



# Boards of Commissioners Update

October 2020

## **Boards of Commissioners Update – October 2020**

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## BOARD UPDATE

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**TO:** Boards of Commissioners

Fresno Housing Authority

**DATE:** October 15, 2020

**AUTHOR:** Emily De La Guerra

**FROM:** Preston Prince, CEO/Executive Director

**SUBJECT:** Fresno Housing Operating Budget as of August 31, 2020

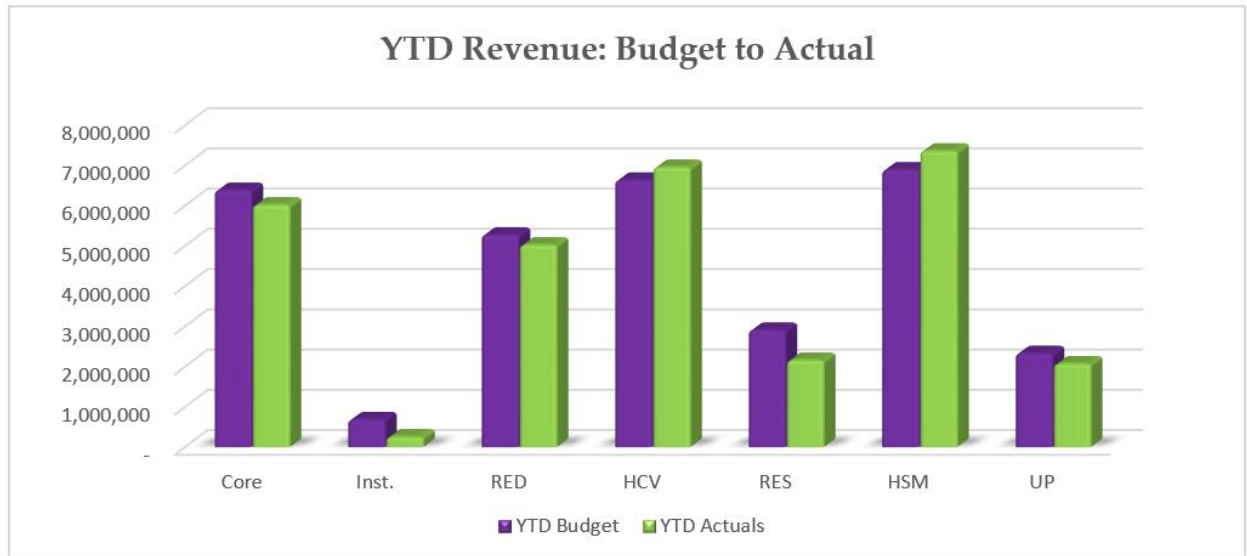
### Executive Summary

The purpose of this update is to present an overview of the financial operating results for the Fresno Housing Authority as of August 31, 2020. The attached financial report shows the consolidation of all Agency operational budgets combined into seven divisions. Projections have been incorporated into the year-to-date budget to account for the timing of cash flows and known variable expenses. These adjustments were based on historical trends and the most current information available.

The 2020 Operating Budget was approved by the Boards of Commissioners in December 2019 with total revenues of \$44.7 million and total operating expenses of \$41.9 million. As of August, total revenues are \$29.9 million, which is \$1.3 million less than anticipated. However, total operating expenses are \$2.7 million less than budgeted at \$24.7 million through August. This puts net operating income at \$5.1 million, which is \$1.4 million better than budgeted. As of August, the Agency has added \$2.5 million in unrestricted reserves, which is \$718 thousand better than budgeted at this point in the year. The variance in August's unrestricted net income is mainly due to August's receipt of developer fees, and expense reductions across the Agency.

|                                | Fresno Housing Authority |                  |                  |
|--------------------------------|--------------------------|------------------|------------------|
|                                | Annual Budget            | YTD Budget       | YTD Actuals      |
| <b>OPERATING BUDGET</b>        |                          |                  |                  |
| TOTAL INCOME                   | 44,702,882               | 31,132,766       | 29,878,275       |
| TOTAL EXPENSES                 | 41,945,895               | 27,422,884       | 24,747,979       |
| <b>NET OPERATING INCOME</b>    | <b>2,756,987</b>         | <b>3,709,883</b> | <b>5,130,296</b> |
| TOTAL NON-OPERATING EXPENSES   | 1,951,123                | 1,300,749        | 1,160,750        |
| <b>NET INCOME</b>              | <b>805,864</b>           | <b>2,409,134</b> | <b>3,969,546</b> |
| <b>UNRESTRICTED NET INCOME</b> | <b>(14,874)</b>          | <b>1,793,817</b> | <b>2,511,865</b> |

## Agency Revenue



Core - Administrative Services departments including Accounting, Executive, Human Resources and Asset Management

Inst. - Instrumentalities: Wholly-owned subsidiaries of the Agency, including HRFC, HSIC, and Silvercrest

RED - Real Estate Development: Real Estate Development and Construction Management departments

HCV - Housing Choice Voucher programs

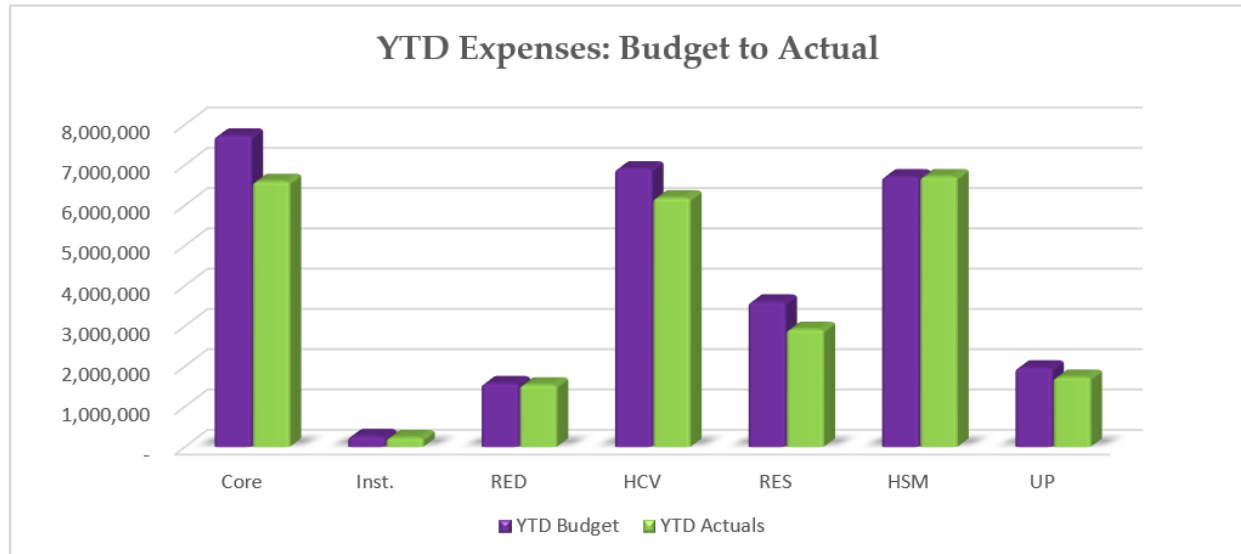
RES - Resident Empowerment Services: Resident Services and Homeless programs

HSM - Housing Management: Restricted, subsidized properties including all public housing, farm labor and migrant properties

UP - Unrestricted Properties: Agency-owned non-subsidized properties, including Dayton, Woodside, El Cortez and San Ramon

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- Overall, year-to-date revenue is \$29.9 million, or 4% less than the year-to-date budget, largely due to a modest reduction in Admin & Management Fee Income in Core.
- **Core:** Admin & Management Fee Income is less than budgeted due to a reduction in allocation revenue earned from IT services. Fees for those services are collected from Agency properties and programs and the revenue is booked in Core. As of August, expenses related to IT Services have been less than budgeted, therefore, less revenue has been collected and the net effect on the overall budget is neutral.
- **RED:** Developer fees for Memorial Village, Oak Grove Commons, Magnolia Commons and The Monarch @ Chinatown, totaling \$3.3 million, were received in August. Staff anticipates the developer fees for Trailside Terrace and Fenix @ Lowell will be received in the 4<sup>th</sup> Quarter of 2020.
- **RES:** HUD Grant Income is less than budgeted, however, the net effect on the overall budget is neutral as most of these grants operate on a reimbursement basis.

## Agency Expenses



Core - Administrative Services departments including Accounting, Executive, Human Resources and Asset Management

Inst. - Instrumentalities: Wholly-owned subsidiaries of the Agency, including HRFC, HSIC, and Silvercrest

RED - Real Estate Development: Real Estate Development and Construction Management departments

HCV - Housing Choice Voucher programs

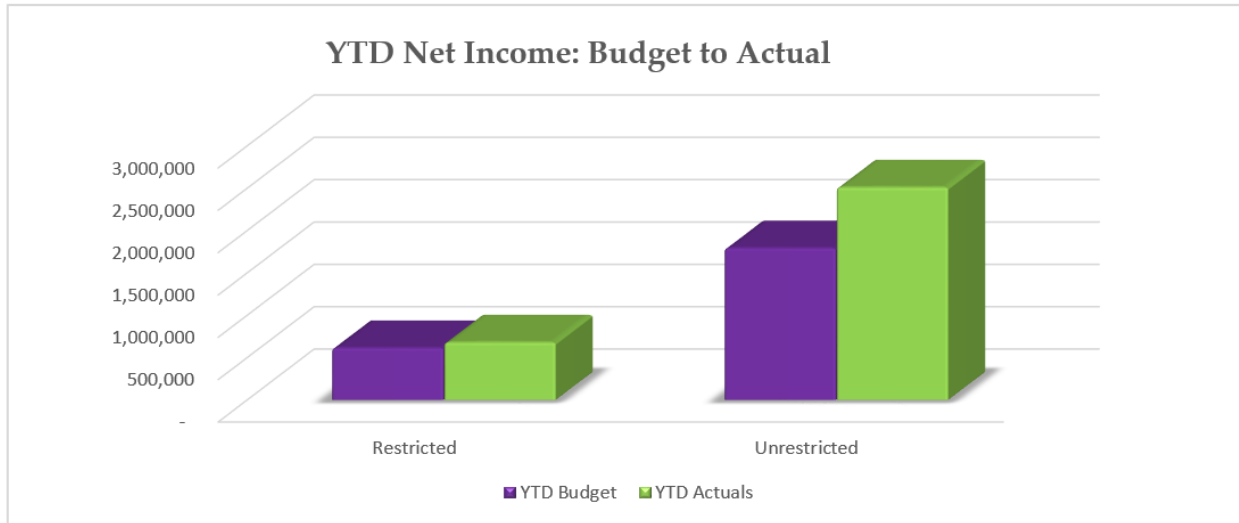
RES - Resident Empowerment Services: Resident Services and Homeless programs

HSM - Housing Management: Restricted, subsidized properties including all public housing, farm labor and migrant properties

UP - Unrestricted Properties: Agency-owned non-subsidized properties, including Dayton, Woodside, El Cortez and San Ramon

- Overall, year-to-date operating expenses are \$24.7 million and non-operating expenses are \$1.2 million, which together are about 10% lower than budgeted.
- **Agency-wide:** Payroll Expenses are approximately \$1.2 million (9%) lower than anticipated due to delays in hiring new and backfill positions.
- **Agency-wide:** Administrative Expenses are approximately \$852 thousand (11%) lower than budgeted across the Agency. As the year progresses, IT Services, Professional & Consulting Fees and Administrative Contract costs will increase as planned projects begin and expenses are incurred.
- **RES:** Tenant Services Expenses are lower than budgeted at this point in the year. These represent tenant rent payments within homeless service and rental assistance grants. If these dollars remain unspent, they can roll over into the next grant period.

## Agency Net Income



- Unrestricted net income is approximately \$718 thousand higher than budgeted as of August 2020, mainly due to hiring delays.
- Restricted net income is approximately \$842 thousand higher than budgeted due to increased public housing operating subsidy revenue within the Housing Management Division, increased Administrative Fee Revenue and lower payroll expenses within the Housing Choice Voucher program.

Fresno Housing Authority  
Financial Results as of August 31, 2020

|   | Core          |             |             | Inst.         |            |             | RED           |            |             | HCV           |            |             | RES           |            |             | HSM           |            |             | UP            |            |             | Fresno Housing Authority |            |             | YTD \$<br>Variance | YTD %<br>Variance |
|---|---------------|-------------|-------------|---------------|------------|-------------|---------------|------------|-------------|---------------|------------|-------------|---------------|------------|-------------|---------------|------------|-------------|---------------|------------|-------------|--------------------------|------------|-------------|--------------------|-------------------|
|   | Annual Budget | YTD Budget  | YTD Actuals | Annual Budget | YTD Budget | YTD Actuals | Annual Budget | YTD Budget | YTD Actuals | Annual Budget | YTD Budget | YTD Actuals | Annual Budget | YTD Budget | YTD Actuals | Annual Budget | YTD Budget | YTD Actuals | Annual Budget | YTD Budget | YTD Actuals | Annual Budget            | YTD Budget | YTD Actuals |                    |                   |
| OPERATING BUDGET                        |               |             |             |               |            |             |               |            |             |               |            |             |               |            |             |               |            |             |               |            |             |                          |            |             |                    |                   |
| INCOME                                  |               |             |             |               |            |             |               |            |             |               |            |             |               |            |             |               |            |             |               |            |             |                          |            |             |                    |                   |
| NET TENANT INCOME                       | -             | -           | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | 5,074,032     | 3,382,688  | 3,531,675   | 2,761,359     | 1,840,906  | 1,603,800   | 7,835,391                | 5,223,594  | 5,135,475   | (88,119)           | -2%               |
| INTEREST INCOME                         | 90,000        | 60,000      | 32,497      | 800,000       | 533,333    | 235,000     | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | 890,000                  | 593,333    | 267,497     | (325,836)          | -55%              |
| OTHER INCOME                            | 950,000       | 633,333     | 243,602     | 150,000       | 100,000    | 12,790      | 20,000        | 13,333     | 254,764     | 800           | 533        | 2,499       | 899,432       | 599,621    | 612,425     | 349,887       | 233,258    | 629,131     | 52,980        | 35,320     | 19,722      | 2,423,099                | 1,615,399  | 1,774,933   | 159,534            | 10%               |
| ADMIN & MANAGEMENT FEE INCOME           | 8,539,951     | 5,693,301   | 5,749,562   | 80,000        | 53,333     | 11,117      | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | 8,619,951                | 5,746,634  | 5,760,679   | 14,045             | 0%                |
| DEVELOPER FEE INCOME                    | -             | -           | -           | -             | -          | -           | 5,903,245     | 5,266,342  | 4,775,712   | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | 5,903,245                | 5,266,342  | 4,775,712   | (490,630)          | -9%               |
| HUD GRANT INCOME                        | -             | -           | -           | -             | -          | -           | -             | -          | -           | 9,909,331     | 6,606,221  | 6,935,303   | 3,384,006     | 2,256,004  | 922,465     | 4,314,643     | 2,876,429  | 2,910,802   | -             | -          | -           | 17,607,980               | 11,738,653 | 10,768,570  | (970,083)          | -8%               |
| OTHER GRANT INCOME                      | -             | -           | -           | -             | -          | -           | -             | -          | -           | 50,000        | 33,333     | 21,449      | 83,025        | 55,350     | 628,073     | 604,464       | 402,976    | 293,671     | 685,727       | 457,151    | 452,216     | 1,423,216                | 948,811    | 1,395,409   | 446,598            | 47%               |
| TOTAL INCOME                            | 9,579,951     | 6,386,634   | 6,025,661   | 1,030,000     | 686,667    | 258,907     | 5,923,245     | 5,279,675  | 5,030,476   | 9,960,131     | 6,640,087  | 6,959,251   | 4,366,463     | 2,910,975  | 2,162,963   | 10,343,026    | 6,895,351  | 7,365,279   | 3,500,066     | 2,333,377  | 2,075,738   | 44,702,882               | 31,132,766 | 29,878,275  | (1,254,491)        | -4%               |
| EXPENSES                                |               |             |             |               |            |             |               |            |             |               |            |             |               |            |             |               |            |             |               |            |             |                          |            |             |                    |                   |
| PAYROLL EXPENSES                        | 7,457,856     | 4,773,028   | 4,286,083   | -             | -          | -           | 1,669,232     | 1,068,308  | 1,196,696   | 6,145,105     | 3,932,867  | 3,492,866   | 1,938,018     | 1,240,332  | 1,052,405   | 2,555,927     | 1,635,793  | 1,487,117   | 523,102       | 334,785    | 301,897     | 20,289,240               | 12,985,114 | 11,817,064  | (1,168,050)        | -9%               |
| ADMINISTRATIVE EXPENSES                 | 3,697,510     | 2,465,007   | 1,885,067   | 382,150       | 254,767    | 223,699     | 739,892       | 493,261    | 316,846     | 4,367,866     | 2,911,911  | 2,647,908   | 751,088       | 500,725    | 588,783     | 1,874,533     | 1,249,689  | 1,392,623   | 339,366       | 226,244    | 193,825     | 12,152,405               | 8,101,603  | 7,248,751   | (852,852)          | -11%              |
| TENANT SERVICES EXPENSES                | 50,504        | 33,669      | 28,250      | -             | -          | -           | 5,000         | 3,333      | -           | -             | -          | -           | 2,775,198     | 1,850,132  | 1,261,311   | 331,772       | 221,181    | 105,805     | 6,450         | 4,300      | 1,580       | 3,168,924                | 2,112,616  | 1,396,946   | (715,670)          | -34%              |
| UTILITY EXPENSES                        | 172,145       | 114,763     | 113,356     | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | 1,707,150     | 1,138,100  | 1,161,330   | 413,027       | 275,351    | 288,714     | 2,292,322                | 1,528,215  | 1,563,400   | 35,185             | 2%                |
| MAINTENANCE EXPENSES                    | 459,118       | 306,079     | 254,209     | -             | -          | 4,927       | 5,000         | 3,333      | 25,256      | 81,969        | 54,646     | 37,398      | 10,020        | 6,680      | 16,527      | 2,168,196     | 1,445,464  | 1,496,962   | 731,468       | 487,645    | 484,779     | 3,455,771                | 2,303,847  | 2,320,058   | 16,211             | 1%                |
| TAXES & INSURANCE EXPENSES              | 40,364        | 26,909      | 23,927      | 8,900         | 5,933      | 5,024       | 6,200         | 4,133      | 1,578       | 7,353         | 4,902      | 4,809       | -             | -          | 1,502       | 402,276       | 268,184    | 307,262     | 122,140       | 81,427     | 57,658      | 587,233                  | 391,489    | 401,760     | 10,271             | 3%                |
| TOTAL EXPENSES                          | 11,877,497    | 7,719,455   | 6,590,892   | 391,050       | 260,700    | 233,650     | 2,425,324     | 1,572,370  | 1,540,376   | 10,602,293    | 6,904,326  | 6,182,981   | 5,474,324     | 3,597,869  | 2,920,528   | 9,039,854     | 5,958,411  | 5,951,099   | 2,135,553     | 1,409,753  | 1,328,453   | 41,945,895               | 27,422,884 | 24,747,979  | (2,674,905)        | -10%              |
| NET OPERATING INCOME                    | (2,297,546)   | (1,332,821) | (565,231)   | 638,950       | 425,967    | 25,257      | 3,497,921     | 3,707,305  | 3,490,100   | (642,162)     | (264,239)  | 776,270     | (1,107,861)   | (686,894)  | (757,565)   | 1,303,172     | 936,939    | 1,414,180   | 1,364,513     | 923,625    | 747,285     | 2,756,987                | 3,709,883  | 5,130,296   | 1,420,413          | 38%               |
| NON-OPERATING EXPENSES                  |               |             |             |               |            |             |               |            |             |               |            |             |               |            |             |               |            |             |               |            |             |                          |            |             |                    |                   |
| TOTAL NON-OPERATING EXPENSES            | -             | -           | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | 794,876       | 529,917    | 541,026     | 431,150       | 287,433    | 137,854     | 1,226,026                | 817,351    | 678,880     | (138,471)          | -17%              |
| TOTAL FINANCING EXPENSES                | -             | -           | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | 326,508       | 217,672    | 217,000     | 398,589       | 265,726    | 264,870     | 725,097                  | 483,398    | 481,870     | (1,528)            | 0%                |
| TOTAL ADJUSTMENTS & OPERATING TRANSFERS | -             | -           | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -                        | -          | -           | -                  | 0%                |
| TOTAL NON-OPERATING EXPENSES            | -             | -           | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | -             | -          | -           | 1,121,384     | 747,589    | 758,026     | 829,739       | 553,159    | 402,724     | 1,951,123                | 1,300,749  | 1,160,750   | (139,999)          | -11%              |
| NET INCOME                              | (2,297,546)   | (1,332,821) | (565,231)   | 638,950       | 425,967    | 25,257      | 3,497,921     | 3,707,305  | 3,490,100   | (642,162)     | (264,239)  | 776,270     | (1,107,861)   | (686,894)  | (757,565)   | 181,788       | 189,350    | 656,154     | 534,774       | 370,465    | 344,561     | 805,864                  | 2,409,134  | 3,969,546   | 1,560,412          | 65%               |
| UNRESTRICTED NET INCOME                 | (2,297,546)   | (1,332,821) | (565,231)   |               |            |             | 3,497,921     | 3,707,305  | 3,490,100   | (642,162)     | (264,239)  | -           | (1,107,861)   | (686,894)  | (757,565)   |               |            |             | 534,774       | 370,465    | 344,561     | (14,874)                 | 1,793,817  | 2,511,865   | 718,048            | -40%              |



## BOARD UPDATE

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**TO:** Boards of Commissioners

Fresno Housing Authority

**DATE:** October 14, 2020

**AUTHOR:** Aurora Ibarra

**FROM:** Preston Prince, CEO/Executive Director

**SUBJECT:** Update on 2020 Leasing and Housing Assistance Payments for the Housing Choice Voucher (HCV) Program

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### Executive Summary

The purpose of this memo is to update the Boards of Commissioners on August Housing Assistance Payments (HAP) and leasing activities, and projections for the remainder of 2020.

### Leasing Update

Staff are reviewing applicant files and issuing vouchers remotely. Applicants are viewing the new online video briefings, using informational guides, and meeting with FH Staff for phone briefings, as needed. Extensions on search timelines for families who currently hold a voucher are granted to mitigate some of the challenges families may be experiencing related to COVID-19. The department also continues its landlord outreach strategies to recruit potential landlords who would provide leasing opportunities for our families.

Staff continues to evaluate ways to add efficiencies to the leasing process, including meeting with existing and potential vendors to streamline leasing activities for applicants and FH staff. Our Inspections Team continues to conduct virtual inspections for new and existing contracts (moves, annuals, etc). With the availability of CARES Act funding for the HCV program, staff are strategizing on eligible uses of funds to increase and facilitate leasing during the pandemic. Strategies explored seek to assist residents in housing retentions and securing housing for families searching in the tight rental market. Staff conducted an analysis of HAP expenses and subsequently increased the payment standards for all bedroom sizes, to better align with fair market rents and help families remain competitive in the rental market.

Following September's Board approved contract, Quadel staff have started assisting with the annual re-certification project and received their first set of packets to process. They will continue to provide their services by completing 500 re-certifications per month throughout their contract.



## **City HCV**

The department is pleased to report that the City program was recently awarded \$387 thousand in HAP set-aside funding. Staff previously applied for these funds as part of HUD's annual analysis of higher-than-average per unit costs for Portability vouchers.

HAP expenditures for the month of August are projected to be \$4,250,485 with a HAP utilization rate for the month of August of 98.5%. The overall projected HAP utilization rate is 98%, which would earn the Agency maximum points for leasing under SEMAP. As part of COVID waivers granted to PHAs across the nation, HUD informed our agency that we could use 2019 SEMAP score for the 2020 reporting year (which was High Performer) due to pandemic related delays and we elected to do so. Staff continues to use the SEMAP scoring factors as a guide to self-monitor program performance.

Voucher utilization for the month of August was 98.8% with an overall projected voucher utilization for CY 2020 of 98%.

## **County HCV**

Similar to the City program, the County program was recently awarded \$249 thousand in HAP set-aside funds under the Portability category.

HAP expenditures for the month of August are projected to be \$3,269,460 with a HAP utilization rate for the month of August of 98.8%. The overall projected HAP utilization rate is 97.7%, which would earn the Agency maximum points for leasing under SEMAP. HUD informed our agency that we could use 2019 SEMAP score for the 2020 reporting year (which was High Performer) due to pandemic related delays and we agreed to do so. Staff continues to use the SEMAP scoring factors as a guiding tool to self-monitor program performance.

Voucher utilization for the month of August was 97.2% with an overall projected voucher utilization for CY 2020 of 97.0%.

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**TO:** Boards of Commissioners

**DATE:** October 15, 2020

**FROM:** Preston Prince  
CEO/Executive Director

**AUTHOR:** Kelli Furtado

**SUBJECT:** Neighborhood Initiatives Update

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### Executive Summary

The Neighborhood Initiatives unit was established in January 2020, as part of the Agency's commitment to enhancing neighborhood revitalization, resident engagement and safety opportunities. Neighborhood Initiatives consists of the Assistant Director of Strategic Initiatives, and the Neighborhood Initiatives Manager. Together, the team works in a collaborative manner on several cross-department efforts to advance the Agency's strategic goals.

### Background Information

During its first year, Neighborhood Initiatives focused on the development of a neighborhood revitalization strategy and the enhancement of resident engagement and safety strategies. The first month of 2020 were primarily dedicated to developing the scope of work and onboarding the manager.

PLACE (People, Landlords, Assets, Community, Equity) Matters Neighborhood Revitalization Strategy: The existing Agency 5-Year Strategic Plan highlights the need for the creation of policies that can further strengthen a strategic array of partnerships and alliances. Additionally, it states that public and affordable housing can have a significant role in revitalizing neighborhoods if it includes good design and is attentive to the needs of residents. PLACE Matters is a supplemental strategy developed by the Neighborhood Initiatives team, focused entirely on these neighborhood-level engagement and revitalization efforts.

PLACE Matters is guided by goals to develop well-designed, quality housing that supports families, strengthens neighborhoods and builds vibrant communities. It is a cross-cutting strategy with a two-pronged purpose: 1) to coalesce many diverse elements of the Agency's existing work under a focused neighborhood strategy that will enhance the quality of life for residents and their neighbors, and 2) help the Agency prioritize future opportunities for resource deployment to ensure investments will have the greatest possible impact upon the communities we serve. Full implementation of PLACE Matters does not require a significant internal change in methodology, simply deeper and more intentional coordination of existing work within the Agency and beyond.

PLACE Matters is designed to inform Agency priorities through the research and data of a “Neighborhood Analysis” that is customized for each neighborhood under consideration for investment. Properly implemented, the strategy will provide effective engagement opportunities that lead to enhanced quality of life not only for our families, but also for all who live in neighborhoods benefitting from high-quality affordable housing investments. Efforts will energize the broader community and strengthen an array of partnerships, and have already led to cross-departmental collaboration with the Real Estate Department.

We firmly believe all residents deserve to live in quality communities, and PLACE Matters reflects that principle, while also serving as a long-term strategy to protect and preserve the considerable investments made at each of the Agency’s various properties within these neighborhoods. This work is inspired by the mantra of the Neighborhood Initiatives team, “you don’t have to move to live in a better neighborhood.”

Resident Engagement and Safety Efforts: On July 28, 2020, the Boards were provided with a report on the resident survey designed and implemented by Neighborhood Initiatives. The focus of that survey was on safety and the police department contract at over 20 specific Agency properties throughout Fresno. The July survey was intended to be the first phase of outreach and collection of resident input that would create a framework for future and more comprehensive efforts.

Neighborhood Initiatives has continued working with the Research, Evaluation and Analysis Lab, the Housing Management Division, the Housing Choice Voucher Division, the Resident Empowerment team, Finance, as well as Communications to design and develop the second phase survey that was deployed on October 9<sup>th</sup> to all Agency residents throughout Fresno County, regardless of location or program. Outreach was once again done in multiple languages and during the month of October includes telephone, text messaging, e-mail, and a postcard mailing. The goals include gathering input directly from residents and increasing the Agency’s understanding of how safety is affected by housing type and location. The survey input may result in budget priorities and/or recommendations to enhance safety for residents and is another iteration of the Agency’s commitment to participatory budgeting.

Neighborhood Initiatives also continues to be actively involved in the California Avenue Neighborhood (CAN) development that has led to a Choice Neighborhoods grant application. During COVID, the work of this unit has focused on partnering with other Agency departments in the continuing engagement of residents to educate individuals on community development strategies as well as empower the group to work collectively toward the CAN vision.

Additional community based organizations and strategic partnerships have been cultivated through Neighborhood Initiatives, such as connecting educational institution resources with resident service programs, participation on the Developing our Regions Inclusive and Vibrant Economy (DRIVE) initiatives related to permanent affordable housing, and civic infrastructure and wealth building opportunities. Prior to the pandemic, Neighborhood Initiatives coordinated the collection of 20 old Fresno Bee newspaper boxes with the intention of engaging residents and their families in the design, painting, and use of these recycled boxes into potential “free-libraries.” For the safety of residents and staff, this project has unfortunately been placed on hold temporarily.

## **Recommendations**

This is an informational item, no action is required.

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**TO:** Boards of Commissioners

Fresno Housing Authority

**DATE:** October 20, 2020

**AUTHOR:** Juan Lopez

**FROM:** Preston Prince, CEO/Executive Director

**SUBJECT:** Update on Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding

### Executive Summary

The purpose of this memo is to update the Boards of Commissioners on Supplemental Public Housing Operating Funds, Housing Choice Voucher (HCV) and Mainstream Administrative Fees, and Housing Assistance Payment (HAP) funds provided through the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The CARES Act was signed into law on March 27, 2020 and provides additional funding to Public Housing Agencies (PHAs) to prevent, prepare for, and respond to COVID-19, maintain normal operations and take other necessary actions during the period agencies are impacted by COVID-19. CARES Act funds include supplemental administrative fees to the HCV and Mainstream programs, supplemental HAP funds to cover potential shortfalls in the HCV and Mainstream programs, supplemental Public Housing Operating Funds, and supplemental funds for properties receiving Project-Based Rental Assistance. In addition to these supplemental funds, the CARES Act established some fungibility between Capital Funds and Operating Funds in the Public Housing program, provided modest increases to fees charged by the Central Office Cost Center (COCC) to the respective programs and established a list of newly eligible coronavirus-related activities to prevent, prepare for, or respond to COVID-19. HUD provided the supplemental funds through two rounds of funding in May and August, summarized below.

| Program & Funding Type     | Total Supplemental Funding |
|----------------------------|----------------------------|
| HCV Admin Funds            | \$4,490,718                |
| PH Operating Funds         | \$700,685                  |
| Mainstream HAP/Admin Funds | \$80,845                   |
| PBRA Operating Funds       | \$17,628                   |

HUD initially established a period of availability of funds from March 27, 2020 to December 31, 2020. Subsequent HUD notices extended the period of availability to June 30, 2021 and then to December 31, 2021, for the majority of Public Housing and HCV funds. Expenses incurred outside of the eligibility timeline are not eligible to be covered through CARES Act supplemental funds. HUD has also provided further clarification on the flexibility and limitations of funds through a series of notices, presentations and frequently asked questions.

### **HCV Supplemental Administrative Fee Funding**

Under the CARES Act, supplemental HCV administrative fee funding may be used for only two purposes:

1. Any currently eligible HCV (including Mainstream program) administrative costs during the period that the program remains impacted by COVID-19; and
2. New COVID-19 related activities, including activities to support or maintain the health and safety of assisted individuals and families and Program staff, and costs related to the retention and support of participating owners.

Generally, expenses and services funded through other Federal, State, or local governments are not allowed under these CARES Act funds. PHAs are not permitted to use CARES Act funds to pay a tenants' rent to owners or offer debt/rent forgiveness to prevent families from being evicted. However, PHAs are encouraged to work with their localities to link families with local partners and agencies that may be able to help households access resources. Other costs either directly or indirectly related to COVID-19 are determined eligible on a case-by-case basis at the Secretary's discretion.

### **Public Housing Supplemental Operating Funding**

Supplemental Public Housing Operating Funds authorized under the CARES Act can be used by PHAs for three general purposes:

1. To maintain normal operations
2. To cover any eligible Capital Fund activity; and
3. To prevent, prepare for, and respond to coronavirus at a public housing property.

### **Financial Impact**

Fresno Housing has received approximately \$5.3 million dollars of Supplemental Cares Act Funding. As of August 31, 2020, Fresno Housing has spent approximately \$4.9 million on eligible expenses, including preventing, preparing for, and responding to the COVID-19 pandemic. At the onset of the pandemic, staff focused on reaching out to families in respective programs whose employment and incomes were negatively impacted by the pandemic in order to comply with state and local shelter-in-place orders. Staff focused on adjusting incomes and tenant rent portions so as to reduce the rent burden for these families. Inspections staff ensured that our families had safe and healthy living conditions in order to shelter-in-place. Public Housing maintenance staff focused on responding to emergency and urgent work orders in a safe and sanitary manner.

| <b>Program &amp; Funding Type</b> | <b>Total Supplemental Funding</b> | <b>Estimated Eligible Expenses</b> | <b>Variance</b>  |
|-----------------------------------|-----------------------------------|------------------------------------|------------------|
| <b>HCV Admin Funds</b>            | <b>\$4,490,718</b>                | <b>\$4,075,569</b>                 | <b>\$415,149</b> |
| <b>PH Operating Funds</b>         | <b>\$700,685</b>                  | <b>\$700,685</b>                   | <b>\$0</b>       |
| <b>Mainstream HAP/Admin Funds</b> | <b>\$80,845</b>                   | <b>\$80,845</b>                    | <b>\$0</b>       |
| <b>PBRA Operating Funds</b>       | <b>\$17,628</b>                   | <b>\$17,628</b>                    | <b>\$0</b>       |

While not exhaustive, the following are eligible expenses incurred by FH to prevent, prepare for and respond to the pandemic:

- Increased and enhanced IT hardware, software and infrastructure to allow remote work capabilities.
- Creation of new safety protocols, process and procedures for staff working at various sites.
- Providing program staff with federally-mandated COVID emergency sick leave and emergency Family & Medical Leave Act time for dependent care.
- Sourcing and purchasing of personal protective equipment (PPE) for staff and residents.
- Enhancing communication channels to residents via new e-mail inboxes, a 24-hour Call Center, dedicated webpages and increased use of social media.
- Limiting access to communal spaces, increasing service hours to ensure adequate distance among staff and residents;
- Transitioning to online intake and resident certification processes.
- Ongoing contracts with vendors to complete resident certifications and remain in compliance with program regulations.
- Development of remote systems to allow for virtual unit inspections to ensure HCV families can lease-up in a timely manner.
- Coordination with service providers to support food delivery to residents, particularly elderly residents.
- Helping residents connect with other local resources to ensure safe, stable and affordable housing.
- Back-to-School care packages distributed to HCV and PH families with children.
- On-site and virtual tutoring for HCV and PH families with children.

Staff currently estimates the remaining \$400 thousand will be spent between September 2020 and the expenditure deadline of December 31, 2021. In addition to supplemental funding, the CARES Act provided some fungibility to allow normal program funding sources to be used for newly eligible expenses. Eligible expenses beyond supplemental funding levels can be paid for by normal operating and administrative funds. Staff will continue to keep the Boards of Commissioners informed of any changes in funding or legislation related to COVID-19 or the CARES Act.

## BOARD UPDATE

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**TO:** Boards of Commissioners  
**FROM:** Preston Prince  
CEO/Executive Director  
**DATE:** October 15, 2020  
**AUTHOR:** Kelli Furtado  
**SUBJECT:** Update on New Fresno Housing Website

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### Executive Summary

The Communications Department (Communications) is working on launching a new website. The purpose of this update is to highlight progress made to date with the goal of completing the new website by December 2020 and launching early 2021. The new site is designed to ensure that the web content is streamlined, clear, and engaging to the general public. In July 2020, the design phase of the new website was substantially completed and the process entered the development phase, which will result in a coded, clickable review website for proofing and user testing, by mid-November 2020. A soft launch or internal launch is anticipated by the end of 2020. After the first of the year, the website will launch publicly.

The newly website will include many improved functions and features based on the needs of the public served, including:

- Comprehensive event calendar
- Facebook integration
- Improved, easy to find board section
- Searchable property map
- Easy to understand and strategically-aligned content
- Mega menu with visual snapshot, allowing for ease of navigation

Communications will plan a rollout to update stakeholders and promote the new website when it goes live to drive visits and bolster community engagement.

Specific to the Boards, Communications will be facilitating new photographs and revamped biographies within the next few weeks.

### Background Information

Prior to the pandemic, Communications conducted several work sessions with all departments to ensure the new site content and design was thoroughly vetted. These efforts continued virtually through summer of 2020, when significant attention was given to the content and design every page, click, link,



and resource included on the new site. Design elements and web structure were presented to the Executive team at the end of July. Communications has since facilitated all changes presented during July to the web consultant and entered the development stage. There are essentially five phases to the development of the new website, we are currently in phase three. It is important to know that while some phases are indicated as complete, future opportunities to work on those phases remain. For example, content changes are easily made up until the launch (and after the launch) of the new website.

**CONTENT – PHASE 1 (Complete):** Because content impacts design, this phase was the most detailed and substantial part of the process. Recognizing that content will continue to be improved throughout the process, this phase is complete.

**DESIGN – PHASE 2 (Complete):** The Executive Team was presented with screenshots of the new site including both content and design, or layout, in July. Important adjustments and decisions were made at that time and the design phase is substantially completed.

**DEVELOPMENT – PHASE 3 (Current):** The website development team is currently working to develop the site, or make it “clickable” for additional review. Communications is working to ensure that all development adjustments and questions are being answered in a timely manner and anticipate completing this phase mid to late November.

**USER ACCEPTANCE TESTING – PHASE 4:** Once the website is “clickable” Communications will be equipped to provide management, departments, etc. with a clickable website draft and tasked with carefully reviewing every word and link of the new site. It is critical that the website is user-friendly and informative for those we serve. Communications is working to develop task groups and pages so that internal groups are asked to provide clear and direct feedback in a timely manner. User acceptance testing (UAT), which is basically proofreading and testing the site for accuracy, is expected to be complete during early December.

**RESIDENT USABILITY TESTING – PHASE 5:** User groups of four individuals have been identified with assistance of other Agency departments. It is critical that resident feedback is sought out and incorporated appropriately before either the soft or public launch of the new website. This will happen concurrently with the UAT, and the feedback for both UAT and usability testing will be incorporated by the end of December.

### **Fiscal Impact**

This is an informational item and there is no change in fiscal impact, the website development is anticipated to remain within the existing budget.