiatives. (Business Plan Goals 3 and 4) 2. Create easier, user-friendly methods for current and potential customers to access information about the agency's affordable housing services. (Business Plan Goal 4) 3. Measure the community's perception of the agency and of affordable housing issues. (Business Plan Strategy 43) 4. Present an agency image that reflects private sector professionalism and business-like practices. (Business Plan Strategy 46) 																				
Resource Allocation:	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%;"></th> <th style="width: 15%; text-align: center;">FY08 Current</th> <th style="width: 10%;"></th> <th style="width: 15%; text-align: center;">FY09 Proposed</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">472,088</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">463,391</td> </tr> <tr> <td>Continuing Appropriations</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Positions</td> <td></td> <td style="text-align: right;">3.65</td> <td></td> <td style="text-align: right;">3.65</td> </tr> </tbody> </table>			FY08 Current		FY09 Proposed	Budget	\$	472,088	\$	463,391	Continuing Appropriations	\$	0	\$	0	Positions		3.65		3.65
		FY08 Current		FY09 Proposed																	
Budget	\$	472,088	\$	463,391																	
Continuing Appropriations	\$	0	\$	0																	
Positions		3.65		3.65																	

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:
ACTIVITY:
SUBACTIVITY:

OPERATIONS
POLICY & PUBLIC AFFAIRS
Communications

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	346,754	362,326	4%
Services & Supplies	125,334	101,065	-19%
TOTAL EXPENDITURES	472,088	463,391	-2%
REVENUES			
Unrestricted			
Local	472,088	463,391	-2%
Unrestricted Total	472,088	463,391	-2%
TOTAL REVENUES	472,088	463,391	-2%

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS			
ACTIVITY: POLICY & PUBLIC AFFAIRS			
SUBACTIVITY: Reinvestment Task Force			
Purpose and Description of the Activity:	To spur private and public financing of affordable housing and economic development in areas suffering from disinvestment; and provide factual, consistent, cooperative opportunities for reinvestment by lenders and government.		
Strategies:	<ol style="list-style-type: none"> 1. Monitor lending practices and policies. 2. Develop strategies for investment in underserved areas. 		
Resource Allocation:		FY08 Current	FY09 Proposed
	Budget	\$ 0	\$ 189,570
	Continuing Appropriations	\$ 0	\$ 0
	Positions	0.00	1.00

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

OPERATIONS

POLICY & PUBLIC AFFAIRS

Reinvestment Task Force

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	0	128,967	0%
Services & Supplies	0	60,603	0%
TOTAL EXPENDITURES	0	189,570	0%
REVENUES			
Restricted			
CDBG	0	100,000	0%
Restricted Local	0	70,000	0%
Restricted Total	0	170,000	0%
Unrestricted			
Local	0	19,570	0%
Unrestricted Total	0	19,570	0%
TOTAL REVENUES	0	189,570	0%

Activity Based Budget Detail

**PROGRAM, CONTINGENCY
& UNOBLIGATED**

RESERVES

FY09 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:		PROGRAM, CONTINGENCY & UNOBLIGATED RESERVES	
ACTIVITY:		PROGRAM, CONTINGENCY & UNOBLIGATED RESERVES	
SUBACTIVITY:		Program, Contingency & Unobligated Reserves	
Purpose and Description of the Activity:	<p>The Program, Contingency & Unobligated Reserves are funds budgeted in the current year to provide for a future event.</p> <ul style="list-style-type: none"> • The Program Reserves provide for future personnel, services and supplies or expenditures on specific housing programs • The Contingency Reserves include amounts to provide for potential litigation, uninsured losses, building reserves and the affordable housing development reserves • The Unobligated Reserves include amounts that are available for any unanticipated housing purpose <p>A detailed list of these Reserves and uses is at the end of Addendum 1.</p>		
Resource Allocation:		FY08 Current	FY09 Proposed
	Budget	\$ 27,944,368	\$ 34,988,406
	Continuing Appropriations	\$ 0	\$ 0
	Positions	0.00	0.00

FY09 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****PROGRAM, CONTINGENCY & UNOBLIGATED RESERVES****PROGRAM, CONTINGENCY & UNOBLIGATED RESERVES****Program, Contingency & Unobligated Reserves**

	FY08 Current Budget	FY09 Proposed Budget	% Change
EXPENDITURES			
Reserves	27,944,368	34,988,406	25%
TOTAL EXPENDITURES	27,944,368	34,988,406	25%
REVENUES			
Restricted			
Section 8	2,306,614	2,293,684	-1%
Other HUD	4,261,905	7,147,399	68%
State	321,023	253,996	-21%
Restricted Local	4,536,699	13,651,656	201%
Restricted Total	11,426,241	23,346,735	104%
Unrestricted			
Local	14,678,369	10,752,674	-27%
Affordable Housing Fund	464,280	0	-100%
HOME	1,375,478	888,997	-35%
Unrestricted Total	16,518,127	11,641,671	-30%
TOTAL REVENUES	27,944,368	34,988,406	25%

FY09 BUDGET

San Diego Housing Commission

Addendum 1

Type of Reserve	FY09 Proposed Use	FY08 Current Budget	FY09 Proposed Budget	Change
I Program Reserves				
The Program Reserves provide for future personnel, services and supplies or housing expenditures on specific housing programs. These funds are generally restricted and must be used in support of each program or returned to the funding source. This reserve also includes a sinking fund for the future purchase of State units.				
CalHOME Program	Administration for FY10	4,344	40,000	35,656
HOME	Administration for FY10 & FY11	1,375,478	888,997	(486,481)
HUD Development	Future Public Housing Development	0	443,207	443,207
Inclusionary Housing Fund	Administration for FY08	464,280	0	(464,280)
Lead Hazard Control Grant	Administration for FY08	355,571	0	(355,571)
Property Mgmt - City Properties Mgmt	Administration for FY08	722	0	(722)
Property Mgmt - Maya Apartments	Future Capital Improvements	815,084	831,943	16,859
Property Mgmt - SDHC Local Units	Future Capital Improvements	1,005,545	2,286,828	1,281,283
Property Mgmt - State Rental	Future Capital Improvements	295,871	192,571	(103,300)
Property Mgmt - State Rental Local Funds	Provide Sinking Fund for State Units	2,000,000	2,000,000	0
Property Mgmt - University Canyon Management	Future Capital Improvements	1,307,813	2,417,782	1,109,969
Public Housing - Capital Funds	Administration for FY09 & FY10	43,905	72,000	28,095
Public Housing - Local Funds	Provide Public Housing Support	1,000,000	0	(1,000,000)
Public Housing - Management	Future Capital Improvements	3,695,685	6,597,900	2,902,215
Public Housing - ROSS PH Family Self Sufficiency	Administration for FY08	130,000	0	(130,000)
Redevelopment Agency - CCDC Homeownership	Administration for FY10	41,500	109,000	67,500
Redevelopment Agency - City Heights Redevelopment	Administration for FY10	221,271	254,731	33,460
Redevelopment Agency - Crossroads HELF	Administration for FY10	51,963	68,885	16,922
Redevelopment Agency - Linda Vista	Administration for FY10	44,915	45,674	759
Redevelopment Agency - Market Street Redevelopment	Administration for FY10	14,392	13,334	(1,058)
Redevelopment Agency - North Park	Administration for FY10	0	61,304	61,304
Redevelopment Agency - San Ysidro	Administration for FY10	0	65,217	65,217
Redevelopment Agency - SEDC Mt Hope Rehabilitation	Administration for FY10	15,496	13,421	(2,075)
Redevelopment Agency - SEDC Southcrest	Administration for FY10	12,452	12,480	28
Section 8 - HCV FSS Coordinator	Administration for FY10	130,000	130,000	0
Section 8 - HCV FSS Homeownership Coordinator	Administration for FY10	65,000	65,000	0
Section 8 - Local Funds	Provide for Section 8 Support	1,900,000	1,900,000	0
Section 8 Surplus Admin Fees	Administration for FY10	2,111,614	2,098,684	(12,930)
Shelter Plus Care	Administration for FY10	36,744	34,292	(2,452)
Southeast Economic Development Centre	Administration for FY10	0	100,249	100,249
State REO	Administration for FY10	20,808	21,425	617
	Subtotal	17,160,453	20,764,924	3,604,471
II Contingency Reserves				
The Contingency Reserves include amounts to provide for potential litigation, uninsured losses, building reserves, and the affordable housing development reserves. The unexpended Contingency Reserves will be re-budgeted in the following year.				
Local Funds	Provide for potential litigation	300,000	300,000	0
Local Funds	Provide for uninsured losses	300,000	300,000	0
Local Funds	Provide for office facility	2,000,000	2,000,000	0
SDHC Local Units	Provide for development of new affordable units	1,005,546	7,370,808	6,365,262
	Subtotal	3,605,546	9,970,808	6,365,262
III Unobligated Reserves				
The Unobligated Reserves include amounts that are available for any unanticipated housing purpose.				
Local Funds	Unanticipated Needs	7,178,369	4,252,674	(2,925,695)
Total Program, Contingency & Unobligated Reserves		27,944,368	34,988,406	7,044,038

FY09 BUDGET

San Diego Housing Commission

Addendum 2

Revenues

The proposed FY09 Budget includes \$265,032,348 in estimated revenue sources identified to date, representing a decrease of \$7,882,891 from the current FY08 revenues. The decrease is the result of reductions of \$455,579 in carryover funds and \$7,427,312 in new funds.

The \$455,579 reduction in carryover funds is due to the following changes:

- Decrease of \$13,945,665 due to the expected obligation/completion of projects funded by Coastal, Condo Conversion, HOME, Housing Rehab Trust Fund, Inclusionary, NCFUA, Capital Funds and Redevelopment Agency funds in FY08
- Decrease of \$5,000,000 of HUD Development funds for the purchase of 36 University Canyon units for public housing
- \$3,125,111 reduction of Local Funds for Facilities Management, tenant improvements and lease commissions; predevelopment costs for the acquisition of 350 local units; computer equipment; and grants for City related activities
- \$996,800 reduction of HUD ROSS funds due to the approved disposition of public housing
- \$305,475 decrease primarily due to the anticipated expenditure in FY08 of prior year project funding and foreclosures expenses in Portfolio Servicing due to default issues
- \$7,763,324 increase in Section 8 funds as a result of HUD providing a level of funding that was higher than the average landlord rent in CY2007
- \$5,683,796 increase of Public Housing Management funds including prior year public housing reserves and the estimated repositioning fee
- \$4,092,988 increase of SDHC Local Units resulting from higher income than anticipated in FY08 and the carryover of reserves
- \$2,685,760 increase due to the timing of contracting for capital improvements and the one-time return of reserve funds from the bond trustee
- \$2,644,047 increase due to the timing of the expected obligation/completion of projects funded by HTF Linkage, HTF TOT, Redevelopment Agency and Workforce & Economic Development funds

The \$7,427,312 reduction in new funds is due to the following changes:

- \$9,329,926 reduction in Public Housing and Workforce & Economic Development funds due to the approved disposition of public housing, these funds include the ROSS grants, Capital Funds and Public Housing operating subsidy
- \$7,235,589 reduction in new CDBG, HOME, HTF Linkage and Redevelopment Agency funds due to lower fees, loans payoffs and awards

FY09 BUDGET

San Diego Housing Commission

Addendum 2

Revenues

- \$4,990,853 reduction in University Canyon due to the receipt of \$5 million in FY08 from the sale of 36 units to public housing that will not repeat in FY09
- \$126,866 reduction in annuity funds from the State of California for the State Rental units for capital improvements
- \$11,100,573 increase from the annualization of SDHC Local Units rental income in FY09
- \$3,101,814 increase of new CalHome Program and CCDC, North Park and San Ysidro Redevelopment Agency awards

Of the \$265,032,348 in indentified revenues in FY09, \$213,453,471 is Restricted Revenue that can only be expended for specific purposes defined by the funding sources. Restricted Revenues include Section 8 rental assistance, resident workforce/economic development grants, State Funds and CDBG funds awarded to the Housing Commission from the City of San Diego. The FY09 Budget also includes \$51,578,877 in Unrestricted Revenues. The Commission has discretion over these less restricted revenues that include Rental Rehabilitation loan repayments, Local funds (bond fees, lease/sale revenue, loan repayments, etc.), Housing Trust Funds and HOME funds.

	FY08 Current	FY09 Proposed	Change
Restricted Revenues			
Section 8	\$156,662,470	\$162,871,642	4%
Other HUD	23,460,157	10,658,799	-55%
State	1,088,816	1,926,817	77%
CDBG	3,488,119	3,129,615	-10%
Restricted Local	21,691,239	34,866,598	61%
Subtotal	\$206,390,801	\$213,453,471	3%
Unrestricted Revenues			
Rental Rehab	\$34,848	\$37,788	8%
Local	24,025,456	20,713,400	-14%
Affordable Housing Fund	16,785,518	12,984,862	-3%
HOME	25,678,616	17,842,827	-31%
Subtotal	\$66,524,438	\$51,578,877	-23%
Total Revenues	\$ 272,915,239	\$265,032,348	-3%

Section 8 funds have increased by \$6,209,172 due to HUD providing CY2007 housing assistance payments higher than the average landlord rent resulting in additional carryover. This increase is partially offset by HUD providing less new funding and requiring the Housing Commission to use a portion of the prior year carryover to fund FY09 housing assistance payments.

Other HUD funds have decreased \$12,801,358 primarily due to the:

- Housing Commission no longer being eligible for HUD funds such as Capital and ROSS grants. Also, Public Housing operating subsidy will be greatly reduced
- One-time use of HUD Development funds to purchase 36 University Canyon units in FY08

FY09 BUDGET

San Diego Housing Commission

Addendum 2

Revenues

- Completion/obligation of projects for the Lead Hazard Control grants leads to less carryover from FY08
- These decreases are partially offset by an increase from a new award of Shelter Plus Care as well as the annual renewal of projects

CDBG funds have decreased \$358,504 primarily due to:

- Anticipated expenditure in FY08 of prior year project funding and foreclosures funds in Portfolio Servicing for default issues
- A slight decrease in new funding

Restricted Local funds have increased \$13,175,359 primarily as a result of:

- Annualizing the revenues of the 1,366 SDHC Local units in FY09
- New awards of restricted local funds including CCDC, North Park and San Ysidro Redevelopment Agency
- Expected obligation/completion of \$1,610,120 of FY08 projects
- Less new funds in FY09 of Coastal Housing, Condo Conversion, Housing Rehab Trust Fund, National City CDBG RTF, NCFUA and several Redevelopment Agency funds.

Unrestricted Local funds decrease \$3,312,056 primarily due to use of prior year funds for:

- Facilities Management, tenant improvements and lease commissions
- Predevelopment costs for the purchase of 350 local units
- Purchase of computer equipment
- Funding of grants for City related activities

Affordable Housing Funds decreased \$3,800,656 due to less expected linkage and inclusionary fees and lower loan payoffs in FY09 due to the current economic situation

HOME Funds decreased \$7,835,789 due to the:

- Expected obligation and/or completion of Rental Housing Finance and Homeownership projects in FY08 resulting in over \$7 million less carryover in FY09
- \$806,359 less new funds expected due to a lower new award and less shared equity loan payoffs in FY09.

FY09 BUDGET
San Diego Housing Commission
Addendum 2

Agency Summary of Revenues

	FY08 Current			FY09 Proposed			% of Chg Curr/Prop
	Carryover	New	Total	Carryover	New	Total	
REVENUES							
Assets for Independence (HHS)	0	200,000	200,000	200,000	0	200,000	0%
Cal State Housing Trust Fund	604	0	604	0	0	0	-100%
CalHome EAGR Program	33,942	0	33,942	0	0	0	-100%
CalHome Program	34,871	0	34,871	6,109	1,000,000	1,006,109	2785%
CDBG	1,139,605	2,348,514	3,488,119	834,130	2,295,485	3,129,615	-10%
Coastal Housing	155,564	509,647	665,211	52,053	100,781	152,834	-77%
Condo Conversion	254,499	76,933	331,432	122,307	71,262	193,569	-42%
County CDBG RTF	0	75,000	75,000	0	70,000	70,000	-7%
Family Health Centers of SD	6,717	23,872	30,589	6,700	23,872	30,572	0%
HOME	15,703,427	9,975,189	25,678,616	8,673,997	9,168,830	17,842,827	-31%
Housing Rehabilitation Trust Fund	646,575	250,487	897,062	200,000	217,450	417,450	-53%
HTF - CDBG	503,338	99,174	602,512	250,000	97,985	347,985	-42%
HTF - Linkage Fees	2,389,353	2,785,000	5,174,353	4,639,208	2,463,889	7,103,097	37%
HTF - Redevelopment Agency	40,311	364	40,675	39,295	393	39,688	-2%
HTF - Transient Occupancy Tax	26,433	0	26,433	26,454	266	26,720	1%
HUD Development	5,443,207	0	5,443,207	443,207	0	443,207	-92%
HUD Lead Hazard Control Grant	3,189,273	0	3,189,273	645,977	0	645,977	-80%
Inclusionary Housing Fund	5,941,545	5,000,000	10,941,545	3,950,518	1,516,854	5,467,372	-50%
Local Funds	18,713,383	5,312,073	24,025,456	15,588,272	5,125,128	20,713,400	-14%
National City CDBG - RTF	49,222	0	49,222	0	0	0	-100%
North County Future Urbanizing Area	169,613	63,857	233,470	143,220	3,222	146,442	-37%
Property Mgmt - City Properties Management	3,818	92,124	95,942	818	76,236	77,054	-20%
Property Mgmt - Maya Apartments	722,643	1,476,464	2,199,107	742,652	1,525,224	2,267,876	3%
Property Mgmt - State Rental Housing	275,441	723,150	998,591	302,989	596,294	899,283	-10%
Property Mgmt - University Canyon Management	890,963	6,211,639	7,102,602	3,576,723	1,220,786	4,797,509	-32%
Public Housing - Capital Fund	1,044,937	1,429,543	2,474,480	0	72,000	72,000	-97%
Public Housing - Community Outreach Partnership Ctrs	1,063	19,100	20,163	17,000	0	17,000	-16%
Public Housing - Management	1,762,746	8,010,110	9,772,856	7,446,542	186,827	7,633,369	-22%
Public Housing - ROSS Neighborhood Networks	230,707	0	230,707	0	0	0	-100%
Public Housing - ROSS PH Service Coordinator	87,894	130,000	217,894	0	0	0	-100%
Public Housing - ROSS RSDM	678,199	0	678,199	0	0	0	-100%
Redevelopment Agency - CCDC Homeownership	46,420	0	46,420	136,500	700,000	836,500	1702%
Redevelopment Agency - City Heights	739,910	1,125,186	1,865,096	712,640	1,060,843	1,773,483	-5%
Redevelopment Agency - Crossroads HELP	187,918	256,001	443,919	186,030	251,180	437,210	-2%
Redevelopment Agency - Linda Vista	329,728	27,379	357,107	210,760	25,732	236,492	-34%
Redevelopment Agency - Market Street	110,533	14,906	125,439	113,106	1,746	114,852	-8%
Redevelopment Agency - North Park	0	0	0	0	470,000	470,000	0%
Redevelopment Agency - San Ysidro	0	0	0	0	500,000	500,000	0%
Redevelopment Agency - SEDC	0	0	0	98,730	1,519	100,249	0%
Redevelopment Agency - SEDC Mt Hope Rehabilitation	96,130	3,848	99,978	77,444	876	78,320	-22%
Redevelopment Agency - SEDC Southcrest	139,552	3,635	143,187	65,907	843	66,750	-53%
Rental Rehabilitation	0	34,848	34,848	0	37,788	37,788	8%
SDHC Local Units	0	6,905,875	6,905,875	4,092,988	18,006,448	22,099,436	220%
Section 8 Programs	15,076,400	141,586,070	156,662,470	22,839,724	140,031,918	162,871,642	4%
Shea Homes	13,755	10,826	24,581	0	0	0	-100%
Shelter Plus Care	72,748	1,160,630	1,233,378	54,802	1,592,444	1,647,246	34%
State REO	20,195	613	20,808	20,801	624	21,425	3%
Total Budget	76,973,182	195,942,057	272,915,239	76,517,603	188,514,745	265,032,348	-3%
Continuing Appropriations			18,895,270			6,287,958	-67%

FY09 BUDGET
San Diego Housing Commission

Addendum 2

Summary of Housing Commission Revenue Changes

Cal State Housing Trust Fund	The decrease of 100% is due to the expected obligation/expenditure of funds in Rental Housing Finance in FY08. No new funds are expected in FY09.
CalHome EAGR Program	The decrease of 100% is due to the expected obligation/expenditure of funds in Rehab Rental Housing in FY08. No new funds are expected in FY09.
CalHome Program	The increase of 2785% reflects a new award and the expected use in FY08 of funding in Homeownership.
CDBG	The decrease of 10% is primarily due to the expenditure in FY08 of prior year project funding and foreclosures funds in Portfolio Servicing for default issues. In addition, there will be a slight decrease in new funding.
Coastal Housing	The decrease of 77% is primarily due to: <ul style="list-style-type: none"> ▪ A substantial decrease in in-lieu fees for FY09 ▪ Expected obligation/expenditure of funds in Rental Housing Finance in FY08 that will lead to less carryover
Condo Conversion	The decrease of 42% is primarily due to: <ul style="list-style-type: none"> ▪ Expected obligation/expenditure of funds in Homeownership and Rental Housing Finance in FY08 ▪ Decrease in new funding
HOME	The decrease of 31% is primarily due to the: <ul style="list-style-type: none"> ▪ Expected obligation and/or completion of Rental Housing Finance and Homeownership projects in FY08 resulting in over \$7 million less carryover in FY09 ▪ Decrease of \$806,359 in expected new funds due to a smaller new award and less shared equity loan payoffs in FY09
Housing Rehabilitation Trust Fund	The decrease of 53% is primarily due to the: <ul style="list-style-type: none"> ▪ Expected obligation/expenditure of funds in Rehab Owner Occupied in FY08. ▪ Less loan payoffs in FY09 than in FY08.
HTF-CDBG	The decrease of 42% is primarily due to the: <ul style="list-style-type: none"> ▪ Expected obligation/expenditure of funds in Rehab Owner Occupied in FY08. ▪ Less loan payoffs in FY09 than in FY08.

FY09 BUDGET
San Diego Housing Commission

Addendum 2

Summary of Housing Commission Revenue Changes

HTF-Linkage Fees	<p>The increase of 37% is due to the:</p> <ul style="list-style-type: none"> ▪ Timing of the expected obligation and/or completion of various Rental Housing Finance and Special Purpose Housing projects resulting in \$2.25 million more carryover in FY09 ▪ This increase is partially offset by the expectation that new funds in FY09 will be lower than in FY08.
HUD Development	<p>The decrease of 92% is due to the \$5 million purchase of 36 University Canyon units for public housing in FY08.</p>
HUD Lead Hazard Control Grants	<p>The decrease of 80% is due to the:</p> <ul style="list-style-type: none"> ▪ Expected obligation and/or completion of various Rehabilitation projects resulting in over \$2.5 million less carryover. This multi-year grant will be completed in FY09 ▪ An application has been submitted to HUD requesting new funding of the Lead Hazard Control programs. If HUD approves this application, authority for amending the FY09 budget has already been approved by the Housing Authority.
Inclusionary Housing Fund	<p>There is an expected \$5.5 million (50% decrease) in new and carryover funding in FY09:</p> <ul style="list-style-type: none"> ▪ It is estimated that there will be a decrease of \$3.5 million in new developer fees due to the expected decline in development activity ▪ In addition, there is a \$2 million reduction in carryover funds due to the expected obligation and/or completion of Rental Housing Finance projects in FY08
Local Funds	<p>The decrease of 14% is primarily due to the use of prior year funds for:</p> <ul style="list-style-type: none"> ▪ Facilities Management, tenant improvements and lease commissions ▪ Predevelopment costs for the development of 350 local units ▪ Computer equipment purchases ▪ Funding of grants for City related activities
National City CDBG – RTF	<p>The decrease of 100% is due to the expected use of all funding in FY08. No new funds are expected in FY09.</p>
North County Future Urbanizing Area	<p>The decrease of 37% is due to an expected decrease in new fees in FY09 and the expected obligation/expenditure of funds in Rental Housing Finance in FY08.</p>
Property Management - State Rental Housing	<p>The decrease of 10% is due to the decrease in annuity funding requested from the State of California for extraordinary maintenance for the Otay Villas and Scattered Sites projects.</p>

FY09 BUDGET
San Diego Housing Commission

Addendum 2

Summary of Housing Commission Revenue Changes

<p>Property Management – University Canyon</p>	<p>The decrease of 32% is due to the following changes:</p> <ul style="list-style-type: none"> ▪ Receipt of \$5 million in FY08 from the sale of 36 units to public housing that will not repeat in FY09 ▪ \$2.7 million increase in carryover primarily due to the timing of contracting for extraordinary maintenance and the one-time return of reserve funds from the bond trustee
<p>Public Housing - Capital Fund</p>	<p>Due to the approved disposition of public housing in FY08, this fund has decreased 97%:</p> <ul style="list-style-type: none"> ▪ All prior year funds are obligated or expended ▪ It is anticipated that HUD will approve an award of \$72,000 for the 36 units of public housing at University Canyon in FY09
<p>Public Housing – Management</p>	<p>The decrease of 22% is primarily due to the HUD approved disposition that decreased public housing by 1,366 units and new public housing revenue by \$7.8 million. Prior year funds increased by \$5.7 due to the expected carryover of prior year public housing reserves including the estimate of repositioning fees to recover costs related to the disposition.</p>
<p>Public Housing - ROSS Neighborhood Networks, PH Coordinator & RSDM Grants</p>	<p>Due to the disposition of public housing in FY08, the Housing Commission is no longer eligible for these sources. All prior year funds are expected to be obligated or expended.</p>
<p>Redevelopment Agency - CCDC Homeownership</p>	<p>The increase of 1702% reflects an expected new award of \$700,000 in FY09 and unspent carryover from FY08 in Homeownership.</p>
<p>Redevelopment Agency – City Heights</p>	<p>The decrease of 5% is due to the:</p> <ul style="list-style-type: none"> ▪ Expected obligation/expenditure of funds in the Rehab Owner Occupied activity in FY08 ▪ Smaller award of new funds in FY09 than received in FY08.
<p>Redevelopment Agency- Linda Vista</p>	<p>The decrease of 34% is due to the:</p> <ul style="list-style-type: none"> ▪ Expected obligation/expenditure of funds in the Rehab Owner Occupied activity in FY08 ▪ Smaller award of new funds in FY09 than received in FY08
<p>Redevelopment Agency - Market Street</p>	<p>The decrease of 8% is due primarily to the following changes:</p> <ul style="list-style-type: none"> ▪ Less new revenue resulting from lower loan repayments and payoffs in FY09 ▪ Partially offset by the timing of expected completion/obligation of rehabilitation projects during FY08, resulting in greater carryover of funds into FY09

FY09 BUDGET
San Diego Housing Commission

Addendum 2

Summary of Housing Commission Revenue Changes

Redevelopment Agency – North Park	Redevelopment Agency – North Park is a new program for the rehabilitation of existing owner occupied housing in the North Park Redevelopment Area. New funds will assist 16 homeowners earning less than 100% of AMI by providing loans @ \$25,000 to \$30,000 forgivable over ten years.
Redevelopment Agency – San Ysidro	Redevelopment Agency – San Ysidro is a new program for the rehabilitation of existing owner occupied housing in the San Ysidro Redevelopment Area. New funds will assist 17 homeowners earning less than 100% of AMI by providing loans @ \$25,000 to \$30,000 forgivable over ten years.
Redevelopment Agency - SEDC	Staff is in discussion with the SEDC concerning reuse of program receipts from loan payoffs.
Redevelopment Agency - SEDC Mt Hope Rehabilitation	The decrease of 22% reflects the: <ul style="list-style-type: none"> ▪ Expected obligation/completion of Rehab Owner Occupied projects during FY08 that will result in less carryover of funds into FY09 ▪ It is expected that there will be less new revenue resulting from lower loan repayments and payoffs in FY09
Redevelopment Agency - SEDC Southcrest	The decrease of 53% reflects the: <ul style="list-style-type: none"> ▪ Expected obligation/completion of Rehab Owner Occupied projects during FY08 that will result in less carryover of funds into FY09 ▪ It is expected that there will be less new revenue resulting from lower loan repayments and payoffs in FY09
Rental Rehabilitation	The increase of 8% reflects the expected new revenue resulting from greater loan repayments and payoffs in FY09.
San Diego Housing Commission Local Units	The increase of 220% is due primarily to the: <ul style="list-style-type: none"> ▪ The annualization of expected rental income from the six month FY08 budget to the twelve month FY09 budget ▪ An increase in prior year funds resulting from higher income than anticipated in FY08 and the carryover of reserves
Section 8 Programs	The increase of 4% is due to: <ul style="list-style-type: none"> ▪ HUD providing CY2007 housing assistance payments that were higher than the average landlord rent resulting in additional carryover. ▪ This increase is partially offset by HUD providing less new funding and requiring the Housing Commission to use a portion of the prior year carryover to fund FY09 housing assistance payments
Shea Homes	The decrease of 100% is due to the expected expenditure of Shea Homes funds in FY08. No new funds are expected in FY09.

FY09 BUDGET

San Diego Housing Commission

Addendum 2

Summary of Housing Commission Revenue Changes

Shelter Plus Care	The increase of 34% is due to greater renewal funding and a new project starting in FY09. This increase is partially offset by the expected obligation/expenditure of prior year funds that will result in less carryover of funds into FY09
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FY09 Budget
San Diego Housing Commission

Addendum 3

Expenditures

The proposed FY09 Budget shows a 3% decrease in expenditures and reserves. Salaries and benefits increased primarily as a result of the proposed addition of new positions and anticipated employee movement along the seven-step merit pay plan in FY09. Services and Supplies decreased due to the deletion of Public Housing management fees and the reduction of contract/consulting services, insurance, audit and travel. These decreases were partially offset by increases in office equipment, legal, training and sundry. Housing Programs decreased due to the obligation and/or completion of various housing projects in FY08; less new funds; and the purchase of 36 University Canyon units by Public Housing.

	FY08 Current	FY09 Proposed	Change
Salaries & Benefits	\$ 17,838,859	\$ 18,686,970	\$ 848,111
Services & Supplies	9,477,693	8,674,426	(803,267)
Housing Programs	217,654,319	202,682,546	(14,971,773)
Program, Contingency & Unobligated Reserves	27,944,368	34,988,406	7,044,038
Total	\$ 272,915,239	\$ 265,032,348	\$ (7,882,891)
Continuing Appropriations	\$ 18,895,270	\$ 6,287,958	\$ (12,607,311)

The proposed change in staffing includes a net 5.50 additional positions including:

- The addition of 7.00 positions
- The deletion of 1.50 positions
- The reclassification of 14.00 positions

A detailed explanation of the changes in salaries and benefits is provided in Section III, on Addendum 6.

Services and Supplies have decreased by 8% due primarily to:

- \$752,900 decrease of public housing management fees
- \$281,632 decrease in contract/consultant due to the following changes
 - \$215,152 decrease to replace the human resources service contract with in-house staff
 - \$181,481 decrease due to the completion of the Lead Hazard Control grants
 - \$143,072 decrease in office facility management fees
 - \$138,736 increase for direct hire or temporary staff to assist with docketing, document imaging and data input during software implementation
 - \$52,500 increase for Rental Assistance services contracts for income verifications, criminal checks, lead based clearance testing and inspections
 - \$50,000 increase for the City's Consolidated Plan
 - \$38,000 for web-based rent reasonableness software
 - \$33,190 for financial and personnel consulting services
- \$33,330 decrease in insurance based on provider estimates
- \$3,000 decrease in audit

FY09 Budget

San Diego Housing Commission

Addendum 3

Expenditures

- \$656 decrease in travel
- These decreases in Services and Supplies are partially offset by:
 - \$135,330 increase for office equipment including contract monitoring and appointment scheduling software and a fireproof safe
 - \$85,000 increase for additional legal services for issues related to affordable housing, loan defaults, local ordinances and leasing contracts
 - \$30,521 in programmatic and succession training for staff development
 - \$17,400 for increases and decreases in a variety of sundry items including software support, office supplies and postage.

Housing Programs expenses decreased by 7% due primarily to:

- The obligation and/or expenditure of \$8,980,874 of loans and grants funded by Affordable Housing Funds, Coastal, Condo Conversion, HOME, Inclusionary, Lead Hazard Control, Redevelopment Agency, and State funds on various projects, resulting in less carryover in FY09
- A reduction of \$1,519,126 in new funds from these same programs resulting from lower fees, shared equity loan payoffs, and new awards
- A \$3,998,879 reduction in site acquisition primarily due to the purchase of 36 University Canyon units for public housing; the anticipated obligation of \$600,000 of predevelopment funds related to rental housing development; and the transfer of HUD Development funds to Reserves
- A \$3,020,818 decrease in mortgage payments because of the payoff of the University Canyon mortgage
- A \$2,220,394 decrease in capital improvements due to obligation/completion of contracts at the Public Housing sites and University Canyon
- A \$220,951 decrease in relocation due to the completion of capital improvement and lead hazard rehabilitation awards.
- These decreases in Housing Programs are offset by the following changes in rent to owners of \$6,029,884 due primarily to:
 - The \$4,765,481 increase in Section 8 Voucher funds for rent to owners that is based on HUD determined formulas
 - A staff proposal to include the addition of \$1,000,000 of HOME tenant-based rental assistance for special purpose transitional vouchers in rent to owners
 - The addition of \$399,829 for Shelter Plus Care rental assistance that includes new funding for the Cove Apartments and renewal on other projects
 - These increases are offset by a \$104,910 transfer of the Disaster Voucher program to the County of San Diego and a small reduction of \$30,516 in Moderate Rehab rental assistance due to the transfer of units to the Voucher program.

Continuing Appropriations of \$6,287,958 are expenditures that were committed in FY08 or earlier for multiyear projects or programs. While funds are not available for reallocation in this FY09 budget process, they are shown to fully reveal activity and workload during FY09.

FY09 BUDGET

San Diego Housing Commission

Addendum 3

Agency Summary of Expenditures

	FY08 Current	FY09 Proposed	% of Chg Curr/Prop
Staffing	238.00	243.50	2%
EXPENDITURES			
Salaries & Benefits	17,838,859	18,686,970	5%
Services & Supplies			
Legal	683,861	768,861	12%
Training	172,113	202,634	18%
Travel	111,105	110,449	-1%
Audit	94,000	91,000	-3%
Contract/Consultant	2,732,733	2,451,101	-10%
Office & Building Rent	1,898,678	1,898,678	0%
Sundry	1,914,456	1,931,856	1%
Insurance	521,992	488,662	-6%
Management Fees	752,900	0	-100%
Office Equipment	595,855	731,185	23%
Total Services & Supplies	9,477,693	8,674,426	-8%
Housing Programs			
Resident Workforce & Economic Development	1,195,713	1,040,171	-13%
Maintenance Expenses	2,923,440	2,949,581	1%
Utilities	1,977,635	2,014,887	2%
PILOT & Property Taxes	28,200	42,450	51%
Collection Loss	124,156	155,762	25%
Mortgage Payments	5,127,073	2,106,255	-59%
Protective Services	402,815	415,385	3%
Rent to Owners	145,825,178	151,855,062	4%
Loans & Grants	45,583,120	34,083,120	-25%
Relocation	1,240,178	1,019,227	-18%
Site Acquisition & Housing Development	9,272,521	5,273,642	-43%
Capital Improvements	3,687,988	1,467,594	-60%
Dwelling Equipment	266,302	259,410	-3%
Total Housing Programs	217,654,319	202,682,546	-7%
Program, Contingency & Unobligated Reserves	27,944,368	34,988,406	25%
Total Budget	272,915,239	265,032,348	-3%
Continuing Appropriations	18,895,270	6,287,958	-67%

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San Diego Housing Commission

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Summary of Housing Commission Expenditure Changes

Salaries & Benefits	<p>The \$848,111 or 5% increase in salaries and benefits is primarily the result of :</p> <ul style="list-style-type: none"> ▪ Proposed addition of net 5.50 positions, 7.00 additions offset by 1.50 deletions ▪ Anticipated employee movement along the seven-step merit pay plan in FY09 ▪ Change in benefits based on a percentage of salary and the approved increase in the flex credit plan ▪ Proposed reclassification of 14.00 positions ▪ Decrease of contingency and vacancy from FY08 to FY09 <p>A detailed explanation of the changes in salaries and benefits is included in Section III, Addenda 6.</p>
Legal	<p>The increase of \$85,000 or 12% in legal is the result of :</p> <ul style="list-style-type: none"> ▪ \$89,000 increase to provide additional services for issues related to affordable housing, loan defaults, local ordinances and office space leasing contracts ▪ \$4,000 decrease in Communication and Property Management based on actual usage
Training	<p>The increase of \$30,521 or 18% will provide for staff programmatic and succession training.</p>
Contract/Consultant	<p>The decrease of \$281,632 or 10% in contract/consultant is due to a variety of changes:</p> <ul style="list-style-type: none"> ▪ \$215,512 decrease in Human Resources replacing the human resources services contract with in-house staff ▪ \$181,481 decrease in the Rehabilitation activities due to the completion of the current Lead Demonstration and Lead Control grants ▪ \$143,072 decrease in Facilities Management for the elimination of management fees for the office building and parking garage ▪ \$38,652 decrease in consultants for Reinvestment Task Force and Communications ▪ \$20,341 decrease in Rental Housing Finance reducing the hours budgeted for a direct hire contractor to assist on special projects ▪ \$104,080 increase in Policy & Public Affairs for the City's Consolidated Plan and a full-time direct hire contractor to assist with docketing and general clerical duties ▪ \$102,500 increase in Rental Assistance for contracted services such as income verification, background checks, inspections and lead

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Summary of Housing Commission Expenditure Changes

	<p>based inspections and clearances as well as the purchase of web based software for rent reasonableness updates</p> <ul style="list-style-type: none"> ▪ \$35,656 increase in Workforce & Economic Development for direct hire contractors due to the expected receipt of new HCV FSS Coordinator grants ▪ \$30,000 increase in Occupancy Monitoring for temporary staff to assist with contract monitoring software implementation ▪ \$28,690 increase in Financial Services for finance and audit consultants ▪ \$12,500 increase in Business Services for a consultant to review and update recruitment and retention policies ▪ \$4,000 increase in Information Services of \$11,000 in temporary agency staff for document imaging offset by a \$7,000 reduction in cost for the new on-line waiting list service
Sundry	<p>The increase of 17,400 or 1% in sundry is due to the addition of \$54,355 for increases in the following budgets:</p> <ul style="list-style-type: none"> ▪ \$20,000 increase for software support ▪ \$18,050 increase for postage for actual usage and postal rate increases ▪ \$5,583 for office supplies due to an increase in the cost of paper ▪ \$5,000 increase for translation services transferred from contracts and consultants ▪ \$5,000 increase for additional on-line real estate information services ▪ \$722 for minor increases in other sundry budgets ▪ \$17,680 decrease in advertising ▪ \$9,863 decrease in parking, garage reimbursement and garage validation stamps ▪ \$3,192 decrease in mileage and car allowance ▪ \$3,300 decrease in printing ▪ \$900 decrease in gasoline ▪ \$800 decrease in preemployment clearances ▪ \$1,220 of minor decreases in other sundry budgets
Insurance	<p>The decrease of \$33,330 or 6% in insurance reflects:</p> <ul style="list-style-type: none"> ▪ The providers' estimate of lower costs for general liability, property and vehicle insurance ▪ Costs for employment practices, errors and omissions, crime and honesty, and fiduciary coverage are not expected to change in FY09

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Management Fees	Management fees have decreased \$752,900 or 100%. Management fees or fees for service were established by HUD as a method for Central Office costs to be reimbursed by the Asset Management Projects in the Public Housing program. These fees will no longer be budgeted since all of the units are now owned by the Housing Commission.
Office Equipment	The increase of \$135,330 or 23% in office equipment is primarily due to an additional \$141,500 for Information Technology equipment including: <ul style="list-style-type: none"> ▪ \$120,000 increase for contract monitoring software for Occupancy Monitoring activities ▪ \$20,000 increase for appointment scheduling and reminder software for Rental Assistance ▪ \$1,500 increase for the purchase of digital cameras to use during inspections ▪ \$1,250 increase for a fire proof cabinet in Rental Housing Finance ▪ \$7,420 decrease in Financial Services due to the one-time purchase of safety items
Resident Workforce/Economic Development Expenses	The decrease of \$155,542 or 13% in resident workforce/economic development expenses is the result of: <ul style="list-style-type: none"> ▪ Spending or committing \$926,443 of prior year and current year Public Housing related HUD funding for resident services activities in FY08 ▪ Budgeting \$770,901 of new SDHC Local Units funding to continue the same resident services activities in FY09 as provided in FY08
PILOT & Property Tax	The increase of \$14,250 or 51% for property tax will provide a business accessory tax on the Smart Corner office facility.
Collection Loss	The increase of \$31,606 or 25% for collection loss will provide for potential increases in collection losses.
Mortgage Payments	The decrease of \$3,020,818 or 59% of mortgage payments is due to the loan payoff of the University Canyon mortgage in FY08.
Rent to Owners	The increase of 6,029,884 or 4% is due primarily to: <ul style="list-style-type: none"> ▪ \$4,765,481 increase in Section 8 Voucher funds for rent to owners that is based on HUD determined formulas ▪ Staff proposal to add \$1,000,000 of HOME Tenant Based Rental Assistance for special purpose transitional vouchers ▪ Addition of \$399,829 for Shelter Plus Care rental assistance that includes new funding for the Cove Apartments and renewal on other projects

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	<ul style="list-style-type: none"> ▪ Increases are offset by <ul style="list-style-type: none"> ○ \$104,910 transfer of the Disaster Voucher program to the County of San Diego ○ \$30,516 reduction in Moderate Rehab rental assistance due to the transfer of units to the Voucher program
<p>Loans & Grants</p>	<p>The decrease of \$11,500,000 or 25% is due to decreased carryover and new funding for various activities. These changes include in:</p> <p>Rental Housing Finance decreased by \$8,580,908 due primarily to:</p> <ul style="list-style-type: none"> ▪ \$5,411,680 decrease in carryover from the obligation and/or completion in the current fiscal year of projects funded by HOME, Inclusionary and Cal State Housing Trust Fund ▪ \$4,851,228 less new funds available from Coastal, HOME, HTF Linkage, Inclusionary and NCFUA due to lower expected fees and new awards ▪ Offset by a transfer of \$1,500,000 of HOME funds from Homeownership to Rental Housing Finance <p>Homeownership decreased by \$977,703 due to a combination of changes including:</p> <ul style="list-style-type: none"> ▪ \$1,032,353 decrease from the expected obligation and/or completion in the current fiscal year of projects funded by Cal Home, CCDC, HOME and Inclusionary ▪ Transfer of \$1,500,000 of HOME funding from Homeownership to the Rental Housing Finance for production activities and \$1,000,000 to Special Purpose Housing for a HOME Tenant Based Rental Assistance program ▪ Offset by the addition of \$2,554,650 of new funds from Cal Home, CCDC, HTF Linkage, Local and CDBG funds <p>Rehabilitation Rental Housing decreased by \$1,587,488 resulting from the:</p> <ul style="list-style-type: none"> ▪ Obligation and/or expenditure of CalHome EAGR and the Lead Hazard Control and Demonstration grants. An application has been submitted to HUD requesting new funding for Lead Hazard Control programs. If approved, the funding will be amended into the FY09 budget <p>Rehabilitation Owner Occupied decreased by \$274,893 primarily due to:</p> <ul style="list-style-type: none"> ▪ \$1,024,410 decrease resulting from the obligation and/or expenditure of HOME, Housing Rehab Trust Fund, HTF CDBG, HTF Linkage, Lead Hazard, and the Mt. Hope, Linda Vista, and Southcrest Redevelopment funds ▪ \$109,505 less new funds available from Housing Rehab Trust Fund, Affordable Housing Fund, and Redevelopment funds

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	<ul style="list-style-type: none"> ▪ Offset by an increase of \$855,079 in new funding for CDBG and two new Redevelopment funds for North Park and San Ysidro <p>Special Purpose Housing decreased by \$94,008 due primarily to:</p> <ul style="list-style-type: none"> ▪ \$110,886 decrease resulting from the obligation and/or expenditure of HTF Linkage and Shelter Plus Care funds ▪ \$15,000 for the relocation grant has been transferred from this activity to Policy and Public Affairs ▪ Offset by an increase of \$31,878 of new Shelter Plus Care funding <p>Policy and Public Affairs budget increased \$15,000 with the transfer of the relocation grant from Special Purpose Housing.</p>
Relocation	<p>The decrease of \$220,951 or 18% is due to:</p> <ul style="list-style-type: none"> • \$295,951 reduction in Construction Services and Rehabilitation for relocation activities resulting from the expected completion of Capital and Lead Based grants • \$75,000 increase for relocation during capital improvement work on the SDHC Local Units
Site Acquisition & Housing Development	<p>The decrease of \$3,998,879 or 43% in site acquisition is due to a \$6,513,879 decrease from:</p> <ul style="list-style-type: none"> • Purchase of University Canyon • Anticipated obligation of funding for predevelopment activity related to the development of 350 affordable units • Costs for foreclosure default issues in Portfolio Servicing • Facilities Management costs for tenant improvements • The transfer of HUD Development funds from site acquisition to Public Housing Reserves • These decreases are partially offset by increases from <ul style="list-style-type: none"> ○ Transfer of \$1,515,000 of the University Canyon capital improvements to Construction Services ○ Transfer of \$1,000,000 of Local Reserves to Rental Housing Development for the 350 affordable units
Capital Improvements	<p>The decrease of \$2,220,394 or 60% is due to:</p> <ul style="list-style-type: none"> • Obligation/completion of \$1,637,988 of capital improvement contracts at the Public Housing sites and University Canyon • Transfer of \$1,515,000 of University Canyon capital improvements to Rental Housing Development for the 350 affordable units • These decreases are partially offset by an increase of \$932,594 for capital improvements for the SDHC Local Units

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Summary of Housing Commission Expenditure Changes

<p>Program, Contingency & Unobligated Reserves</p>	<p>The increase in Reserves is \$7,044,038 or 25%. This is due to an increase of \$3,604,471 in Program Reserves, an increase of \$6,365,262 in Contingency Reserves and a decrease of \$2,925,695 in Unobligated Reserves.</p> <p>The <i>Program Reserves</i> provide for future personnel, services and supplies or housing expenditures. The Program Reserves have increased by \$3,604,471 from \$17,160,453 in FY08 to \$20,764,924 in FY09. The \$3,604,471 increase includes a \$4,104,399 increase in Property Management activities, \$927,753 decrease in Housing Finance activities and a \$427,825 increase in all other activities. Each of these components of change in Program Reserves is explained below:</p> <ul style="list-style-type: none"> • Programs Reserves supporting Property Management activities increased by \$4,104,399 <ul style="list-style-type: none"> ○ \$5,310,326 increase for future capital improvements for Public Housing, SDHC Local Units, University Canyon and the Maya Apartments ○ \$28,095 increase in Capital Fund for future administrative expenses ○ Transfer of \$1,000,000 local reserves for Public Housing to the Housing Development activity to be used for 350 affordable units ○ \$130,000 of ROSS PH Family Self-Sufficiency grant will not be available to the Housing Commission in FY09 ○ \$103,300 decrease in State Rental Housing reserves due to reduced availability of State annuity funds ○ City Property Management decrease of \$722 in reserves • Program Reserves supporting Housing Finance decreased by \$927,753 is due primarily to a decrease of <ul style="list-style-type: none"> ○ \$950,761 in HOME and Inclusionary funds resulting from less new funds, shared equity loan payoffs and fees ○ In addition, the Lead Hazard Control grants were drawn down by \$355,571 for the final year of both grants. Staff has applied for two new Lead Hazard Control grants and if approved by HUD, the funding will be added to the FY09 budgets ○ This decrease was partially offset by an increase of \$381,712 in several redevelopment funds <p>The balance of the \$427,825 increase in Program Reserves includes \$443,207 of HUD Development funds transferred from site acquisition into reserves for future development of Public Housing. This increase is offset by two minor reductions of \$12,930 in Section 8 reserves and \$2,452 in</p>
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	<p>Shelter Plus Care reserves.</p> <ul style="list-style-type: none">• FY09 <i>Contingency Reserves</i> increased by \$6,365,262<ul style="list-style-type: none">○ Staff proposed that this amount be set aside for the development of 350 affordable housing units, increasing the SDHC Local Unit reserve from \$1,005,546 to \$7,370,808○ The Contingency Reserves also includes litigation reserves to provide for unexpected legal issues, insurance reserves to provide for coverage of deductibles, and building reserves to provide for any potential shortfall in the Smart Corner operation. No change is proposed for these items• The <i>Unobligated Reserves</i> include amounts that are available for any unanticipated housing purpose<ul style="list-style-type: none">○ The decrease of \$2,925,725 is primarily the result of using Unobligated Reserves to fund administrative expenses and Facilities Management in FY09. Recent changes in the economy have caused an increase in the need for local funding of Facilities Management and administrative support. Due to the downturn in the real estate market, the lease up of the first two floors at Smart Corner has lagged and it was necessary to use unobligated funds to support the extended leasing period. This downturn has also resulted in the expectation of lower HOME shared equity loan repayments and Affordable Housing and Inclusionary fees and it was necessary to use unobligated funds to support the administrative expenses of Housing Finance activities○ With these changes, the Unobligated Reserves of \$4.25 million proposed for FY09 are 1.6% of the FY09 Agency Budget. Staff recommends that the Unobligated Reserves be retained as a sound business practice
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Addendum 4

Summary of Staffing Changes From FY08 TO FY09

	Housing Services	Housing Development	Housing Finance	Operations	Total
FY08 Staff	152.79	1.08	38.00	46.13	238.00
Proposed FY09 Changes:					
Adds	2.00	0.00	0.00	5.00	7.00
Deletes	(1.00)	0.00	0.00	(0.50)	(1.50)
Transfers	(0.82)	0.00	(1.00)	1.82	0.00
Change	0.18	0.00	(1.00)	6.32	5.50
Upgrades	2.00	0.00	2.00	7.00	11.00
Downgrades	3.00	0.00	0.00	0.00	3.00
Proposed FY09 Staff	152.97	1.08	37.00	52.45	243.50

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Addendum 5

Classification and Pay Plan

Effective July 1, 2008 (Start of Pay Period)

(Start of Pay Period in which the first day of the fiscal year begins)

"M" SCHEDULE

Range	OC	OT/BU	Classification	Type	Minimum	Maximum
M 50	A	Ex/M	President & Chief Executive Officer	Hrly. Rate	57.81	86.05
				BiWk. Equiv.	4,624.80	6,884.00
				Ann. Equiv.	120,244.80	178,984.00
M48	A	Ex/M	Executive Vice President & Chief Operating Officer	Hrly. Rate	52.06	73.55
				BiWk. Equiv.	4,164.80	5,884.00
				Ann. Equiv.	108,284.80	152,984.00
M47	--	--	--	Hrly. Rate	46.44	63.95
				BiWk. Equiv.	3,715.20	5,116.00
				Ann. Equiv.	96,595.20	133,016.00
M44	A	Ex/M	Director of Business Services	Hrly. Rate	34.77	53.31
	A	Ex/M	Director of Policy & Public Affairs	BiWk. Equiv.	2,781.60	4,264.80
	A	Ex/M	Director of Facilities	Ann. Equiv.	72,321.60	110,884.80
	A	Ex/M	Director of Financial Services			
	A	Ex/M	Director of Housing Finance			
	A	Ex/M	Director of Rental Assistance			
M 39	--	--	--	Hrly. Rate	28.70	34.92
				BiWk. Equiv.	2,296.00	2,793.60
				Ann. Equiv.	59,696.00	72,633.60
M 34	C	Ex/M	Secretary to the President & Chief Executive Officer	Hrly. Rate	22.48	32.19
				BiWk. Equiv.	1,798.40	2,575.20
				Ann. Equiv.	46,758.40	66,955.20

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Addendum 5

"S" SCHEDULE

Range	OC	OT/BU	Classification	Type	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
S42	B	Ex/S	Asst Director of Housing Programs *	Hrly. Rate	33.23	34.89	36.64	37.56	38.49	39.46	40.44
				BiWk. Equiv.	2,658.40	2,791.20	2,931.20	3,004.80	3,079.20	3,156.80	3,235.20
	B	Ex/S	Budget Officer *	Ann. Equiv.	69,118.40	72,571.20	76,211.20	78,124.80	80,059.20	82,076.80	84,115.20
	B	Ex/S	Housing Construction Officer *								
	B	Ex/S	Human Resources Officer *								
	B	Ex/S	Information Technology Officer *								
	B	Ex/S	Supervising Project Manager *								
	B	Ex/S	Communications Officer *								
S41	B	Ex/A	Financial Specialist *	Hrly. Rate	31.64	33.22	34.88	35.76	36.65	37.57	38.51
	B	Ex/A	Loan Management Supv. *	BiWk. Equiv.	2,531.20	2,657.60	2,790.40	2,860.80	2,932.00	3,005.60	3,080.80
	D	Ex/A	Policy Advisor to the President & CEO*	Ann. Equiv.	65,811.20	69,097.60	72,550.40	74,380.80	76,232.00	78,145.60	80,100.80
	D	Ex/S	Project Manager *								
S40	B	Ex/S	Housing Construction Supervisor	Hrly. Rate	30.14	31.65	33.23	34.06	34.91	35.78	36.68
				BiWk. Equiv.	2,411.20	2,532.00	2,658.40	2,724.80	2,792.80	2,862.40	2,934.40
				Ann. Equiv.	62,691.20	65,832.00	69,118.40	70,844.80	72,612.80	74,422.40	76,294.40
S39	B	Ex/S	Accounting Supervisor *	Hrly. Rate	28.70	30.13	31.64	32.43	33.24	34.07	34.92
	B	Ex/A	Associate Project Manager *	BiWk. Equiv.	2,296.00	2,410.40	2,531.20	2,594.40	2,659.20	2,725.60	2,793.60
	B	Ex/A	Business Analyst	Ann. Equiv.	59,696.00	62,670.40	65,811.20	67,454.40	69,139.20	70,865.60	72,633.60
	B	Ex/A	Community Liaison *								
	B	Ex/A	Organizational Training Spec. *								
	B	Ex/A	Principal Accountant *								
	B	Ex/A	Principal HR Analyst *								
	B	Ex/A	Senior Budget Analyst *								
	B	Ex/A	Senior Program Analyst *								
S38	D	Pre/O	Housing Construction Spec.	Hrly. Rate	27.33	28.70	30.13	30.89	31.66	32.45	33.26
	B	Ex/A	Sr. HR Analyst *	BiWk. Equiv.	2,186.40	2,296.00	2,410.40	2,471.20	2,532.80	2,596.00	2,660.80
	T	Ex/A	Sr. Information Technology Analyst*	Ann. Equiv.	56,846.40	59,696.00	62,670.40	64,251.20	65,852.80	67,496.00	69,180.80
	B	Ex/S	Supv Resident Initiatives Coord *								
S37	B	Ex/A	Community Relations Spec. *	Hrly. Rate	26.02	27.33	28.69	29.41	30.14	30.90	31.67
	B	Ex/S	Housing Supervisor *	BiWk. Equiv.	2,081.60	2,186.40	2,295.20	2,352.80	2,411.20	2,472.00	2,533.60
	T	Ex/A	Information Technology Analyst *	Ann. Equiv.	54,121.60	56,846.40	59,675.20	61,172.80	62,691.20	64,272.00	65,873.60
	B	Ex/A	Senior Accountant *								
	B	Ex/A	Sr. Resident Initiatives Coord. *								

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Addendum 5

Range	OC	OT/BU	Classification	Type	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
S36	B	Ex/A	Budget Analyst	Hrly. Rate	24.80	26.04	27.34	28.03	28.73	29.45	30.18
	B	Ex/A	Contracts Analyst	BiWk. Equiv.	1,984.00	2,083.20	2,187.20	2,242.40	2,298.40	2,356.00	2,414.40
	B	Ex/A	Human Resources Analyst	Ann. Equiv.	51,584.00	54,163.20	56,867.20	58,302.40	59,758.40	61,256.00	62,774.40
	B	Ex/A	Program Analyst								
S35	B	Ex/A	Inspection Coordinator	Hrly. Rate	23.61	24.79	26.03	26.68	27.35	28.03	28.73
				BiWk. Equiv.	1,888.80	1,983.20	2,082.40	2,134.40	2,188.00	2,242.40	2,298.40
				Ann. Equiv.	49,108.80	51,563.20	54,142.40	55,494.40	56,888.00	58,302.40	59,758.40
S34	B	Ex/A	Accountant	Hrly. Rate	22.49	23.61	24.79	25.41	26.05	26.70	27.37
	B	Ex/M	Docket Coordinator	BiWk. Equiv.	1,799.20	1,888.80	1,983.20	2,032.80	2,084.00	2,136.00	2,189.60
	B	Ex/A	Fiscal Services Specialist	Ann. Equiv.	46,779.20	49,108.80	51,563.20	52,852.80	54,184.00	55,536.00	56,929.60
	T	Ex/O	Loan Servicing Specialist								
	T	Ex/A	PIU Hearing Coordinator								
S33	B	Ex/S	Asst. Hsg. Property Supv.	Hrly. Rate	21.41	22.49	23.61	24.20	24.81	25.43	26.06
	B	Ex/A	Housing Specialist	BiWk. Equiv.	1,712.80	1,799.20	1,888.80	1,936.00	1,984.80	2,034.40	2,084.80
	B	Ex/A	Information Technology Specialist	Ann. Equiv.	44,532.80	46,779.20	49,108.80	50,336.00	51,604.80	52,894.40	54,204.80
S32	P	Pre/A	Contracts Compliance Asst.	Hrly. Rate	20.41	21.43	22.50	23.06	23.64	24.23	24.84
	T	Pre/O	Housing Inspector	BiWk. Equiv.	1,632.80	1,714.40	1,800.00	1,844.80	1,891.20	1,938.40	1,987.20
	T	Ex/O	Loan Production Specialist	Ann. Equiv.	42,452.80	44,574.40	46,800.00	47,964.80	49,171.20	50,398.40	51,667.20
	D	Pre/S	Maintenance Supervisor								
	B	Pre/O	Resident Initiatives Coord.								
	P	Pre/A	Senior Administrative Assistant								
S31	C	Pre/O	Senior Accounting Technician	Hrly. Rate	19.45	20.43	21.45	21.98	22.53	23.10	23.67
	T	Pre/O	Senior Housing Assistant	BiWk. Equiv.	1,556.00	1,634.40	1,716.00	1,758.40	1,802.40	1,848.00	1,893.60
	C	Pre/M	Wage Services Technician	Ann. Equiv.	40,456.00	42,494.40	44,616.00	45,718.40	46,862.40	48,048.00	49,233.60
S30	C	Pre/M	Executive Secretary	Hrly. Rate	18.50	19.42	20.39	20.90	21.43	21.96	22.51
				BiWk. Equiv.	1,480.00	1,553.60	1,631.20	1,672.00	1,714.40	1,756.80	1,800.80
				Ann. Equiv.	38,480.00	40,393.60	42,411.20	43,472.00	44,574.40	45,676.80	46,820.80
S29	C	Pre/O	Administrative Assistant	Hrly. Rate	17.62	18.50	19.42	19.91	20.41	20.92	21.44
	T	Pre/O	Housing Assistant II	BiWk. Equiv.	1,409.60	1,480.00	1,553.60	1,592.80	1,632.80	1,673.60	1,715.20
	C	Pre/M	Human Resources Technician	Ann. Equiv.	36,649.60	38,480.00	40,393.60	41,412.80	42,452.80	43,513.60	44,595.20
	C	Pre/S	Office Supervisor								

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Range	OC	OT/BU	Classification	Type	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
S28	C	Pre/O	Accounting Technician	Hrly. Rate	16.78	17.62	18.50	18.96	19.44	19.92	20.42
	D	Pre/O	Senior Maintenance Technician	BiWk. Equiv.	1,342.40	1,409.60	1,480.00	1,516.80	1,555.20	1,593.60	1,633.60
				Ann. Equiv.	34,902.40	36,649.60	38,480.00	39,436.80	40,435.20	41,433.60	42,473.60
Z27	D	Pre/O	Maintenance Technician II	Hrly. Rate	16.76	17.60	18.48	18.94	19.42	19.90	20.40
				BiWk. Equiv.	1,340.80	1,408.00	1,478.40	1,515.20	1,553.60	1,592.00	1,632.00
				Ann. Equiv.	34,860.80	36,608.00	38,438.40	39,395.20	40,393.60	41,392.00	42,432.00
S27	C	Pre/O	Information Technology Technician	Hrly. Rate	16.00	16.80	17.64	18.08	18.53	19.00	19.47
	D	Pre/O	Maintenance Technician II	BiWk. Equiv.	1,280.00	1,344.00	1,411.20	1,446.40	1,482.40	1,520.00	1,557.60
	C	Pre/O	Senior Storekeeper	Ann. Equiv.	33,280.00	34,944.00	36,691.20	37,606.40	38,542.40	39,520.00	40,497.60
S26	C	Pre/O	Senior Office Assistant	Hrly. Rate	15.22	15.98	16.78	17.20	17.63	18.07	18.52
				BiWk. Equiv.	1,217.60	1,278.40	1,342.40	1,376.00	1,410.40	1,445.60	1,481.60
				Ann. Equiv.	31,657.60	33,238.40	34,902.40	35,776.00	36,670.40	37,585.60	38,521.60
Z25	C	Pre/O	Accounting Assistant	Hrly. Rate	15.21	15.97	16.77	17.19	17.62	18.06	18.51
				BiWk. Equiv.	1,216.80	1,277.60	1,341.60	1,375.20	1,409.60	1,444.80	1,480.80
				Ann. Equiv.	31,636.80	33,217.60	34,881.60	35,755.20	36,649.60	37,564.80	38,500.80
S25	C	Pre/O	Accounting Assistant	Hrly. Rate	14.51	15.23	16.00	16.40	16.81	17.23	17.66
	T	Pre/O	Housing Assistant I	BiWk. Equiv.	1,160.80	1,218.40	1,280.00	1,312.00	1,344.80	1,378.40	1,412.80
	C	Pre/O	Resident Manager II	Ann. Equiv.	30,180.80	31,678.40	33,280.00	34,112.00	34,964.80	35,838.40	36,732.80
S24	C	Pre/O	Client Services Receptionist	Hrly. Rate	13.86	14.56	15.28	15.67	16.06	16.46	16.79
	C	Pre/O	Office Assistant II	BiWk. Equiv.	1,108.80	1,164.80	1,222.40	1,253.60	1,284.80	1,316.80	1,343.20
	C	Pre/O	Storekeeper	Ann. Equiv.	28,828.80	30,284.80	31,782.40	32,593.60	33,404.80	34,236.80	34,923.20
S23	C	Pre/O	Information Technology Assistant	Hrly. Rate	13.15	13.81	14.50	14.86	15.23	15.61	16.00
	D	Pre/O	Maintenance Technician I	BiWk. Equiv.	1,052.00	1,104.80	1,160.00	1,188.80	1,218.40	1,248.80	1,280.00
	C	Pre/O	Office Assistant I	Ann. Equiv.	27,352.00	28,724.80	30,160.00	30,908.80	31,678.40	32,468.80	33,280.00
S22	--	--	--	Hrly. Rate	12.52	13.15	13.81	14.15	14.50	14.87	15.24
				BiWk. Equiv.	1,001.60	1,052.00	1,104.80	1,132.00	1,160.00	1,189.60	1,219.20
				Ann. Equiv.	26,041.60	27,352.00	28,724.80	29,432.00	30,160.00	30,929.60	31,699.20

FY09 BUDGET

San Diego Housing Commission

Addendum 5

Range	OC	OT/BU	Classification	Type	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
S21	--	--	--	Hrly. Rate	11.94	12.53	13.16	13.49	13.82	14.17	14.52
				BiWk. Equiv.	955.20	1,002.40	1,052.80	1,079.20	1,105.60	1,133.60	1,161.60
				Ann. Equiv.	24,835.20	26,062.40	27,372.80	28,059.20	28,745.60	29,473.60	30,201.60
S20	C	Pre/O	Housing Aide II	Hrly. Rate	10.56	11.09	11.64	11.93	12.23	12.54	12.85
				BiWk. Equiv.	844.80	887.20	931.20	954.40	978.40	1,003.20	1,028.00
				Ann. Equiv.	21,964.80	23,067.20	24,211.20	24,814.40	25,438.40	26,083.20	26,728.00
S19	--	--	--	Hrly. Rate	9.49	9.96	10.46	10.72	10.99	11.26	11.55
				BiWk. Equiv.	759.20	796.80	836.80	857.60	879.20	900.80	924.00
				Ann. Equiv.	19,739.20	20,716.80	21,756.80	22,297.60	22,859.20	23,420.80	24,024.00
S18	C	Pre/O	Housing Aide I	Hrly. Rate	8.97	9.42	9.89	10.13	10.39	10.65	10.91
				BiWk. Equiv.	717.60	753.60	791.20	810.40	831.20	852.00	872.80
				Ann. Equiv.	18,657.60	19,593.60	20,571.20	21,070.40	21,611.20	22,152.00	22,692.80

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MISCELLANEOUS TEMPORARY CLASSIFICATIONS & HOURLY PAY RATES											
Range	OC	OT/BU	Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	
TSR	B	Ex/T	Scholar in Residence	25.91	27.20	28.56	29.28	30.01	30.76	31.53	
TSI	C	Pre/T	Student Intern (Paid)	11.27	11.84	12.43	12.73	13.06	13.38	13.72	
THA	O	Pre/T	Housing Services Aide	7.88	8.27	8.69	8.90	9.13	9.35	9.59	
TAT	O	Pre/T	Housing Aide Trainee	7.88	8.27	8.69	8.90	9.13	9.35	9.59	

Pay for the following classifications are based on HUD minimum wage requirements, or temporary and limited scope of duties, and/or specific terms and conditions of appointment:

Maintenance Technician Trainee: On the job training program for residents or Section 8 Program participants to qualify for Maintenance Technician I (or similar employment).

Contract Employee: Employment by contract agreement for professional services external to the merit process, budget, and classification and pay plan for specific scope of work and duration, and without employment rights or benefits other than those required by law or under terms of the contract.

Restricted Employee: Appointment to a Special Housing/Employment Program with requirements other than merit under which employees are selected and funded by State, Federal, or local agency; or to provide on the job training to public housing residents and Section 8 participants to enhance economic development and self sufficiency on a short term, on-call, or seasonal basis.

Site Contacts: Residents paid in accordance with HUD pay limitations as on-site residential contacts.

FY09 BUDGET

San Diego Housing Commission

Addendum 5

OC = Occupational Category:

A - Manager/Administrator
B - Professional
C - Clerical/Admin Support
D - Crafts/Kindred
P - Paraprofessional
T - Technical

OT = Overtime Designation:

Pre - Premium Overtime Compensation
Ex - Exempt from Overtime Compensation

BU = Bargaining Unit Designation:

M - Management or Confidential (nonunion - represented)
S - Supervisory (nonunion - represented)
A - Administrative/Professional (nonunion - represented)
O - Office/Clerical/Technical (union - represented)
T - Temporary Employee (nonunion - represented)

NOTES:

- M Schedule** Salary ranges on Management (M) Schedule derived by adding the percent increase to each hourly minimum and maximum of the range.
- S Schedule** Salary steps on Staff (S) Schedule derived by adding the percent increase to each hourly step. Annual salary equivalent is derived from hourly rate multiplied by 2,080 (number of work hours in a year). Biweekly rate is derived from annual salary divided by 26 paychecks. Amounts subject to rounding.
- E Class** * Extended Range "E" Class designates appointments that may be made to the range directly above or below the designated classification range based on specific qualifications and duties assigned.
- Z Range** Incumbents in the Maintenance Technician II and Accounting Assistant classifications as of September 30, 1998 shall be paid according to the Z range for the classification. Z range is defined as a special range for incumbents effective January 1, 1999 pursuant to negotiated Memorandum of Understanding. After September 30, 1998 newly hired or appointed incumbents to those classes will be paid according to the S range.
- Trainee** A "Trainee" designation is paid at a rate of 15% below the entry level classification and advanced to Step 1 of the targeted classification upon meeting minimum requirements.
- Reinstatement** The re-hire of an employee to a class satisfactorily held or to a comparable or lower class in which satisfactory service was rendered or to any comparable or lower class in the same occupational series provided the minimum requirements are met and the request is within one year of separation or voluntary demotion.
- Retired Returnee** An employee retired from the SDHC Defined Contribution Pension Plan may be appointed to a position at the same or comparable level of pay, requiring special skills or knowledge without competition, for a period not to exceed 180 days in any fiscal year.
- Volunteer** An individual designated to perform specific workplace tasks on a non-paid status.
- Minimum Wage** Hourly rates will be adjusted up to meet Federal Minimum Wage requirements as minimum wage rates change.
- Classification and Pay Plan Updates** Classification titles, new classes, and salary ranges may be updated pursuant to Personnel Policies and adopted Budget.

FY09 BUDGET

San Diego Housing Commission

Addendum 6

Explanation of the Change in the Housing Commission Salaries and Benefits Costs from FY08 to FY09

The FY09 salaries and benefits budget totals \$18,686,970. This is an increase of \$848,111 or five percent from the current FY08 budget. The following factors contribute to this increase:

<u>FY08 Current Salaries & Benefits Budget</u>	\$17,838,859
<u>FY09 Recalculation of Salaries</u> Included in the FY09 budget are current employees' actual salaries reflecting the FY08 2.0% salary increases approved by the Housing Commission Board and any step increases due in FY09.	386,803
<u>FY09 Adding Positions</u> The FY09 budget includes the addition of 7.00 positions. They are: 1.00 Project Manager, 2.00 IT Assistants, 1.00 HR Officer, 1.00 HR Analyst, and 2.00 Housing Assistant IIs.	531,683
<u>FY09 Deleting Positions</u> The FY09 budget includes the deletion of 1.50 positions. The deletions include 1.00 Assistant Director and .50 of a Building Assistant.	(147,635)
<u>FY09 Reclassification of Positions</u> The FY09 budget reclassifies 14.00 positions. The changes reclassify 1.00 Housing Specialist to Inspection Coordinator, 1.00 Housing Specialist to a Program Analyst, 1.00 IT Specialist to a Sr IT Analyst, 1.00 Accounting Assistant to a Business Analyst, 1.00 Sr Accountant to an Accounting Supervisor, 1.00 Accountant to an Accounting Supervisor, 1.00 Accounting Technician to a Sr Accounting Technician, 1.00 Wage Services Technician to a Fiscal Services Specialist, 1.00 Sr Administrative Assistant to a Program Analyst, 2.00 Housing Assistant IIs to Resident Manager IIs, 2.00 Housing Construction Specialists to Housing Construction Supervisor, and 1.00 Assistant Director to Sr Program Analyst.	25,811
<u>FY09 Salary Reserves</u> The FY09 budget contains a contingency reserve for salary increases and bonuses, which may be approved by the Housing Commission Board.	(85,662)
<u>FY09 Vacancy Factor</u> The FY09 vacancy factor of 0.5%, which is the same level as previous years, has been incorporated into the budget to provide for vacant positions during FY09.	(814)
<u>FY09 Benefits</u> Employee benefits provided include pension, 457, flex plan, Workers' Comp, Medicare, long-term disability, State Unemployment Insurance and life insurance. These benefits change as employees progress through the pay plan, service providers adjust rates, and any increases/decreases are approved by the Housing Commission Board. In FY09, benefits are budgeted at an average agency rate of 35.37%, up from 35.15% in FY08.	137,925
FY09 Salaries and Benefits Budget	\$18,686,970

FY09 BUDGET

San Diego Housing Commission

Addendum 7

Estimated Continuing Appropriations as of June 30, 2008

Activity Group / Activity / Project	Funding Source	Amount
1. Housing Services		
Rental Assistance		
Income Verification Services	Section 8	25,000
Graphic Artist	Section 8	4,099
<i>Total Rental Assistance</i>		\$ 29,099
Workforce & Economic Development		
Education & Job Training	Capital, ROSS Funds	12,000
<i>Total Workforce & Economic Development</i>		\$ 12,000
2. Housing Finance		
Rental Housing Finance		
Acquisition & Rehab - Villa Nueva	HOME, HTF Linkage	460,500
Acquisition & Rehab - The Cove	HOME	300,000
Acquisition & Rehab - HDP	HTF Linkage	157,142
Development - Veteran's Village	HOME	500,000
Legal and Programmatic Services	HOME, Inclusionary, Local Funds	75,069
<i>Total Rental Housing Finance</i>		\$ 1,492,711
Homeownership		
CA. Debt Allocation Committee Bond Deposit	Local Funds	100,000
Down Payment/Closing Costs Assistance	HTF Linkage	40,200
First-Time Homebuyer Assistance	HOME, Inclusionary	1,385,350
First-Time Homebuyer Education Workshops	HOME, Shea Homes, HTF Linkage, Inclusionary	16,404
Shared Equity Loan Program	Shea Homes	353,000
Housing Counselor - Community Housing Works	CDBG	15,000
<i>Total Homeownership</i>		\$ 1,909,954
Rehabilitation		
Owner Occupied		
Homeworks Program	HOME	100,000
No Interest Deferred Home Loans	HOME	150,000
Weatherization, Energy Efficiency, and Rehabilitation for Senior & Disabled Households - Urban Corps of SD	CDBG	50,000
<i>Total Rehabilitation Owner Occupied</i>		\$ 300,000
Special Purpose Housing		
Acquisition & Rehab - The Cove	HTF Linkage	30,000
Nonprofit Operating Assistance	HOME	56,250
Shelter Plus Care	Shelter Plus Care	1,875,000
Transitional Housing	HTF Linkage	37,000
<i>Total Special Purpose Housing</i>		\$ 1,998,250

FY09 BUDGET

San Diego Housing Commission

Addendum 7

Estimated Continuing Appropriations as of June 30, 2008

Activity Group / Activity / Project	Funding Source	Amount
3. Operations		
Support Services		
Information Technology		
Custom Programming	Public Housing	12,020
Document Imaging Software	Public Housing , Section 8	22,839
IT Needs Assessment	Public Housing	23,644
Technical Implementation	Public Housing	28,581
Technical Training	Public Housing	35,860
<i>Total Information Technology</i>		\$ 122,944
Facilities Management		
Facilities Consultants	Local Funds	25,000
Lease Commissions for Smart Corner	Local Funds	350,000
<i>Total Facilities Management</i>		\$ 375,000
Policy & Public Affairs		
ConPlan/Action Plan Consultant	Local Funds	48,000
<i>Total Policy & Public Affairs</i>		\$ 48,000
AGENCY TOTAL		\$ 6,287,958

FY09 BUDGET
San Diego Housing Commission

Addendum 8

Non-Budgeted Restricted Cash

In addition to the amounts of revenue shown in the FY09 Budget document, there are the following restricted cash amounts that are not available for inclusion in the FY09 Budget for the reasons noted. Below is a detailed listing of these cash amounts and an explanation is provided that describes each amount.

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<u>PROGRAM</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
1. Security Deposits	\$ 552,798	Residents who occupy units owned/managed by the Housing Commission are required to provide security deposits. This deposit is returned to the resident if the resident vacates the unit with no past due rent or excessive wear and tear damage to the unit. The amount shown is the balance at 06/30/07.
2. Family Self-Sufficiency Escrow Accounts	\$ 588,619	Residents who participate in the Family Self-Sufficiency Program and experience an increase in earned income would normally pay a higher rent payment. In order to encourage self-sufficiency, part of the increase in the rent payment is set aside in an escrow account for the benefit of the resident. At the end of the five-year program, a successful resident who has achieved self-sufficiency would be able to withdraw the escrow balance that has accumulated. The amount shown is the balance at 06/30/07.
3. Rehabilitation Line of Credit Deposit	\$ 78,363	The Housing Commission has previously entered into Line of Credit Agreements with Wells Fargo Bank. The Agreements require the deposit of these funds as collateral at Wells Fargo Bank to sustain the leveraging of bank funds. The amount shown is the balance at 06/30/07.
4. Bond Program Performance Deposits	\$ 357,769	The State of California requires that the Housing Commission collect a performance deposit from each developer who applies for State tax credits. These funds are held by the Housing Commission and returned to the developer upon written authorization from the State of California that the developer has performed satisfactorily. If the developer fails to perform, these funds are remitted to the State of California. The amount shown is the balance at 06/30/07. The Housing Commission released \$103,071 to a developer in FY08.

FY09 BUDGET

San Diego Housing Commission

Addendum 9

Use of Unrestricted Revenues

The proposed FY09 Budget allocates both restricted and unrestricted funds to support multiple affordable housing activities including: rental assistance, development to increase the supply of affordable rental housing, renovation to extend the life of older housing stock, first-time homebuyer assistance, and transitional and supportive housing. Unrestricted Revenues (\$66.5 million and \$51.6 million in FY08 and FY09 respectively) of the Housing Commission have far fewer restrictions on usage than the Restricted Revenues and may be used for a variety of activities. There are four types of Unrestricted Revenue sources as explained below:

1. Rental Rehabilitation – this source derives from loan payments and payoffs from previous lending activity and provides support for Special Purpose Housing.
2. Local Funds – these funds derive from a variety of sources including fees earned from administering programs, lease revenue or loan payments from previous development activity, and rental income from certain Housing Commission-owned sites. These funds are very flexible and are utilized for all Housing Commission activities except Rental Assistance.
3. Affordable Housing Funds – this source includes the Housing Trust Fund derived from fees charged developers of commercial and industrial property and a relatively small amount of loan repayments from CDBG Rehabilitation loans, as well as the Inclusionary Housing Fund of in-lieu fees paid by residential developers. Currently, this source provides support for activities in Housing Finance.
4. HOME Funds – this federal entitlement source is received annually by the City of San Diego and is administered by the Housing Commission. Currently, this source provides support for activities in Housing Finance.

In past years, the Housing Commission has supported a multifaceted approach by allocating the Unrestricted Revenue sources among several activities. In the proposed FY09 Budget, the allocation of the Unrestricted and Restricted Revenues is as follows:

Activity	Proposed FY09 Unrestricted Revenues		Proposed FY09 Restricted Revenues		Proposed FY09 Total Revenues	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Rental Housing Finance	21,514,662	41.7%	940,143	0.4%	22,454,805	8.5%
Reserves	11,641,671	22.6%	23,346,735	10.9%	34,988,406	13.2%
Operations	6,232,433	12.1%	5,977,598	2.8%	12,210,031	4.6%
Special Purpose Housing	3,984,587	7.7%	1,595,966	0.7%	5,580,553	2.1%
Homeownership	3,355,449	6.5%	2,141,831	1.0%	5,497,280	2.1%
Portfolio Servicing	1,702,020	3.3%	862,615	0.4%	2,564,635	1.0%
Rental Housing Development	1,600,000	3.1%	1,877,507	0.9%	3,477,507	1.3%
Rehabilitation	1,530,289	3.0%	5,127,472	2.4%	6,657,761	2.5%
Property Management	17,766	0.0%	11,958,024	5.6%	11,975,790	4.5%
Rental Assistance	0	0.0%	157,017,065	73.7%	157,017,065	59.2%
Workforce & Economic Dev.	0	0.0%	2,608,515	1.2%	2,608,515	1.0%
Total Proposed Budget	51,578,877	100.0%	213,453,471	100.0%	265,032,348	100.0%

This allocation of Unrestricted Revenues is similar to previous fiscal years. As the chart demonstrates, the majority of the unrestricted funding is provided to Rental Housing Finance with sizeable allocations for Special Purpose Housing, Homeownership and Portfolio Servicing. Most reserves are earmarked to provide for the future costs

FY09 BUDGET
San Diego Housing Commission

Addendum 9

Use of Unrestricted Revenues

associated with specific programs, litigation, insurance claims, building reserves and the future purchase of State units when the State loan is due. A small amount (1.6% of the budget) is set aside for unanticipated purposes and to provide for future years administration for programs that provide insufficient administrative funding.

Commissioners can shift unrestricted funds under certain conditions from one activity to another. However, reducing activities below certain minimum levels could result in a high proportion of administrative costs for that activity, making it no longer economically viable. Staff recommends maintaining at least minimum viable program levels in all programs so that these services can be augmented as community needs change.

FY09 BUDGET

San Diego Housing Commission

Addendum 10

Glossary of Budget Terms

AFFORDABLE HOUSING - Typically the cost is no more than 30% of a low or very-low household's income.

AREA MEDIAN INCOME (AMI) - The median income in the San Diego Standard Metropolitan Statistical Area (MSA) adjusted for household size, as published annually by the United States Department of Housing and Urban Development.

APPROPRIATION - Funds set aside by formal action of a legislative body for a specific use or program.

CARRYOVER - Residual unspent and unencumbered funds brought forward from previous fiscal year.

CAPITAL FUND - A HUD entitlement grant to the Housing Commission for the purpose of undertaking major renovation of public housing properties, enhancing resident services and management improvement.

CAPITAL IMPROVEMENTS - Improvements that extend the useful life of housing units.

CDBG - Community Development Block Grant - A HUD entitlement grant to the City of San Diego. The Housing Commission applies to the City to provide funds for various housing activities including the rehabilitation, homeownership, and rental housing programs.

CONTINUING APPROPRIATIONS - Continuing Appropriations are the unexpended balances of monies budgeted and obligated in previous years for vendor/contract commitments. Although these funds are not included in the current year because approval by the Board was received in a previous fiscal year, there is considerable workload associated with these projects.

ENCUMBRANCE - Funds contractually obligated for expenditure on a particular project or purpose.

ENTITLEMENT - Noncompetitive funds granted to the Housing Commission, based on a formula considering several factors including population, location, age of housing, etc.

EXPENDITURE - Anticipated costs for a fiscal year.

EXTREMELY LOW-INCOME - Household income is 30% or less of published median income for the area.

HOME - A HUD entitlement grant to the City of San Diego that is used for various housing activities including the rehabilitation, homeownership, and rental housing programs.

HOUSING PROGRAM EXPENSE - Anticipated cost directly benefiting program participants including rent to owners, loans and grants, capital improvements, workforce & economic development expenses, etc.

IMPOUND - A restriction on use of appropriated funds due to either legal or management decisions.

LOCAL FUNDS - Funds resulting from Housing Commission actions which are available for local discretionary usage. Sources include bond monitoring fees, leases on local sites, repayments of previous loans, sites sales, rents, and interest.

FY09 BUDGET

San Diego Housing Commission

Addendum 10

Glossary of Budget Terms

LOW-INCOME - Household income is greater than 50% of the published median income figure for the area and up to 80%.

MAINTENANCE EXPENSES - Repair/replacement of minor building components that have failed or are about to fail.

MODERATE INCOME - Household income is greater than 80% of the published median income figure for the area and up to 120%.

OPERATING FUND - Provides operating subsidy for public housing programs.

OVERHEAD - Costs for Agency support functions such as board & executive functions, accounting, human resources, information technology, budgeting, etc., which support all program activities.

REINVESTMENT TASK FORCE - Charged with encouraging private and public financing of affordable housing and economic development in those areas suffering from disinvestments. Jointly funded by the Housing Commission and the County.

RESERVES - Program, Contingency & Unobligated Reserves are funds budgeted in the current year to provide for a future event. **Program Reserves** provide for personnel, supplies and services or housing programs. **Contingency Reserves** include amounts to provide for potential litigation, uninsured losses, building reserves and the affordable housing development reserves. **Unobligated Reserves** include amounts that are available for all housing purposes.

RESTRICTED REVENUE - Revenues for regulated purposes defined by the funding source.

REVENUE - Carryover funds from the preceding fiscal year and anticipated new cash receipts in the next fiscal year.

SALARIES AND BENEFITS EXPENSE - Anticipated cost for salary, wages, and benefits.

SERVICES AND SUPPLIES EXPENSE - Anticipated administrative costs to support staffing including legal, rent, travel, training, equipment, contracts, audit, insurance, and sundry.

SUNDRY - Costs for a variety of supplies and services including postage, telephone, photocopy, office supplies, printing, mileage, advertising, etc.

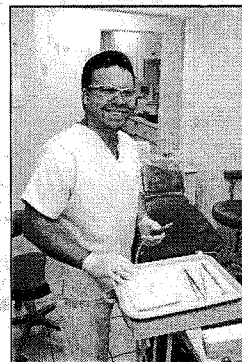
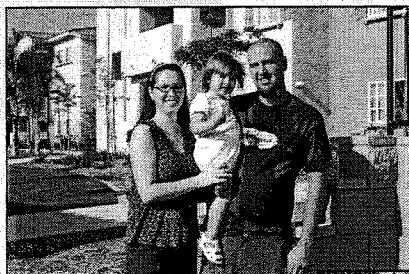
UNRESTRICTED REVENUE - Revenues that can be allocated to a variety of housing related purposes by the Board of Commissioners.

VERY LOW-INCOME - Household income is greater than 30% of the published median income for the area and up to 50%.

San Diego Housing Commission Business Plan

DRAFT

Fiscal Years 2009 – 2011



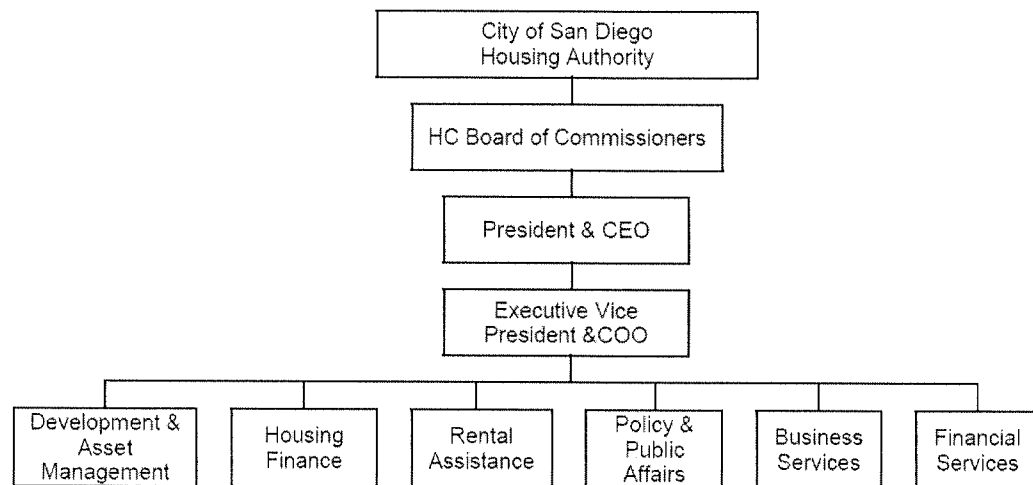
Operations Plan

The San Diego Housing Commission's organizational structure is composed of a President & Chief Executive Officer, an Executive Vice President & Chief Operating Officer, and six Department Directors, as shown below. The President & CEO is responsible to the Board of Commissioners and to the City of San Diego Housing Authority. The Department Directors are responsible to the Executive Vice President & COO and are charged with developing and operating all programs and activities.

Each year, each Department develops its next fiscal year budget based on the degree to which existing strategies will be continued and new strategies will be added.

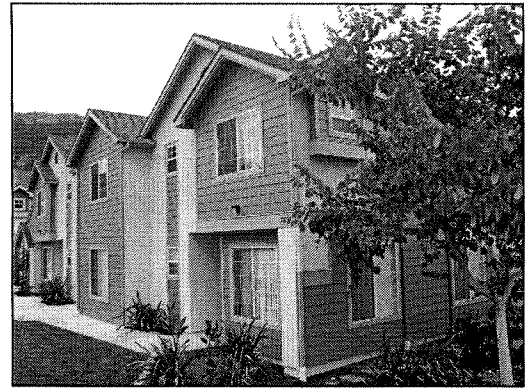
In the following Operations Plan, each Department has established ongoing and new strategies, including the action to be implemented, measure of success, date of completion, and approximate cost. Each of the 66 strategies identified support one or more of the Business Plan's five primary goals. ■

Organizational Chart



Operations Plan Development & Asset Management

Development & Asset Management is responsible for the agency's real estate assets, comprised of nearly 1,750 apartment units, a main office location and two satellite locations. The Department is comprised of three work units: Asset Services, Property Management, and Workforce & Economic Development. From FY 2009-FY 2011, Development & Asset Management will focus on implementation of the Public Housing Disposition Strategy and the transition to a private sector approach in the management of all SDHC-owned property and the services provided to the residents in these properties. ■



SDHC owns and manages nearly 1,750 award-winning affordable apartments that serve low-income families, seniors and persons with disabilities. The well-maintained sites are designed to blend into and enhance their neighborhoods.

Operations Plan Development & Asset Management Asset Services

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
1. Manage Smart Corner office building.	Assume "in-house" management of the office building and participate in lease process for potential tenants on ground and second floors.	Achieve full occupancy by leasing remaining ground floor and second floor spaces.	FY2010	N/A	2
2. Provide technical support services for Maintenance.	Assist with development of a redesigned building maintenance operation, including parts distribution, inventory, dispatching and work order system software testing.	New operations implemented; benchmarks to be developed for measurement.	FY2009 – FY2011	N/A	4
3. Update capital improvements.	Identify new potential work items given transition to private sector methodology, establish funding source for work items, and contract for work.	Complete needs assessment and highest priority work.	FY2009 – FY2011	\$1,200,000/year	1

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
4. Develop additional affordable housing units.	Build and/or acquire additional SDHC-owned rental units to meet commitment of 350 units.	210 units built and/or acquired.	FY2009 – FY2011	\$63,000,000 (at \$300,000 per unit)	1

"N/A" indicates that this action will be accomplished using staff with no additional costs anticipated.

Operations Plan
Development & Asset Management
Property Management

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
5. Acquire new software system for market units.	Install private sector software for property management.	Fully automate administration and record keeping of SDHC-owned and/or managed properties.	FY2010	\$90,000	4
6. Transition to private sector model of property management.	Develop new policies and procedures consistent with private sector industry standards.	New policies and procedures are implemented.	FY2009	N/A	3
	Develop and implement techniques for marketing to and retaining private market clients (80% AMI).	Vacancy rate at or below 5%.	FY2009	N/A	3
	Identify key staff and assign to oversee new operations office.	Fully staffed operations office.	FY2009	N/A	3

Operations Plan
Development & Asset Management
Workforce & Economic Development

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
7. Promote resident self-sufficiency efforts.	Integrate financial education as core program component and expand partnership base.	450 families served through Family Self-Sufficiency program (FSS).	FY2009 – FY2011	\$50,000	3
	Assess and centralize service delivery at Learning Opportunity Centers.	Improved efficiency and utilization of staff and funding.	FY2009 – FY2011	N/A	3
	Increase total funding to \$250,000.	Increased total funding available.	FY2009 – FY2011		2
New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
8. Promote resident self-sufficiency efforts.	Develop and implement a Youth Financial Education and Individual Development Account Program by designing a pilot program at Learning Opportunity Centers.	75 youth served.	FY2009	\$20,000	3
	Establish an Economic Development Academy through redesign of program and relocating services to central location(s). Pursue ongoing funding.	400 youth and adults served.	FY2009 – FY2011	\$195,000	4
	Expand current Homeownership Education and resource component. Track and report families moving to homeownership.	Additional funding received (20 families).	FY2010	\$20,000	2

Operations Plan

Housing Finance

The Housing Finance Department applies its resources to four areas of work:

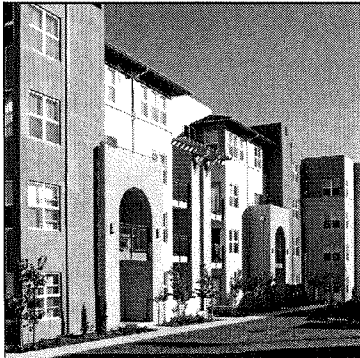
Rental Housing Production: Through favorable financing and incentives to nonprofit and for-profit developers, SDHC has helped produce more than 12,000 affordable housing units;

Housing Rehabilitation: SDHC provides technical and financial assistance to owners of older homes in need of repair;

Homeownership: Through closing cost assistance, downpayment grants and “silent second” mortgages, SDHC has helped 4,300 families purchase their first home; and

Special Purpose Housing: SDHC provides financial assistance to community service organizations that provide transitional housing and services to San Diego’s most vulnerable populations, including shelters for victims of domestic violence, transitional housing for the homeless, and permanent housing for persons who are elderly, disabled or have debilitating illnesses.

In the next three years, in addition to advancing production and preservation in all four of these areas, Housing Finance will contribute to the agency’s financial stability through revenue enhancement and cost recapture, increase permanent supportive housing opportunities for persons who are elderly and/or disabled, participate in the City’s effort to develop a permanent homeless shelter, and pursue the production of workforce housing. ■



Operations Plan
Housing Finance
Affordable Rental Housing Production

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
9. Continue to provide financing for development of affordable housing units through a variety of activities.	Provide NOFA project structuring, underwriting and residual receipts loans to affordable housing developers and operators.	Annual creation of 400 new affordable housing units restricted for 55 years.	FY2009 – FY2011	HOME, Affordable Housing Fund \$12,000,000/year	1
	Implement Multifamily Bond Program by obtaining project financial analysis, underwriting and approvals to issue from both the State and Housing Authority.	Production rate of four new bond issuances per year.	FY2009 – FY2011	N/A	1
	Provide Early Assistance and Capacity-Building Loans by review of project proposals and feasibility to support loan amount requested.	Production rate of four loans per year.	FY2009 – FY2011	HOME, Housing Trust Fund \$50,000/year	3
	Continue project management: monitor construction, review and approve loan payments and any relocation or prevailing wage activities, through construction completion and lease-up; establish date for loan payments to begin.	All loans and units that were funded were completed and occupied.	FY2009 – FY2011	N/A	1
10. Implement land-use based affordable housing programs for the City such as Inclusionary, NCFUA, Condo Conversion, Coastal Affordable Housing, Density Bonus; collect fees for services.	Operate or develop programs, provide services to other governmental or private development entities, update fee schedule for various programs.	Receipt of fees for services (\$150,000 per year anticipated).	FY2009	N/A	4

Operations Plan
Housing Finance
Housing Rehabilitation

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
11. Continue to offer rehabilitation assistance through several programs.	Review, obtain approvals and fund rehabilitation loans; provide technical assistance to low-income owner borrowers.	Provide 150 rehabilitation loans per year.	FY2009 – FY2011	HOME, Housing Trust Fund \$2,150,000/year	1
	Review, approve and fund grant; provide technical assistance; apply for two new HUD Lead Grants for FY2009-FY2011.	Lead paint reduction for 150 units per year.	FY2009 – FY2011	\$1,400,000 annual award from HUD	1
	Review, approve and fund grant; provide technical assistance.	Provide 10 accessibility grants per year.	FY2009 – FY2011	Housing Trust Fund \$35,000/year	1
12. Administer Redevelopment Area rehabilitation programs in seven redevelopment areas.	Enter into two new agreements with Redevelopment in FY2009; obtain a fee for services.	Add two more redevelopment areas. Provide 75 rehabilitation loans per year.	FY2011	Redevelopment \$2,250,000/year	1

Operations Plan
Housing Finance
Homeownership

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
13. Provide first-time homebuyer resources and funding tools.	Underwrite, process and fund all first-time homebuyer program loans and grants in accordance with SDHC policies, guidelines and regulations.	Assist 80 homebuyers per year.	FY2009 – FY2011	\$6,000,000/year	1
14. Maintain relationship with participating lending institutions; outreach to obtain additional participating banks.	Engage in marketing activities to individual banks to solicit participation.	Ensure enough banks to maintain the program.	FY2011	N/A	3
15. Market programs; attendance at housing fairs.	Utilize staff to attend fairs and answer questions; make marketing materials available.	Attend two promotional activities per year.	FY2009 – FY2011	N/A	3

Operations Plan
Housing Finance
Special Purpose Housing

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
16. Continue commitment to expand housing opportunities for persons with special needs.	Provide deferred loans or grants for development of permanent supportive housing and transitional housing for homeless, disabled individuals and their families (beds).	40 beds per year.	FY2009 – FY2011	HOME, Affordable Housing Fund \$2,000,000/year	1
	Provide deferred loans or grants for the operation of transitional housing throughout the City.	400 beds citywide per year.	FY2009 – FY2011	Housing Trust Fund \$1,000,000/year	1
17. Participate in City's Continuum of Care for new and renewal HUD funding for permanent supportive housing.	Provide technical assistance to nonprofits applying for funding.	Nonprofits receive funding awards from HUD.	FY2009 – FY2011	N/A	1

Operations Plan
Housing Finance
New Strategies

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
18. Homeownership: Increase % AMI on deferred second trust deed loans to 120% to support workforce housing effort and to take advantage of product on market.	Seek program approval at HC and HA.	Assist 80 households per year.	FY2009 – FY2011	Housing Trust Fund, Others \$6,000,000	1
19. Homeownership: Achieve approval at the federal level of an increase to HOME program limits to 120% AMI to take advantage of market conditions.	Provide input to elected officials and their staff.	Obtain a program change.	FY2010	HOME, \$3,000,000	3
20. Address foreclosure situation in City of San Diego.	Contract with nonprofit credit counseling agency to promote one-time emergency assistance to eligible families at risk of losing their homes to foreclosure.	Ten households per year assisted to prevent loss of their homes to foreclosure.	FY2009 – FY2010	\$50,000/year	3
21. Pursue new affordable housing financing sources and tools to obtain better leverage of loan dollars.	Encourage use of, and interface existing loan programs with: MHSA, and Prop 1C, TOD and Infrastructure funds.	Combine at least one additional new source in project finance structures.	FY2009 – FY2011	N/A	3
22. Revise Rental Housing Production NOFA to include new ways to promote green building, energy efficiency and universal design.	Consult developers, architects, experts, consultants to develop proper measurement standards or thresholds to be encouraged in the NOFA.	Affordable housing projects that include these amenities are given preference for financing.	FY2009	N/A	3

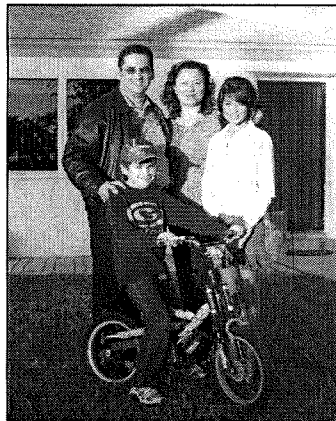
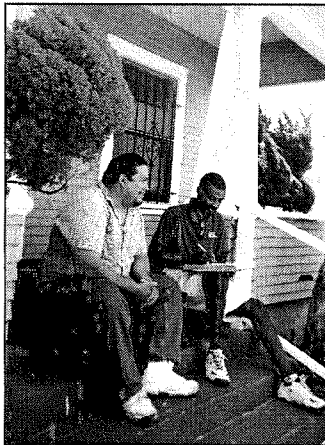
Operations Plan
Housing Finance
New Strategies (continued)

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
23. Support Development & Asset Management via: (1) assistance with site identification, financial plans and solicitation of development partners; and (2) a real estate asset management plan involving disposition, acquisition.	Engage in planning, dialogue.	Successful and expeditious production of SDHC-owned units. Complete a 5-year plan.	FY2009 – FY2011	N/A	2
24. Pursue sources for development financing for Special Purpose housing including Project-Based Section 8.	Investigate this loan product with banks, other lenders; work with Rental Assistance to earmark vouchers for project-basing.	Identify a loan program that can be used to develop new units utilizing Project-Based Section 8.	FY2009	TBD	3
25. Homelessness: Permanent shelter	Assist in City effort to locate site; create financing plan for development and operation of a permanent shelter.	Source for operating expenses is identified.	FY2011	TBD	1 & 3
26. Homelessness: Make more transitional housing program beds available to homeless families and adults by providing next level of housing support.	Design and fund Tenant-Based Rental Assistance program to enable timely exit from Transitional Housing and Domestic Violence programs to stable housing.	50 families with 2-year vouchers.	FY2009 – FY2011	HOME \$900,000	1 & 3
27. Work with County HCD and County Mental Health to provide new housing for persons with mental health disabilities using the MHSA funding.	Provide technical assistance to County Mental Health and to housing developers.	Housing is developed with MHSA funds as part of financing.	FY2009	Additional leverage to \$100,000 per unit developed w/ MHSA.	1 & 3
28. Obtain Public Housing Authority Issuer Credit Rating for SDHC from Standard & Poors.	Research criteria and submit application.	Obtain rating.	FY2011	\$40,000/year	2

Operations Plan Rental Assistance

Each month, SDHC's Rental Assistance Program helps more than 13,700 low-income families, seniors and persons with disabilities pay rent in private apartments.

Over the next three years, the Rental Assistance Department will focus on maximizing available Housing Assistance Payment funding to serve the maximum number of clients possible while remaining in strict compliance with federal, state and local requirements. The Department will also identify innovative methods to move away from the traditional model and toward a Profit Center/Private Sector model. Staff will streamline procedures involved in the processing of client files and adjust the structure of the department to remove redundancies among teams and maximize efficiency across the department. In addition, Rental Assistance will explore areas in which the customer experience can be improved (e.g., internet tools). ■



Operations Plan Rental Assistance

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
29. Retain High Performing Agency Rating.	Ensure that performance in SEMAP measurements result in High Performer rating all three years.	High Performer rating each year.	FY2009 – FY2011	N/A	3
30. Maximize use of available housing assistance by maintaining average lease-up rate of 99-100%.	Manage leasing efforts to ensure that vouchers freed up through attrition or allocated from HUD are promptly issued to those on waiting list.	Monthly leasing rates are maintained between 98-101%.	FY2009 – FY2011	N/A	1

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
31. Increase owner outreach.	Annually survey owners to determine areas where adjustments would increase customer satisfaction. Work with Communications to create innovative ways to attract new owners to program.	20% improvement in customer satisfaction from FY 2009 to FY 2011. Year Three survey will determine objectives achieved and identify areas for improvement.	FY2009 – FY2011	\$15,000	4
32. Develop strong alliance with Apartment Association, Owners, HUD, and area Housing Authorities.	Regular attendance at Apartment Association meetings and maintain active membership. Maintain active memberships in conferences including NAHRO, HAASC, PSWRC, SCNAHRO, etc.	Recognized for active role in collaborative meetings and conferences with local, state and national partners involving broad range of RAP staff.	FY2009 – FY2011	N/A	3
33. Expand web-based services.	Provide online services for clients including user-friendly vacancy listing, unit inspection information available, rent portion and assigned worker information. Explore available technology for managing large groups of customers.	Four new online tools added for Section 8 clients and owners.	FY2009 – FY2010	\$110,000	4

Operations Plan Policy & Public Affairs

The Policy & Public Affairs Department is comprised of two work units: Policy and Communications. Policy is responsible for forming and revising local housing policy, acting as the policy advisor to the City Council, and for managing all government relations activities on the local, state and federal levels. Communications is responsible for all external and internal communications, public relations and community outreach activities, with the goal of increasing awareness of and support for the agency's programs and services among all audiences.

Over the next three years, Policy will focus on local regulatory issues and will maintain existing relationships and housing policy committee memberships. Staff will also seek to establish and strengthen both state and federal connections to better serve low-income families in San Diego and raise the agency's profile by bringing attention to SDHC's legislative priorities.

Communications will create new ways to communicate with stakeholders, customers and the general public through a redesigned, user-friendly website, educational newsletters, brochures, and improved processes. ■

Operations Plan
Policy & Public Affairs
Policy

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
34. Provide policy guidance to City on existing policies and ordinances.	Recommend elimination of the Inclusionary In-Lieu Fee or raise the fee to the full 100% of the need.	Implementation of full fee.	FY2009	N/A	3
	Revise SRO Ordinance through meeting with City/ CCDC Staff; convene SRO Working Group; write report; schedule for hearing(s).	Implementation of new ordinance or require developers to provide the units.	FY2009	N/A	3
35. Be seated on Community Land Trust Initiative Board (CLT).	Get elected to CLT Board; assist in steering the direction and purpose of the CLT.	Continual participation; positive positioning for SDHC.	FY2009 – FY2011	N/A	3
36. Prepare City's Consolidated Plan for 2010-2014.	Continue with contracted consultant to gather requisite data from SDHC, City and County; submit to Council.	Adoption of Plan by Council and HUD.	FY2010	\$50,000	3

Operations Plan
Policy & Public Affairs
Policy (continued)

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
37. Expand role and participation of SDHC in all aspects of affordable housing promotion.	Create active and dynamic federal and state bill tracking system.	Creation of list and capacity to maintain it.	FY2010	\$1,000 - \$2,000	3
	Strengthen relationships in elected officials' offices, Mayor's office, and increase involvement in state/federal housing associations and related organizations.	Inclusion in all local, statewide and national meetings and discussions relating to housing.	FY2009 - FY2011	N/A	3
	Approach Council campaigns to schedule meeting times to introduce SDHC.	Well- informed elected candidates who understand SDHC and housing issues.	FY2009 and each successive election cycle	N/A	3
38. Create a low-income development parking reduction ordinance.	Convene working group to implement consultant's recommendations.	Passage of reduced parking ratios for affordable housing developments.	FY2010	\$40,000	3
39. Create a tenant relocation ordinance.	Write report; brief Council; schedule for hearing(s).	Completion of ordinance.	FY2011	N/A	3
40. Create annual legislative priority list.	Convene bi-yearly meetings of Housing Finance, Policy and Section 8 management to discuss upcoming legislation; rank legislative priorities and effectuate appropriate legislation per priority list.	Passage of important legislation that benefits SDHC mission.	FY2009 - FY2011	N/A	3
41. Create dedicated funding source for affordable housing infrastructure costs.	Convene stakeholder group; identify the source of funding; begin seeking support; write report(s); schedule for hearings.	Local bond passed by voters.	FY2011	N/A	1

Operations Plan
Policy & Public Affairs
Communications

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
42. Increase awareness and build support among all audiences for and about the agency's accomplishments, programs, offerings and initiatives.	<ul style="list-style-type: none"> • External newsletters targeted to specific audiences (<i>Housing Matters, Good Neighbors, Voucher Advantage</i>) • Collateral materials (fact sheets, brochures, letters) • Media relations • Website management • Special events • Speaker's bureau • Issues management • Award applications • Affordable Housing Guide • Public Information Requests 	<ul style="list-style-type: none"> • Readership surveys will measure how to improve content, delivery. • Opinion leader survey will measure how to improve content, delivery. • 50 positive media stories/year. • 5 speaking engagements/year. • 3 award "wins"/year. 	FY2009 – FY2011	N/A	3
Improve flow of information within the agency between management and staff and among departments.	<ul style="list-style-type: none"> • Employee Newsletters (<i>Around the Corner, Operations Update</i>) • Intranet Management • All-Staff Meetings (<i>Anything Goes, Annual Meeting</i>) 	Readership/employee surveys will measure how to improve content, delivery.	FY2009 – FY2011	N/A	4
43. Obtain community and client feedback about the agency's performance.	Develop survey / feedback tool for use by Ombudsman.	10% reduction in number of calls and complaints.	FY2009 – FY2011	\$10,000	4

Operations Plan
Policy & Public Affairs
Communications (continued)

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
44. Create easier, user-friendly methods for current and potential customers to access information about agency's affordable housing services.	Redesign external website.	Integrate analytical web tools to measure page visits, unique visitors, etc., and incorporate online feedback/survey forms to gather input on useability.	FY2009	\$50,000	4
	Develop searchable affordable housing database for customers to research available housing opportunities.	Incorporate online feedback/survey forms to gather input on useability.	FY2010	\$1,000 - \$2,000	
	Re-write and simplify agency's voicemail information scripts.	25% reduction in customer complaints.	FY2009	N/A	
45. Measure community's perception of agency and of affordable housing issues.	Conduct opinion leader survey.	Survey will establish current public perception baseline. Results will be used to prioritize communications programming, tactics and messages. Future survey(s) will measure public perception shift based on communications programming.	FY2010	\$10,000	3
46. Present an agency image that reflects private sector professionalism and business-like practices.	Rebrand all agency communications materials.	Completion of all agency materials and assets.	FY2009	N/A	4

Operations Plan Business Services

During the next three years, Business Services will continue to improve the customer experience and provide excellent service delivery in support of the agency's departments through Information Technology, Human Resources, Purchasing & Procurement, and Organizational Development & Training. The Business Plan goals will be accomplished through broad collaboration, recruiting and developing appropriate staff, providing the right goods and services and delivering the best current technology. ■

Operations Plan
Business Services
Information Technology

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
47. Continue to provide information technology and telecommunication services to the agency.	<ul style="list-style-type: none"> • Acquisition, project management and implementation of commercial off-the-shelf technology • Software application maintenance • Developing and maintaining systems and security policies • Database management • Custom report development • Network and user support • Computer training for users 		FY2009 – FY2011	N/A	4

Operations Plan
Business Services
Information Technology (continued)

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
48. Implementation of document imaging throughout agency.	Implement document imaging technology to replace standard Section 8 files and most other critical hard copy documents.	Departments completed including RAP case files.	FY2009	\$100,000	4
		Development & Asset Mgt.	FY2010	\$20,000	
		Human Resources	FY2010	\$5,000	
		Housing Finance (Loan Management)	FY2011	\$50,000	
49. Improve IT response to departments based on needs assessment.	Add two Business Analyst positions to support major departments. The Business Analysts will be primarily dedicated to high demand operating departments (Rental Assistance and Development & Asset Management).	25% decrease in response time between needs identification by department and completion of project.	FY2010	\$85,000	4
		Increased quality of technical expertise and customer service delivery.	FY2011	\$90,000	
50. Develop agency business continuity and disaster recovery plan in conjunction with agency management team.	Develop and complete project scope with management approval..	Documented plan approved by Housing Commission.	FY2009	\$25,000	2
		Plan completed and disseminated.	FY2010		
51. Virtualize agency server environment to facilitate management, business continuity and disaster recovery.	Develop technical project scope. Acquire and implement solution.	Improved operational flexibility. Improved business continuity. Consolidation of infrastructure.	FY2009	\$100,000	2

Operations Plan
Business Services
Human Resources

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
52. Provide new performance evaluation tool.	Review and research evaluation tools. Identify and implement performance tools.	Standardized performance measurements completed with 85% of all evaluations.	FY2010 – FY2011	\$25,000	4
53. Expand online benefits enrollment.	Provide access for employees to make benefit changes online.	95% online participation.	FY2010	\$10,000	4
54. Complete classification & compensation study.	Finalize RFP process. Obtain firm to initiate/ conclude study; and provide analysis. Identify market salary lead/ lag benchmarks; utilize in recruitment/retention processes.	Implementation of revised job specifications and compensation system.	FY2009 Implement compensation recommendations beginning in FY2010.	\$100,000 TBD	5

Operations Plan
Business Services
Organizational Development & Training

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
55. Develop, implement, and coordinate a yearly training and professional development curriculum based on agency needs.	Identify agency training priorities. Conduct one-on-one meetings with Directors/Supervisors to review and assess the existing training system, roadblocks, and recommendations.	Conduct minimum of 9-12 trainings annually. Assess and evaluate trainings and outcomes based on required performance standards.	FY2011	\$50,000	5
56. Expand the Succession Planning Program for the agency.	Identify and include other key target and feeder positions. Establish pre- and post-assessment evaluation tools for candidates. Establish tools to evaluate each Project Work Plan.	<p>Increase the number of targeted position by three classifications each fiscal year.</p> <p>Increase the number of participants by 100% each fiscal year.</p> <p>Use the evaluation criteria for each Project Work Plan.</p>	<p>FY2009</p> <p>–</p> <p>FY2011</p>	\$15,000	5
57. Establish an internship program to develop and build current candidate pool. Increase interest in affordable housing as a career opportunity.	<p>Identify and recruit current college and university undergraduate and graduate students with an interest in the housing. (One-year internship commitment required.)</p> <p>Establish work-study curriculum based on affordable housing field.</p> <p>Develop benchmark tasks and evaluation criteria for participants to continue in internship program.</p>	<p>Coordinate four affordable housing mini-workshops.</p> <p>Conduct three information and outreach presentations at local colleges and universities, targeting majors/programs such as urban planning, economic development, and public policy.</p> <p>Present the SDHC mission and vision to generate interest in affordable housing careers.</p>	FY2010	\$17,000	5

Operations Plan
Business Services
Purchasing & Procurement

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
58. Provide best quality, best service and best value possible to all SDHC departments in support of agency functions.	Create a streamlined vendor database process to increase supplier access to procurement opportunities (online form).	Improve 90% of accessibility to information on qualified vendors via web.	FY2009 – FY2011	\$10,000	4
	Deliver user-friendly and efficient buying methods by implementing online requisition program on SDHC intranet.	50% increase in time savings and efficiency for all departments.			
	Increase the amount of business SDHC does with qualified small, disadvantaged, and women-owned business concerns.				

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ / Source	Business Plan Goal
59. Create a standardized procurement process in current decentralized system.	Implement Contract Administration guidelines to ensure standardization in the contracting process and effective management.	100% improvement in procurement practices and compliance with existing policies.	FY2009	\$5,000	2
60. Ensure agency compliance with procurement policy.	Review process to monitor cost and compliance.	No annual audit findings on procurement process in each fiscal year.	FY2009 – FY2011	\$10,000	2
	Improve accountability in the procurement of goods and services.			\$5,000	

Operations Plan Financial Services

Over the next three years, Financial Services will focus on improving processes and the product delivered to internal and external customers. The Department will pursue innovative methods to increase customer satisfaction and will become recognized as a model for a dynamic housing agency. ■

Operations Plan Financial Services

Ongoing Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ Amount	Business Plan Goal
61. Improve operating effectiveness of the department.	Provide timely response to other departments' inquiries or service requests.	Two-day response time to all departmental requests.	FY2009 – FY2011	N/A	4
	Provide monthly, quarterly and annual closing procedures to supervisors to ensure work is reviewed on a continual basis instead of at year-end. Make managers responsible for assigned general ledgers and deadlines.	Written procedures in place and implemented.	FY2009	N/A	2
	Strengthen technical skills, knowledge base and leadership skills of Accounting Supervisors through trainings and seminars.	A professional leadership team.	FY2009 – FY2011	\$5,000 – \$10,000	5
	Cross-train Accounting Technicians through education on other aspects of Financial Services. Offer job rotation to staff.	Cross-training procedures in place and implemented.	FY2009 – FY2011	N/A	5

Operations Plan Financial Services (continued)

New Strategies	Action to Implement	Measurement	Estimated Date of Completion	Estimated \$ Amount	Business Plan Goal
62. Produce a Comprehensive Annual Financial Report that meets the standards for certification by the Government Financial Officer's Association.	Submit Comprehensive Annual Financial Report to Government Financial Officer's Association for certification.	A GFOA Certification on a Housing Commission CAFR.	FY2009 – FY2011	N/A	3
63. Provide business analysis services to the agency.	Conduct business analysis functions for financial viability of new business ventures, development of new housing projects, and tenant acquisitions for Smart Corner building.	Analytical review of new projects and business partnerships from a financial perspective.	FY2009 – FY2011	\$100,000	2
64. Maximize financial performance in investment portfolio.	Broaden scope of investment instruments and develop list of agency-approved and certified investment firms.	Increase income by approximately \$50,000 - \$250,000 annually.	FY2011	N/A	2
65. Determine need for new accounting software.	Research and implement new accounting software that better meets the needs of agency.	New software in place and operating.	FY2011	\$500,000	3
66. Increase interaction with City financial leaders.	Work with CEO, COO, and Policy & Public Affairs to identify and develop key relationships with City's Independent Budget Analyst, Chief Financial Officer, City Treasurer, and others. Participate on boards that impact the financial situation of the agency.	Working relationships established with key financial persons in place.	FY2010 – FY2011	N/A	3