



## HOUSING

### Program Goal

The Housing Department provides and promotes diversified living environments for low-income families, seniors and persons with disabilities through the operation and leasing of assisted and affordable housing.

### Budget Allowance Explanation

The Housing operating budget allowance of \$77,344,000 is \$2,849,000 or 3.8 percent more than 2004-05 estimated expenditures. The increase primarily results from the carry-forward of unspent grant fund allocations, additional HOME Investment Program and CDBG allocations, and normal inflationary increases. These increases are partially offset by significant reductions in the Conventional/Public Housing and Section 8 programs due to no-growth federal revenues. Also contributing to the reduction are one-time 2004-05 costs in the Affordable Housing program for major repairs at several properties

The budget reduces the Conventional/Public Housing program by \$3.6 million and 51 positions. Decreased funding for various contractual, commodity, and equipment costs and the reduction of administrative, maintenance, and supervisory positions are included. Fewer staff will be onsite to respond to resident concerns and maintenance activities will be performed on a less timely basis. All health and safety needs will continue to be met as a first priority.

The Section 8 program is reduced in the budget by \$1.1 million and 19 positions. The reduction of support and supervisory positions, as well as processing and inspection staff, is included. Processing teams will be consolidated and caseloads will increase. Walk-ins will no longer be accommodated, and tenant-landlord issues will be referred to other resources. Additional process improvements will be pursued to maintain lease-up rates for Section 8 vouchers.

Administrative reductions including staff support for accounting, technology support, and applications processing services are also included. The wait list will be closed and courtesy landlord listings will no longer be provided. Administrative processes will be streamlined. A total of 18 support positions are reduced. Costs for these positions are allocated to various programs and are included in the program reduction amounts above.

Also, as part of a reorganization of the Housing Department, 13 accounting positions are transferred to the Finance Department in 2005-06.

### Expenditure and Position Summary

	2003-04	2004-05	2005-06
Operating Expense	\$66,236,000	\$74,495,000	\$77,344,000
Total Positions	235.3	137.7	137.7
Source of Funds:			
Public Housing	\$60,485,000	\$61,463,000	\$58,452,000
HOME Grant	3,866,000	10,208,000	15,076,000
Community Development Block Grant	833,000	893,000	3,203,000
General	162,000	170,000	174,000
Other Restricted	816,000	1,695,000	367,000
City Improvement	74,000	66,000	72,000

### Housing Major Performance Measures and Service Levels

The following significant performance measures and service trends will be achieved with the 2005-06 budget allowance:

	2003-04	2004-05*	2005-06
Affordable housing units for families and individuals	1,359	1,359	1,359
Rental assistance provided for low-income residents in the private housing market	5,269	5,320	5,320
City-owned and operated public housing units for families and seniors	2,564	2,561	2,493
Percent of Section 8 vouchers under lease	99.75%	100%	100%
Occupancy rate for public housing units	98.0%	97.95%	98.0%

\*Based on 10 months actual experience.

The number of Section 8 vouchers has increased by 51 for a total of 5,320 in 2004-05 due to the addition of the Desert Crest Apartments into the city's Section 8 program. The number of city-owned housing units decreases in 2005-06 when the last Matthew Henson units are demolished as a result of the new HOPE VI rehabilitation project currently in progress.

Due to the demolition of the last remaining units at the Matthew Henson/HOPE VI project site, the number of Conventional Housing units will be decreasing by 78 units, as planned, in 2005-06. Scattered Sites housing sold three houses in 2004-05 to reflect an inventory of 430 units and is expected to purchase 10 homes for the program in 2005-06.

As a final note, major service level trends for rental assistance and lease-up and occupancy rates reflect the department's commitment to continue providing low-cost housing to the community in spite of budget cuts. Other sources not reflected here, such as maintenance of the wait list, accommodations of "walk-ins" for Section 8 clients, and frequency of lower priority maintenance tasks at city-owned housing sites will be impacted by these cuts. Given the magnitude of these budget reductions, performance measures for the Housing Department will be significantly restructured.

