



Boards of Commissioners Update

November 2019

Boards of Commissioners Update – November 2019

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BOARD UPDATE

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TO: Boards of Commissioners

DATE: November 7, 2019

Fresno Housing Authority

AUTHOR: Aurora Ibarra

FROM: Preston Prince, CEO/Executive Director



SUBJECT: Update on 2019 Leasing and Housing Assistance Payments for the Housing Choice Voucher Program

Executive Summary

The purpose of this memo is to update the Boards of Commissioners on September Housing Assistance Payments (HAP) and leasing activities, and projections for the remainder of 2019.

City HCV

Staff continue to work with HUD's Shortfall Prevention Team (SPT) and industry experts to mitigate any potential shortfall. Should the program have a shortfall at year-end, and the SPT is satisfied with the Agency's shortfall mitigation actions, HUD will increase the program's funding to cover the shortfall. HAP expenditures for the month of September totaled \$4,338,644 with a HAP utilization rate for the month of September of 116.4%. The overall projected HAP utilization rate is 113.8%, with a potential HAP reserve shortfall of \$1.9 million. This projection of year-end reserves factors in a \$776 thousand reserve offset, which was calculated based on the 2019 beginning balance of \$5 million in reserves.

Current voucher utilization for the month of September is 103% with an overall projected voucher utilization for CY 2019 of 101.9%, which would earn the Agency maximum points for leasing under SEMAP but potentially place it in overleased status. This potential overleasing could require that the agency use unrestricted funds. This amount is not expected to exceed \$50,000, which is equivalent to the estimated annualized amount of seven vouchers. City voucher issuances for new applicants have been placed on hold and are limited to families served by Veterans Affairs Supportive Housing (VASH) vouchers. The team continues to monitor attrition and the impact of the strategies put in place to manage the current leasing status. Staff expects to begin issuing new vouchers in January 2020.

County HCV

Similar to the City program, should the County program have a shortfall at year-end, and the SPT is satisfied with the Agency's shortfall mitigation actions, HUD

will increase the program's funding to cover the shortfall. HAP expenditures for the month of September totaled \$3,349,129 with a HAP utilization rate for the month of September of 113.7%. The overall projected HAP utilization rate is 112.6%, with a potential HAP reserve shortfall of \$1.2 million. The County HCV program did not have any reserves offset in 2019.

Current voucher utilization for the month of September is 101.4% with an overall projected voucher utilization for CY 2019 of 102.1%, which would earn the Agency maximum points for leasing under SEMAP but potentially place it in overleased status. This potential overleasing could require that the agency use unrestricted funds. This amount is not expected to exceed \$50,000, which is equivalent to the estimated annualized amount of seven vouchers. County voucher issuances for new applicants have been placed on hold. The team continues to monitor attrition and the impact of strategies put in place to manage the current leasing status. Staff expects to begin issuing new vouchers in January 2020.

Leasing Update

Since current projections indicate low-to-insufficient reserves by end of the year, staff has applied for shortfall set-aside funding that would eliminate the shortfall. These funds are designated specifically for agencies that have taken reasonable cost savings measures but may still have insufficient funds. Staff continues to communicate with the HUD SPT and will be notified soon of any additional funding.

HCV Leasing and Spending Projection

CA028 Two-Year Voucher Forecasting Summary

11/7/2019

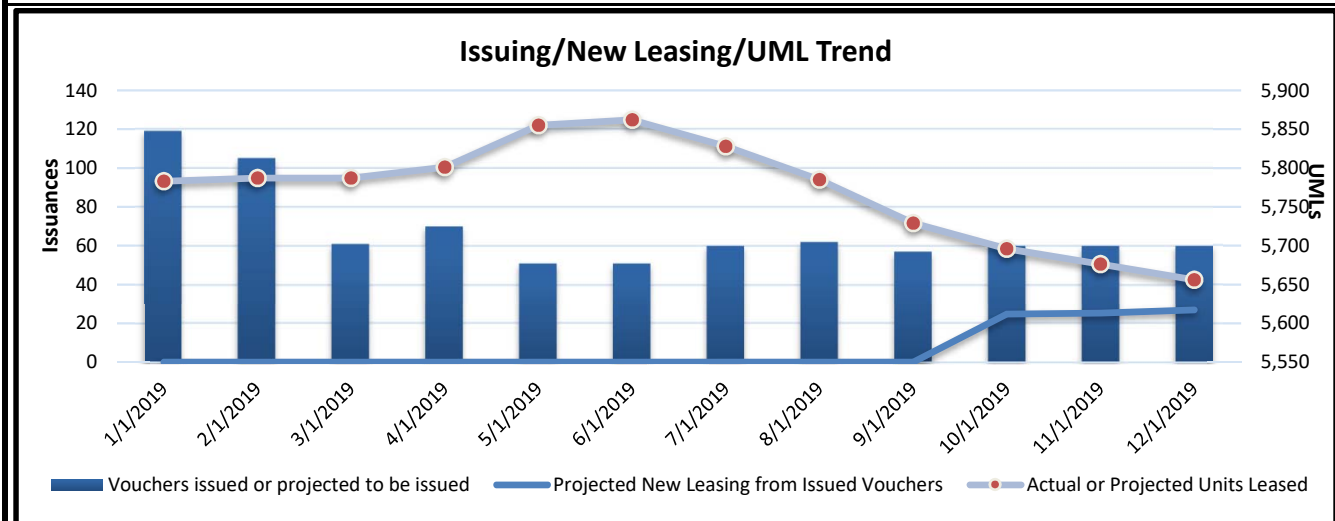
Prepared for: County Board of Commissioners

Prepared by: Housing Choice Department

Using the Housing Choice Voucher (HCV) Two-Year Tool, which allows a user to examine a PHA's voucher program under a variety of leasing, per-unit cost (PUC), and other key program scenarios, the attached tool estimates the program to end the current year with -\$1,199,798, or -3% of budget authority. This scenario relies upon the following key variables:

Success Rate	Attrition Rate	Time from Issuance to HAP Effective Date	
(How many issued vouchers will go to HAP)	(What percent of participants annually leave)	(How fast do successful issuances lease up)	
45%	10%	Leased in	Percent
Year 1 PUC (Average monthly cost of a voucher - Year 1)		0-30 Days	5%
		31-60 Days	18%
		61-90 Days	18%
		91-120 Days	17%
		121-150 Days	42%
\$575			

This leasing scenario results in a total of 77 new lease-ups for the remainder of the year. Please see the below graph, which shows issued vouchers and associated leasing, as well as the total program UMLs, which takes into account attrition:



The PHA had no offset for this year. Additionally, the higher of this year's leased units (102.1%) or dollars (112.6%) is 112.6%, indicating full leasing indicator points in SEMAP. This is an estimate.

CA028 Summary

HAP expenditures for September totaled \$3,349,129 with a HAP utilization rate for the month of September of 113.7%. Current voucher utilization for the month of September was 101.4% with an overall projected voucher utilization rate for CY 2019 of 102.1%.

HCV Leasing and Spending Projection

CA006 Two-Year Voucher Forecasting Summary

11/7/2019

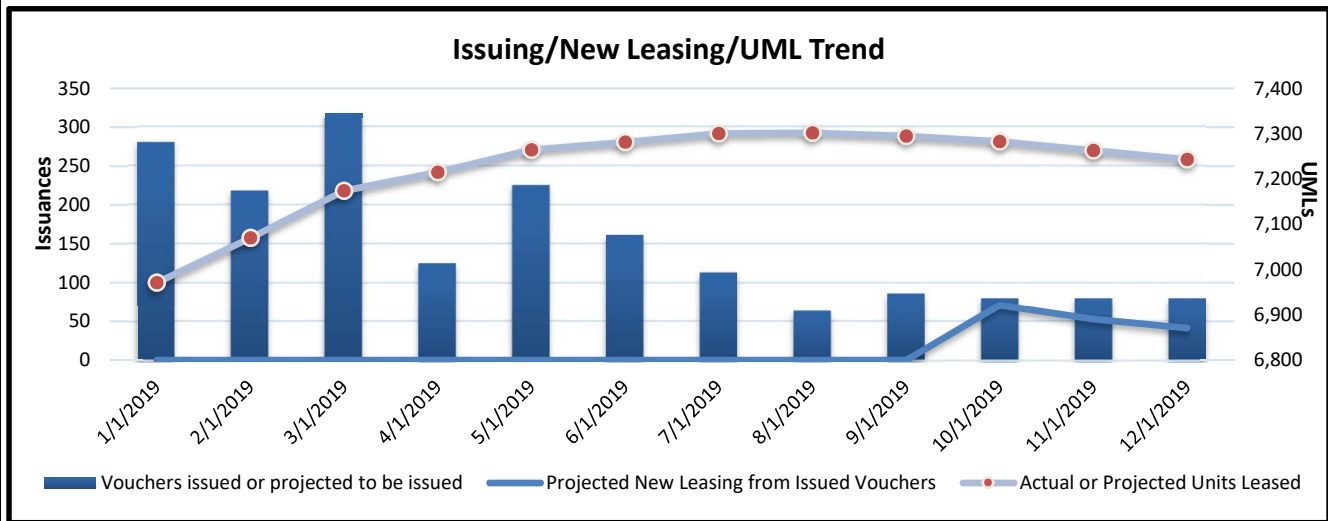
Prepared for: City Board of Commissioners

Prepared by: Housing Choice Department

Using the Housing Choice Voucher (HCV) Two-Year Tool, which allows a user to examine a PHA's voucher program under a variety of leasing, per-unit cost (PUC), and other key program scenarios, the attached tool estimates the program to end the current year with -\$1,898,828, or -4.3% of budget authority. This scenario relies upon the following key variables:

Success Rate	Attrition Rate	Time from Issuance to HAP Effective Date	
(How many issued vouchers will go to HAP)	(What percent of participants annually leave)	(How fast do successful issuances lease up)	
45%	10%	Leased in	Percent
Year 1 PUC (Average monthly cost of a voucher - Year 1)		0-30 Days	5%
		31-60 Days	18%
		61-90 Days	18%
		91-120 Days	17%
\$587		121-150 Days	42%

This leasing scenario results in a total of 165 new lease-ups for the remainder of the year. Please see the below graph, which shows issued vouchers and associated leasing, as well as the total program UMLs, which takes into account attrition:



The PHA had an offset of \$776,526 this year. Additionally, the higher of this year's leased units (101.9%) or dollars (113.8%) is 113.8%, indicating full leasing indicator points in SEMAP. This estimate has been adjusted for VASH.

CA006 Summary

HAP expenditures for September totaled \$4,338,644 with a HAP utilization rate for the month of September of 116.4%. Current voucher utilization for the month of September was 103% with an overall projected voucher utilization rate for CY 2019 of 101.9%. These utilization rates have been adjusted for VASH.

BOARD UPDATE

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www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

DATE: November 12, 2019

AUTHOR: Scott Fetterhoff

FROM: Preston Prince, CEO/Executive Director



SUBJECT: 2019 Labor Negotiations Update

Executive Summary

The purpose of this memo is to provide the Boards of Commissioners with an update on the progress of Fresno Housing's 2019 negotiations with our labor partners, SEIU Local 521.

Whereas for 2018 and 2019 Fresno Housing and SEIU negotiated economic items only (wages, benefits), for 2020 the Agency is negotiating for a full contract renewal which will include wages, benefits and MOU policy/language provisions.

The Human Resources department began closely reviewing contract policy and language needs with our Agency's leadership team in May, 2019. In June 2019, SEIU notified Fresno Housing Human Resources of its intent to re-open negotiations on a successor contract, and in August 2019 negotiations commenced.

In September 2019, Fresno Housing and SEIU exchanged its first proposals on MOU policy and language provisions. Fresno Housing was provided with medical plan premium renewal rates for 2020 in late October, and had the opportunity to then meet with the Agency's Health Benefits Advisory Committee (a group consisting of both Union and non-Union representatives) to present and discuss this information. Subsequently, SEIU has also taken the opportunity to meet and discuss these changes with its bargaining unit membership.

The Agency's leadership team has been analyzing and is accounting for several important factors in its consideration of what the Agency will propose, including the rate at which medical premiums continue to increase each year.

Staff will continue to keep the Boards of Commissioners informed on the progress of labor negotiations with SEIU, including an additional update at the Board Meeting on November 19, 2019.

Recommendation

This item is informational only, and no action is requested at this time.

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TO: Boards of Commissioners
Fresno Housing Authority

DATE: November 12, 2019

AUTHOR: Aysha Hills

FROM: Preston Prince, CEO/Executive Director



SUBJECT: Diversity, Equity and Inclusion Project Update

Executive Summary

The purpose of this update is to provide information to the Boards of Commissioners about the progress of the Agency's Diversity, Equity and Inclusion (DEI) initiative.

This initiative is driven by agency leadership in an effort to continuously improve and more effectively leverage our relative assets within the Agency. Our objectives for this work include:

1. DEI in the FH workforce/workplace
2. How FH supports its residents/residents through a DEI lens
3. How FH appropriately influences the well-being (equity/inclusion) of the community beyond its housing needs in order for FH to be better partners and participants in dialogues with our community partners. For example, shared prosperity, education, etc.

The primary deliverable of the DEI project is a comprehensive DEI strategic plan that will include overall findings and recommendations, benchmarks, accountability tools and recommended training modules to ensure outcomes are realized. Ivy Planning Group has been actively planning, educating, conducting research and gathering data in order to lay the initial groundwork for the plan development. This includes conducting one-on-one meetings with Agency leadership, key process owners, community leaders, and commissioners, as well as focus groups with staff, community partners and residents. Staff will continue to keep the Boards updated on the progress of this initiative, as well as when the report is finalized.

BOARD UPDATE

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TO: Boards of Commissioners
Fresno Housing Authority

DATE: November 12, 2019

AUTHOR: Angie Nguyen

FROM: Preston Prince

CEO/ Executive Director



SUBJECT: Resident Empowerment Pilots Update

Executive Summary

The purpose of this Board Update is to provide the Commissioners with information on the status on several Resident Empowerment pilot programs: Making It Happen, Mobility, and Landlord Outreach. These pilot programs seek to focus and test ideas that help improve services to residents and establish new partnerships that help us do so.

The *Making It Happen* pilot program seeks to provide supportive services to those households in Fresno Housing programs where their income is such that the household is close to being ineligible for continued rental assistance. In other words, these residents' portion of rent is higher than the subsidy they receive due to their income level. Our data showed that we had approximately 700 households who met the eligibility criteria between all housing programs. Staff reached out to all via letters, phone calls, and in-person.

Thus far, Fresno Housing (FH), in partnership with Faith and Finance has provided four (4) financial literacy workshops at Legacy Commons and Parc Grove Commons. The workshops had a total of thirty-two (32) participants; fourteen (14) of these were Housing Choice Voucher (HCV) holders; seven (7) of those met the requirements for the *Making It Happen* pilot.

Staff continues to modify the outreach and services strategies to increase participation and interest. In the meantime, we celebrate the successes achieved to date. All thirty-two (32) residents who completed Faith and Finance continue to receive services and make life changes. Examples include:

- A resident obtained her driver's license, is working toward her GED – only needing to complete the math test – she is utilizing the computer lab at Parc Grove Commons to practice;
- For the first time, a resident began savings account, depositing \$5 per month and just began employment with In-home Supportive Services in September;

- A resident living in a tax credit unit at Parc Grove Commons completed Faith and Finance in April. She has since purchased a 3-bedroom home for \$215,000; escrow closed in October;
- Other residents are attending or have expressed interest in free homeownership classes given by Guild Mortgage.

In our ***Mobility*** pilot efforts, the Housing Choice Voucher (HCV) and Resident Services departments have been working collaboratively to evaluate operational workflows, increase efficiencies and develop a cohesive path that connects families to education, information and/or services. The team consists of the new Move Coordinator, two Senior Housing Specialists from HCV, one Resident Services Coordinator, the Manager of Resident Services and an HCV Supervisor.

The team has been evaluating current practices and processes through process mapping strategies. This includes creating touch points throughout the process that puts the family in contact with the Move Coordinator. Other activities include analysis of information obtained from other housing agencies presented at national platforms such as the Housing Mobility Summit sponsored by the Poverty & Race Research Action Council, Mobility Works and CLPHA and others who have gathered extensive research on this best practices.

The Move Coordinator will be meeting with families to better understanding their housing needs, whether the family chooses to remain in their current neighborhood or chooses to seek housing in higher-opportunity, low-poverty neighborhoods. There is also a need to understand what causes families to move and the frequency of moves. The team is also in a data-gathering phase to help better understand the issue and determining the data that needed.

The agency is also exploring options for technical assistance or other contract services to assist with creating program structure using best practices as well as research and evaluation.

Lastly, the ***Landlord Outreach*** pilot within the Housing Choice Department has been evaluating its landlord partnerships and developing an outreach strategy to re-engage previously participating landlords and to engage new landlords, including those in areas of opportunity. The goal is to create a model that involves landlord workshops, doorstep presentations, cold calls, customer service evaluations, policy review, website/webinar development, etc. Although staff frequently reach out to landlords who previously participated in the program to discuss their experiences, challenges and concerns, the newly hired Landlord Outreach Coordinator (LOC) will help our agency maintain a focus on these relationships and continue to expand the network of partners. In an effort to attract new landlords and answer questions for those who may be uninformed about how we operate and how to partner with us, our team will host a Landlord Outreach event to attract new landlords this coming December. Efforts to improve customer service and expand the landlord network is taking place at all levels throughout the agency. Executive leadership is looking at ways to leverage its partnership with the California Apartment Association to bring HUD and other PHAs together to host a listening session.

Progress of the Workforce Development Pilot will be shared at the November Board Meeting.

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TO: Boards of Commissioners

DATE: November 12, 2019

Fresno Housing Authority

AUTHOR: Emily De La Guerra

FROM: Preston Prince, CEO/Executive Director



SUBJECT: Fresno Housing Operating Budget as of September 30, 2019

Executive Summary

The purpose of this update is to present an overview of the financial operating results for the Fresno Housing Authority as of September 30, 2019. The attached financial report shows the consolidation of all Agency operational budgets combined into six 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 2019 Operating Budget was approved by the Boards of Commissioners in December 2018 with total revenues of \$45.9 million and total operating expenses of \$42.1 million. As of September, total revenues are \$32.7 million, which is \$2.0 million less than anticipated. However, total operating expenses are \$3.1 million less than budgeted at \$28.4 million for the first nine months of the year. This puts net operating income at \$4.3 million, which is \$1.1 million better than budgeted. As of September, the Agency has added \$135 thousand to unrestricted reserves, which is \$1.0 million better than budgeted at this point in the year.

OPERATING BUDGET

TOTAL INCOME

TOTAL EXPENSES

NET OPERATING INCOME

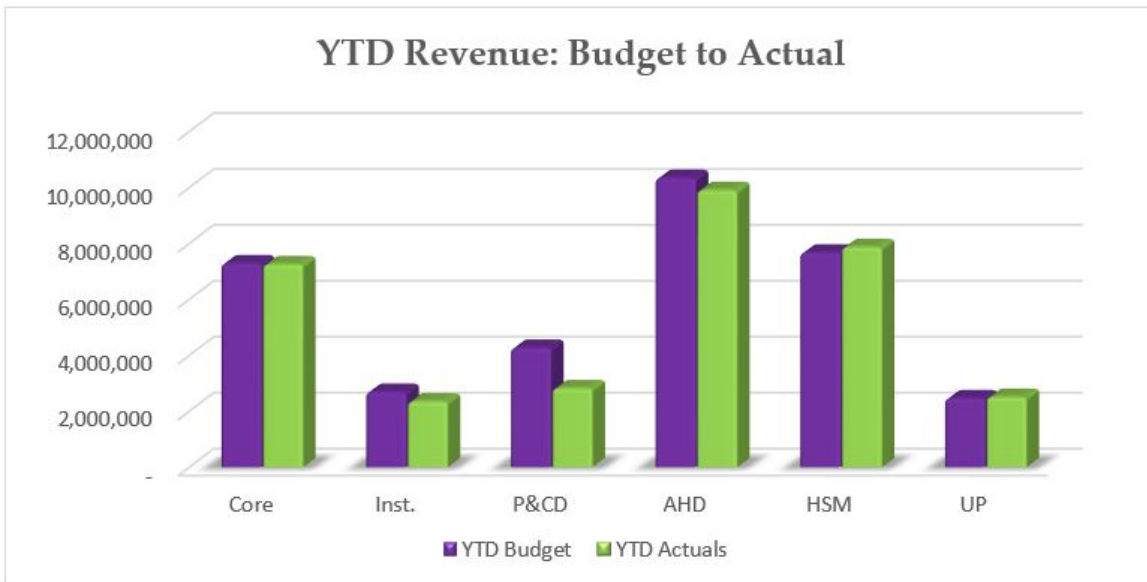
TOTAL NON-OPERATING EXPENSES

NET INCOME

UNRESTRICTED NET INCOME

Fresno Housing Authority			
	Annual Budget	YTD Budget	YTD Actuals
TOTAL INCOME	45,863,676	34,735,257	32,719,778
TOTAL EXPENSES	42,114,451	31,585,838	28,447,390
NET OPERATING INCOME	3,749,225	3,149,419	4,272,388
TOTAL NON-OPERATING EXPENSES	1,693,553	1,270,165	1,584,195
NET INCOME	2,055,672	1,879,254	2,688,193
UNRESTRICTED NET INCOME	(1,124,696)	(843,522)	135,232

Agency Revenue

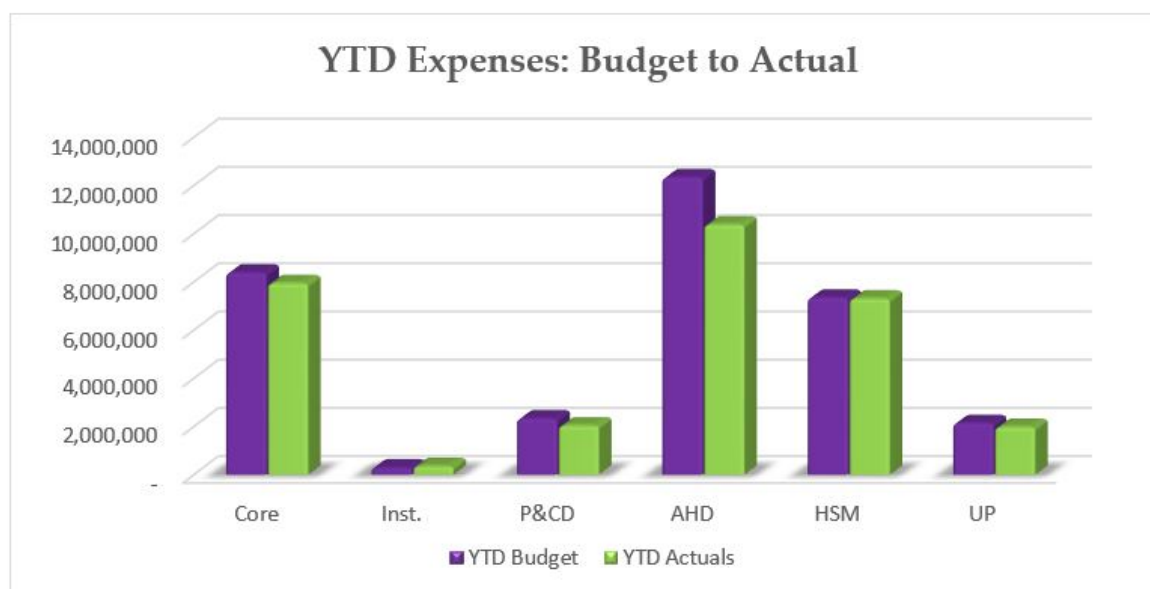


UP - Unrestricted Properties: Agency-owned non-subsidized properties, for example Dayton, Woodside, and San Ramon (formerly known as Affordable Housing)
HSM - Housing Management: Restricted, subsidized properties including all public housing, farm labor and migrant properties
AHD - Assisted Housing Division: Housing Choice Voucher, Resident Services and Homeless programs
P&CD - Planning & Community Development: Real Estate Development and Construction Management departments
Inst. - Instrumentalities: Wholly-owned subsidiaries of the Agency, including HRFC, HSIC, and Silvercrest
Core: Administrative Services departments including Accounting, Executive, Human Resources and Asset Management

Overall, year-to-date revenue is \$32.7 million, or 6% less than the year-to-date budget largely due to the timing of developer fees to P&CD.

- **P&CD:** No developer fees were received in September. Staff anticipates the developer fees for several projects, including Legacy Commons I, Cueva de Oso, Memorial Village, and Fenix @ Calaveras will be received in the fourth quarter of 2019.

Agency Expenses

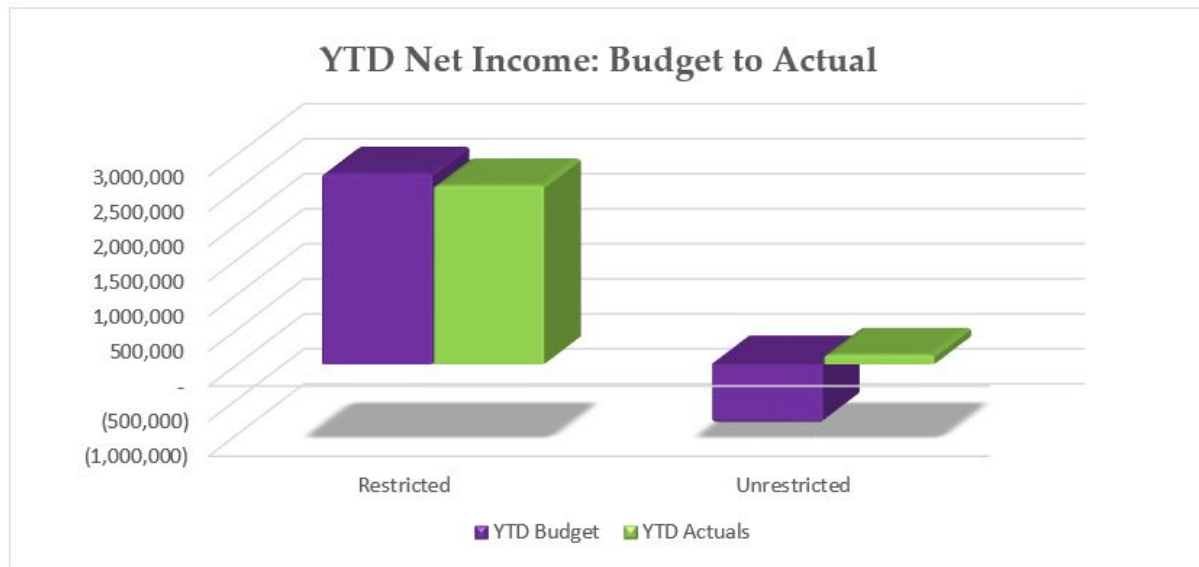


UP - Unrestricted Properties: Agency-owned non-subsidized properties, for example Dayton, Woodside, and San Ramon (formerly known as Affordable Housing)
HSM - Housing Management: Restricted, subsidized properties including all public housing, farm labor and migrant properties
AHD - Assisted Housing Division: Housing Choice Voucher, Resident Services and Homeless programs
P&CD - Planning & Community Development: Real Estate Development and Construction Management departments
Inst. - Instrumentalities: Wholly-owned subsidiaries of the Agency, including HRFC, HSIC, and Silvercrest
Core: Administrative Services departments including Accounting, Executive, Human Resources and Asset Management

Overall, year-to-date operating expenses are \$28.4 million and non-operating expenses are \$1.6 million, which together are about 9% lower than budgeted.

- **Agency-wide:** Payroll Expenses are approximately \$1.6 million (11%) lower than anticipated, mainly due to unfilled positions and/or planned hiring delays. Due to low unemployment rates and current labor market conditions, new recruitments and the backfilling of replacement positions are taking much longer than projected based on past trends. This is leading to delays in strategic initiatives across the Agency as key positions remain unfilled.
- **Agency-wide:** Administrative Expenses and Tenant Services Expenses are approximately \$1.4 million lower than budgeted across the Agency, mainly due to delays in launching the High Income Pilot and Workforce Development programs within the Assisted Housing Division. The remainder is attributable to spending delays for the homeless services grants, including Shelter Plus Care, HOME TBRA and Project Liftoff. If these dollars remain unspent at fiscal year end, they can roll over into the next grant period.

Agency Net Income



- Unrestricted net income is approximately \$1.0 million higher than budgeted as of September 2019. This variance will decrease throughout the year as new pilot programs begin, but staff expects that there will be some budgetary savings by fiscal year end.
- Restricted net income is approximately \$170 thousand lower than budgeted due a reduction in interest income to HRFC. The Agency does not expect to recoup this income by year end.

Fresno Housing Authority
Financial Results as of September 30, 2019

	Core			Inst.			P&CD			AHD			HSM			UP			Fresno Housing Authority			YTD \$ Variance	YTD % 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		
OPERATING BUDGET																							
INCOME																							
NET TENANT INCOME	-	-	-	-	-	-	-	-	-	-	-	-	5,366,476	4,024,857	4,176,740	2,550,710	1,913,033	1,967,920	7,917,186	5,937,890	6,144,660	206,771	3%
INTEREST INCOME	8,000	6,000	26,639	1,713,000	1,284,750	829,739	-	-	-	-	-	-	-	-	-	-	-	-	1,721,000	1,290,750	856,378	(434,372)	-34%
OTHER INCOME	974,000	730,500	544,934	1,350,000	1,350,000	1,500,000	170,000	127,500	322,217	1,157,705	868,279	701,004	25,996	19,497	65,593	712,302	534,227	482,881	4,390,003	3,630,002	3,616,629	(13,373)	0%
ADMIN & MANAGEMENT FEE INCOME	8,739,908	6,554,931	6,682,116	80,000	60,000	22,320	-	-	-	-	-	-	-	-	-	-	-	-	8,819,908	6,614,931	6,704,436	89,505	1%
DEVELOPER FEE INCOME	-	-	-	-	-	-	5,521,860	4,141,395	2,501,646	-	-	-	-	-	-	-	-	-	5,521,860	4,141,395	2,501,646	(1,639,749)	-40%
HUD GRANT INCOME	-	-	-	-	-	-	-	-	-	12,118,911	9,089,183	8,613,590	4,282,660	3,211,995	3,369,862	-	-	-	16,401,571	12,301,178	11,983,452	(317,726)	-3%
OTHER GRANT INCOME	-	-	-	-	-	-	-	-	-	514,532	385,899	592,973	555,418	416,563	260,472	22,199	16,649	59,132	1,092,149	819,112	912,576	93,465	11%
TOTAL INCOME	9,721,908	7,291,431	7,253,689	3,143,000	2,694,750	2,352,059	5,691,860	4,268,895	2,823,863	13,791,148	10,343,361	9,907,567	10,230,550	7,672,912	7,872,667	3,285,211	2,463,908	2,509,933	45,863,676	34,735,257	32,719,778	(2,015,479)	-6%
EXPENSES																							
PAYROLL EXPENSES	7,023,013	5,267,260	4,778,471	-	-	-	1,450,179	1,087,634	977,476	7,584,893	5,688,670	4,974,288	2,422,006	1,816,505	1,588,834	487,913	365,934	342,016	18,968,005	14,226,003	12,661,084	(1,564,919)	-11%
ADMINISTRATIVE EXPENSES	3,418,339	2,563,755	2,656,291	382,150	286,613	310,706	1,645,312	1,233,984	1,059,902	5,802,611	4,351,958	4,013,818	1,875,579	1,406,684	1,317,028	332,471	249,353	230,798	13,456,463	10,092,348	9,588,543	(503,804)	-5%
TENANT SERVICES EXPENSES	51,000	38,250	26,424	-	-	-	5,000	3,750	-	2,967,050	2,225,288	1,320,720	246,757	185,068	167,788	6,450	4,838	2,066	3,276,257	2,457,193	1,516,999	(940,194)	-38%
UTILITY EXPENSES	172,144	129,108	125,597	-	-	-	-	-	-	-	-	-	1,737,628	1,303,221	1,283,523	458,690	344,018	333,113	2,368,462	1,776,347	1,742,233	(34,114)	-2%
MAINTENANCE EXPENSES	474,662	355,997	326,391	-	-	-	9,000	6,750	10,168	92,899	69,674	69,601	2,024,446	1,518,335	1,508,519	891,435	668,576	607,963	3,492,442	2,619,332	2,522,643	(96,689)	-4%
TAXES & INSURANCE EXPENSES	44,300	33,225	36,480	8,900	6,675	3,994	6,600	4,950	(3,490)	7,451	5,588	5,150	419,546	314,659	318,853	66,025	49,519	54,901	552,822	414,616	415,888	1,272	0%
TOTAL EXPENSES	11,183,459	8,387,594	7,949,655	391,050	293,288	314,700	3,116,092	2,337,069	2,044,056	16,454,904	12,341,178	10,383,576	8,725,963	6,544,472	6,184,546	2,242,984	1,682,238	1,570,858	42,114,451	31,585,838	28,447,390	(3,138,449)	-10%
NET OPERATING INCOME	(1,461,551)	(1,096,163)	(695,966)	2,751,950	2,401,462	2,037,359	2,575,768	1,931,826	779,807	(2,663,756)	(1,997,817)	(476,009)	1,504,587	1,128,440	1,688,121	1,042,227	781,671	939,075	3,749,225	3,149,419	4,272,388	1,122,969	36%
NON-OPERATING EXPENSES																							
TOTAL NON-OPERATING EXPENSES	-	-	-	-	-	42,033	-	-	-	-	-	-	543,556	407,667	802,793	287,600	215,700	81,940	831,156	623,367	926,766	303,398	49%
TOTAL FINANCING EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	532,613	399,460	327,693	329,784	247,338	329,736	862,397	646,798	657,429	10,632	2%
TOTAL ADJUSTMENTS & OPERATING TRANSFERS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
TOTAL NON-OPERATING EXPENSES	-	-	-	-	-	42,033	-	-	-	-	-	-	1,076,169	807,127	1,130,486	617,384	463,038	411,676	1,693,553	1,270,165	1,584,195	314,030	25%
NET INCOME	(1,461,551)	(1,096,163)	(695,966)	2,751,950	2,401,462	1,995,326	2,575,768	1,931,826	779,807	(2,663,756)	(1,997,817)	(476,009)	428,418	321,313	557,635	424,843	318,633	527,399	2,055,672	1,879,254	2,688,193	808,939	43%
UNRESTRICTED NET INCOME	(1,461,551)	(1,096,163)	(695,966)				2,575,768	1,931,826	779,807	(2,663,756)	(1,997,817)	(476,009)				424,843	318,633	527,399	(1,124,696)	(843,522)	135,232	978,753	116%

BOARD UPDATE

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www.fresnohousing.org

TO: Boards of Commissioners

DATE: November 12, 2019

Fresno Housing Authority

AUTHOR: Emily De La Guerra

FROM: Preston Prince, CEO/Executive Director



SUBJECT: Update on Expenditures for 2019-2020 Strategic Goals

Executive Summary

The purpose of this update is to provide information to the Boards of Commissioners on 2019 expenditures related to the Agency's 2019-2020 Strategic Goals and Pilot Projects.

Attached are the anticipated expenditures through the end of 2019 for these items.

Housing Choice Voucher (HCV) Department. The HCV Department has a 2019 budgeted baseline operating deficit of \$1,060,000. The Boards approved an additional investment of \$460,000 in the Mobility Pilot and the Landlord Outreach Program. Anticipated costs for these HCV pilots in 2020 will be incorporated into the 2020 budget development and tracked again for the Boards' information.

The Mobility Pilot is described in the Resident Empowerment Pilots Update included in this month's Board Update. Expenditures in the mobility pilot of \$104,502 are mainly associated with the staffing costs described in the accompanying memo. We have selected a consulting firm to work with the team starting in December/January to create and implement a formal program that utilizes best practices from around the country.

The Landlord Outreach Pilot is described in the Resident Empowerment Pilots Update included in this month's Board Update. The tight rental market continues to put increased pressure on our voucher program. Expenditures in the Landlord Outreach Pilot have been primarily associated with the increased staffing as described in the accompanying Board Update. Staff anticipates expenditures in 2019 for this pilot to be approximately \$47,000. The variance of \$278,000 is mainly due to the delay in hiring staff until the leadership team had completed the research necessary to determine the appropriate qualifications and hire the staff.

Resident Empowerment Department. The Resident Empowerment Department has a 2019 baseline budgeted net operating income of \$5,000. The

Boards approved additional investments of \$675,000 in 2019. Anticipated ongoing costs for these pilots will be incorporated into the 2020 budget and tracked for the Boards' information.

Workforce Development efforts, including a pilot program will be described at the November Board Meeting. Anticipated expenditures related to the Workforce Development goals for 2019 are \$177,411. The expenditures consist mainly of staffing costs associated with two Resident Services staff and a component of the newly-hired Senior Manager of Strategic and Neighborhood Initiatives. The team continues to provide services and is working with various partners to develop a multi-faceted strategy. Two contracts are close to implementation, one that will focus on resident training with an emphasis on self-employment and one that will outsource workforce development coordinators to enhance the existing skill set of the Resident Services Team. The variance of \$172,589 is mainly due to delays in anticipated contracts with potential partners that staff expects to implement in 2020, once the program direction has been finalized.

The Program Analyst for Resident Services has been hired and associated employment costs will be incorporated into next year's budget.

We have delayed the hire of a Resident Safety Coordinator until 2020 while we refine the expectations of the position. Safety initiatives have been led this year by a multi-functional team from Human Resources, Administrative Services, Property Management, and Resident Services and includes union staff.

The Making It Happen Pilot (formerly the High Income Pilot) is described in the Pilot Update. Anticipated expenditures for 2019 will be \$89,325 and consist mainly of staffing and some supplies for events. The variance is mainly due to an intentional decision to use existing staff for the initial phase of the pilot and the partnership with Faith and Finance whose work is funded by a grant.

Homeless Programs. The Homeless Program has a 2019 baseline budgeted operating deficit of \$370,000. The Boards approved additional investments of \$100,000 in 2019. The Street 2 Home Initiative is delayed due to the fact that the City and County of Fresno are still completing the details of the partnership. Once the collaboration is finalized, staff anticipates providing support for the County-wide initiative. These costs will be incorporated into the 2020 budget.

Planning and Development. The Planning and Development Department has a 2019 baseline budgeted net operating income of \$2,975,000. The Boards approved additional investments of \$400,000 in 2019. These activities centered primarily on the planning efforts for the California Avenue Neighborhood Revitalization Plan. Expenditures included hiring a community planning development analyst for this project, a consultant with experience in the Choice Neighborhoods Initiative, and a local community engagement specialist. The project is proceeding very well and any additional expenses will be incorporated into the next budget cycle.

Administrative Services. The Administrative Services Department has a baseline 2019 budget deficit of \$860,000. The Boards approved additional investments of \$600,000. The largest amount was directed toward communications and public engagement. Expenditures are expected to be nearly \$275,000 for 2019 and include the Stakeholder Audit, a communications plan and increased media and social media work. In addition, updated collateral materials are in process and the new website design has been approved and a launch is anticipated for early Spring 2020. The Board Room and Lobby Refresh are in process and include a new door to the lobby and new technology for the board room. We have also hired additional staff to continue to enhance our Data and Program Analytics Department.

Ongoing activities and 2020 pilot program costs will be presented to the Boards of Commissioners at the November Boards of Commissioners meeting.

2019 Projected Expenditures for Strategic Goals

	2019 Base Net Operating Income	Approved Budget for Strategic Goals	2019 Board- Approved Budget	2019 Projected Expenditures	Variance
Unrestricted Properties	425,000				
			425,000		
Housing Choice Voucher	(1,060,000)				
Mobility Pilot		(135,000)		(104,502)	30,498
Landlord Outreach Program		(325,000)		(47,031)	277,969
Total			(1,520,000)		
Resident Services	5,000				
Workforce Development Pilot		(350,000)		(177,411)	172,589
Program Analyst		(25,000)		(16,667)	8,333
Resident Safety Program		(75,000)		-	75,000
High Income Pilot		(225,000)		(89,325)	135,675
Total			(670,000)		
Homeless Programs	(370,000)				
Street 2 Home Initiative		(100,000)		-	100,000
Total			(470,000)		
Planning & Development	2,975,000				
Neighborhood Programs & Analysis		(75,000)		(42,411)	32,589
South West Fresno Planning		(325,000)		(155,420)	169,581
Total			2,575,000		
Administrative Services	(860,000)				
Public Relations & Communication Efforts		(450,000)		(274,651)	175,349
Board Room Refresh		(50,000)		(23,000)	27,000
Data & Program Analysis		(100,000)		(99,602)	398
Total			(1,460,000)		
Unrestricted Programs Total	1,115,000	(2,235,000)	(1,120,000)	(1,030,019)	1,204,981



WORKFORCE DEVELOPMENT

November 19, 2019



Presentation for Fresno Housing Boards of Commissioners
Kelli Furtado
Senior Manager | Neighborhood and Strategic Initiatives

GOAL

An inclusive process will result in personal achievement of career goals for our residents.

- Implement an equitable and inclusive workforce development effort that engages and empowers a resident-driven process leading to high-wage employment opportunities.

FRESNO HOUSING

Highlight our Workforce Development efforts, including a pilot project that demonstrates our teams commitment to meeting agency goals through a DEI (Diversity, Equity and Inclusion) lens.



The entire presentation is focused on agency-wide workforce development efforts.

However, we have begun a Pilot Program that is just one part of the overall strategy and is a place-based effort bringing resources to where the residents are.

If successful, this model is scalable and future competitive funding opportunities are available.

The team is currently collecting baseline data to ensure that we can measure progress throughout the pilot program.

Please keep in mind, while the focus is on the Pilot Program, Workforce Development efforts will continue for all residents.

PILOT PROGRAM

- WHO: Up to 100 Residents Participating
- WHAT: Place-based Workforce Dev. Pilot
- WHEN: January - December 2020
- WHERE: California Avenue Neighborhoods Area (Legacy Commons)
- WHY: Increase Financial Stability



FRESNO HOUSING

First, we will start with the basics.

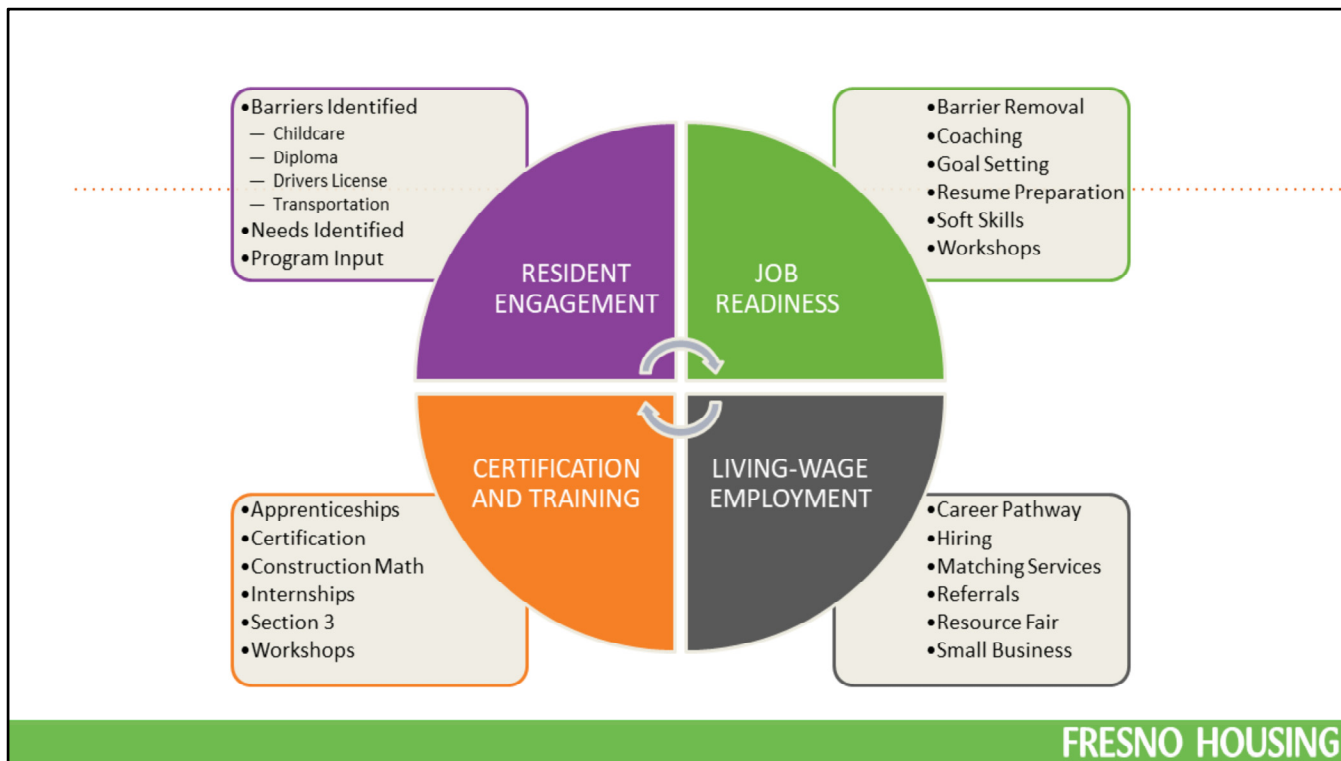
Who, what, when, where and why?

The pilot project is a place-based, resident-driven effort to customize career pathways over the course of the next year.

It is important to mention that the Pilot Program is just PART of the teams workforce development efforts, and that you will continue to see COUNTY-WIDE efforts being offered to all residents.

At the same time, we recognize that proximity to the pilot location at Legacy Commons will likely be limited to those nearby.

The idea is to have a program that is fundable and scalable to other neighborhoods in the near future.



While not an exhaustive list, this is the “HOW.”

By looking at this work in 4 phases, you will get a sense of each segment that up to 100 participants will take part in over the course of the next year.

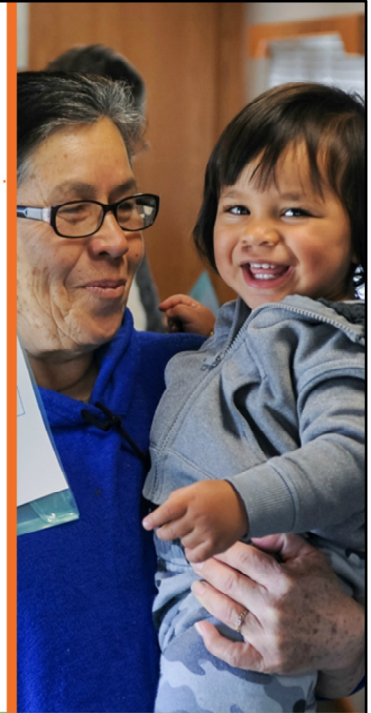


Recognize that Workforce Development is a very complex topic in our community with many great agencies and community based organizations doing significant work already.

The pilot is NOT an attempt to recreate the wheel, but to work alongside our partners and be very precise at how we best serve our residents, beginning with resident engagement.

RESIDENT ENGAGEMENT

- One Size Fits NONE
 - Disengaged Worker
 - Head of Household
 - Special Needs
 - Veteran
 - Youth



FRESNO HOUSING

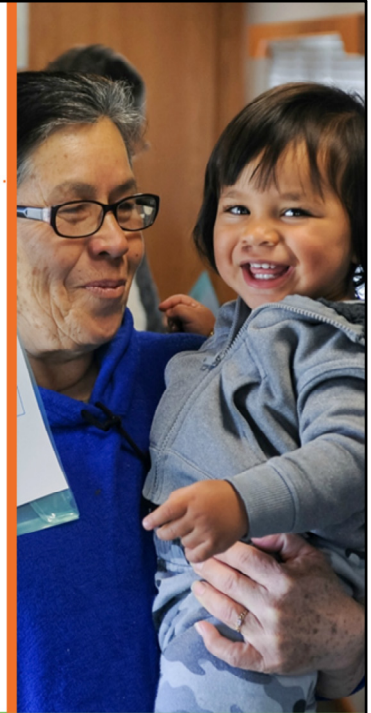
In order to empower and support our residents, we acknowledge that it is often those closest to the issue that have the best solutions.

It is important to understand the problem we are helping to solve, and listen to the challenges that residents anticipate and what opportunities they want to see investment in.

RESIDENT ENGAGEMENT

- Focus Groups

- Legacy Commons (24)
- Sierra Plaza (19)
- Fairview/DeSoto Gardens (17)
- King Elementary (12)
- Kirk Elementary (11)
- Employment Readiness Workshop (15)



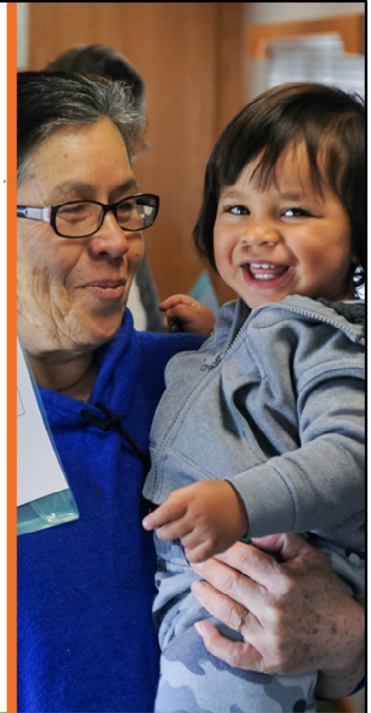
FRESNO HOUSING

We started with several focus groups, including a workshop that will be detailed later in the presentation on employment readiness.

RESIDENT ENGAGEMENT

- Barrier Identification

- Can't Afford Training
- Childcare
- Diploma
- Distance to Training
- Fear of Rent Increase
- Lack of Trust with Unions
- Language (Training)
- Resources
- Self-Confidence
- Transportation



FRESNO HOUSING

To that end, here are a handful of examples residents have identified as barriers to employment.

RESIDENT ENGAGEMENT

- What do you want help with?
 - Do's and Don'ts of Searching for Employment
 - How to Get a Job
 - Resume Writing
 - Job Types that aren't Obsolete in 10 Years
 - Decent Paying Jobs to Support Family
 - Equal Opportunity
 - Vocational Training



FRESNO HOUSING

Again, resident feedback on what they would like help with.



From there, our job is to pair all the resident input we receive, with appropriate resources, workshops and other opportunities that will respond to those needs.

To do that, we will continue to utilize our talented teams at Fresno Housing as well as supporting their work by engaging with workforce development service providers listed on a MATRIX pictured later in the presentation.

Again, it is important to note that while this presentation is focused on the Place-Based Pilot Project, work will continue at many other sites throughout Fresno county as has been past practice.

JOB READINESS

- Foundational Skills
 - Soft-Skills Workshops
 - Coaching
 - Career Assessment
- Barrier Removal
 - Childcare Options
 - Transportation Options
 - Education Options



FRESNO HOUSING

Clearly this is not an exhaustive list, but our team and consultants need to be equipped to address job readiness issues with any residents that do not have necessary foundational skills for entering the job market.

During the Pilot Program, coordinators will work alongside place-based contracted professionals to deliver job readiness services to participating residents.

Additionally, a tool-kit will be developed that includes resources gathered from team-members, community members, stakeholders, and more.

Again, our goal is not to recreate the wheel, but to utilize many existing resources that already exist in our community, for consistency and ease of use by those assisting our residents.

JOB READINESS

- Training/Workshops

- Completed

- *Employment Readiness Workshop (Summer 2019): Focus on resume and job search skills. Offered at Fairview Heights Terrace and Sequoia Courts. (15 participated)*

- Planned

- *Soft Skills through Fresno EOC*
 - *Career Assessment to Evaluate Strengths*
 - *Helping Others Pursue Excellence Resident Assessment and Job Readiness Case Management*



FRESNO HOUSING

A piece of the Resident Engagement input mentioned previously was gathered by the Fresno Housing Team as part of a recent Employment Readiness Workshop that focused on resume writing and job search skills/websites. This is one example of services that will continue to be offered county-wide.

Resident input will continue to be collected, and help form future workshop topics, as well as a contract with community based organizations such as the Fresno Economic Opportunities Commission for soft skills training for our residents.



Moving into the next phase of the pilot program, this section focuses on high-wage career pathways.

CERTIFICATION AND TRAINING

- Certification/Training (Complete)
 - *Sherwin Williams “Home Work” Painter Training (10/21-10/25/2019): Five-day course to complete Renovation, Repair and Painting Certification and Section 3* registration. Free to Fresno Housing Residents. (10 participated/7 completed)*
 - *Monthly Section 3 Employment Skills Assessment completed for interested residents and advanced to Fresno Housing contractors.*



*HUD's Section 3 Program requires training, employment, contracting, etc. to low-income individuals

FRESNO HOUSING

You may have recently seen social media and pictures of residents completing a Sherwin-Williams Painter Training program.

All participants now obtain RRP Certificates and have been registered on the Section 3 database, providing them with opportunities for government bidding on contracts and employment opportunities.

The Section 3 Program is an opportunity for improvement. Through the Pilot Program, the team will work with residents (housing participants are qualified) to register as Section 3 participants, allowing for contracting and employment opportunities. This is traditionally thought of as construction jobs, but also includes any other jobs, for example administrative positions. Fresno Housing staff has recently attended training to ensure that all opportunities for residents are being sufficiently explored through the Place-Based Pilot Project.

CERTIFICATION AND TRAINING

- Certification/Training (Under way)
 - *GRID Alternatives – Central Valley (currently recruiting resident participants): Five-week Solar Installation Basic Training with hands-on training resulting in OSHA-10 and First-Aid/CPR certifications. Participants will install photovoltaic systems on residential rooftops, design field related resumes, practice interviewing with filed related industry professionals and more.*
 - *Currently recruiting for December 2, 2019, Sherwin Williams Painter Training/Certification.*



FRESNO HOUSING

We are currently recruiting residents to participate in a 5-week solar installation training where participants will install systems on residential rooftops, and get practice interviewing with industry experts and advise on how to design an industry specific resume reflecting their training.

There is no limit to the number of individuals accepted into this training program.

The certifications received at the end of this program, in addition to the hands-on experience, will provide opportunities for high-wage employment.

We are also recruiting for the next Sherwin Williams Painter Training/Certification beginning December 2, 2019.

The team is enhancing LOW AND NO-COST OUTREACH EFFORTS to ensure that both our public housing and Housing Choice Voucher residents are aware of these opportunities. An account has been established at EngagedResidents@fresnohousing.org to assist with outreach efforts.

CERTIFICATION AND TRAINING

– Certification/Training (Planned)

- *Veterans for Housing Initiative: Part of a nationwide pilot effort to establish affordable housing as a career path for veterans to address difficulties in recruiting property managers and the lack of career opportunities for veterans transitioning to civilian life.*

Summer 2019: Fresno Housing participated in the National Center For Housing Management summit providing input and evaluating programmatic fit.

Winter 2019: Finalize plans to implement program, select veteran resident(s), and work with national effort to launch program by Spring 2020.



FRESNO HOUSING

We are also working to implement a nationwide program that will help Fresno Housing with the difficulties in recruiting property managers, and pairing that with veterans looking to transition into civilian careers.

CERTIFICATION AND TRAINING

- Fresno Housing Job Opportunities
 - Resident Training Program for Property Maintenance
 - Enhance Section 3 Opportunities
- Helping Others Pursue Excellence
 - Section 3* business and employment opportunities for residents
 - *Entrepreneurship: Resident Owned business opportunities (construction, maintenance, office administration etc.)*
 - *Guide Through Income Qualifying Process*
 - *Training on How to Utilize Section 3 Database*
 - *Job Upskills including License Test Prep and Union Math*
 - *Job Placement*



*HUD's Section 3 Program requires training, employment, contracting, etc. to low-income individuals

FRESNO HOUSING

Another training program in the planning process through our HR Department is a maintenance training program that will be targeted at residents interested in a career with Fresno Housing.

Because this is one of the more challenging positions to recruit for at this time, we are beginning in the maintenance field, but anticipate that the training program can be expanded to include other positions in the near future.

The Fresno Housing team is finalizing a MOU to work with HOPE, a local nonprofit, for job upskills and Section 3/Resident owned business opportunities related to high-wage employment opportunities. HOPE will be a significant partner for the Place-Based Pilot Project.



The employment piece will rely heavily on cross-collaboration with our resident services team, the residents themselves and a host of stakeholders that are experts in workforce development.

LIVING-WAGE EMPLOYMENT

- Stakeholders: Community Based Organizations
- Matrix: Part of “tool-kit”
- Workshops/Resource Fair with Stakeholders
- Referrals/Connections/Apprenticeships/Enrollment in Section 3



FRESNO HOUSING

And the majority of linkages to employment will occur through customized, one-on-one work.

However, we plan to also include large resource fair events as well.

The case-management aspect of this pilot project will be a significant factor in its success.

It is important that we work with agencies like the EDC who recently published a snapshot of job types available in the local job market.

MATRIX	ASSESSMENT				BARRIER REMOVAL				JOB READINESS				WORKFORCE READINESS				CERTIFICATION & TRAINING				LIVING-WAGE EMPLOYMENT			
	RESIDENT ENGAGEMENT	COMMUNITY SPACE	SERVICES	WORKSHOPS	COACHING	GOAL SETTING	HS DIPLOMA OR EQUIVALENCY	SOFT SKILLS	WORKFORCE READINESS	WORKSHOPS	APPRENTICESHIP	CAREER TECH ED/YOUTH	CERTIFICATION	ENTREPRENEURIAL	SECTION 3	OTHER	CAREER PATHWAY	HIRING AGENCY	MATCHING SERVICES	REFERRALS	OTHER			
STAKEHOLDERS																								
Associated Builders and Contractors																								
Bitwise (Geekwise Academy)																								
Central Unified School District																								
Central Valley SCORE (Small Business Assistance)																								
Every Neighborhood Partnership																								
Fresno County (Employment Resource Center)																								
Fresno County EDC (NEO/DSS)																								
Fresno County Workforce Development Board																								
Fresno EOC (Access Plus Capital)																								
Fresno EOC (Local Conservation Corps)																								
Fresno EOC (Soft Skills Training)																								
Fresno EOC (Valley Apprenticeship Connections)																								
Fresno Housing Authority (HR/Training Pathways)																								
Fresno Housing Authority (Resident Services)																								
Fresno Unified (CTE Pathways)																								
Fresno Unified (Fresno Adult School - Education and CTE)																								
Fresno Unified (Parent University)																								
Helping Others Pursue Excellence (Vision View)																								
Innovation Center (TBD)																								
Proteus																								
Reading and Beyond (CA Bridge Academies)																								
San Joaquin Valley Manufacturing Alliance																								
SEIU (Office, Maintenance etc.)																								
Sherwin-Williams Painter Certification																								
State Center Community College																								
Summer Youth Job Programs (EOC, PGE, City of Fresno)																								
United Way Fresno County (Tax Preparation)																								
West Fresno Family Resource Center (Gladiator/VOICE)																								

FRESNO HOUSING

To get a sense of the comprehensive approach that we are taking, this matrix is an example of the resources already identified.

You will notice the same four buckets are being used to breakdown the MATRIX.

It is important that the team has a thorough, and exhaustive understanding of the resources in our community to be successful.

Meetings continue with MATRIX Stakeholders, to ensure that we have a comprehensive list and clearly understand how to leverage opportunities.

We continue to learn about relevant local agencies, and programs.

If you have any recommendations, please feel free to provide feedback through the appropriate channels.



“
If you can't measure it,
you can't improve it.

—Peter Drucker

”

FRESNO HOUSING

At the end of the pilot project, how do we know if it was successful, and if it is practical to scale in other neighborhoods?

We have to identify metrics, and determine if the data is measurable.

SUCCESS

An inclusive process will result in personal achievement of career goals for our residents.

- Barriers Removed
- Enrollment/Completion of Workforce Development Programs
- Obtaining Desired Education/Certificate



FRESNO HOUSING

The last two slides include items we believe will demonstrate the Place-Based Pilot Projects success, and therefore will be items that are tracked.

SUCCESS (Continued)

- Living Wage, Employment Opportunities
- Financial Stability
- Employment, Apprenticeship, Internship
- Successful Application for Grant Opportunity to Scale Model at Additional Sites



FRESNO HOUSING

Our hope is to clearly understand the needs of our residents, support them in addressing barriers to employment or entrepreneurial efforts, and simply put..... INVEST IN THE PEOPLE WE SERVE.

Again, we look forward to any feedback that you might have and thank you for the opportunity to share what the team has been working on.