

# Boards of Commissioners Update

June 2015



## **Boards of Commissioners Update – June 2015**

### **Table of Contents**


<b>Topic:</b>	<b>Page</b>
<b>Housing Assistance Payments – May 2015</b>	<b>3</b>
<b>Drought Response Activity</b>	<b>6</b>
<b>Broadband and Digital Literacy Initiatives</b>	<b>8</b>
<b>Climate Action Plan Pledge</b>	<b>10</b>



1331 Fulton Mall  
Fresno, California 93721

O (559) 443-8400  
F (559) 445-8981  
TTY (800) 735-2929

[www.fresnohousing.org](http://www.fresnohousing.org)

**TO:** Boards of Commissioners **DATE:** 06/12/15  
Fresno Housing  
Authority  
**FROM:** Preston Prince   
CEO/Executive Director  
**AUTHOR** Juan Lopez  
Sr Analyst – Quality Assurance  
**RE:** May 2015 Update on Leasing and Housing Assistance  
Payments (HAP) Pacing for the Housing Choice  
Voucher (HCV) Program

### **Executive Summary**

We continue to maximize funding and voucher utilizations in both City and County HCV Programs.

### **City HCV**

HAP expenditures for the month of May totaled \$3,722,948. The Per Unit Cost (PUC) has decreased from April at \$536 to \$522 for the month of May. HAP expenditures for the year are projected at \$44.2 million, resulting in 98.3% utilization of HAP funding, and an expected year-end balance of \$2.6 million in HAP reserves.

The overall projected voucher utilization for CY 2015 is 99.7%, ending the month of December at 97.5%.

### **County HCV**

HAP expenditures for the month of May totaled \$2,987,839. The PUC has increased from April of \$511 to \$516 for the month of May. HAP expenditures for the year are projected at \$34.93 million, resulting in 101.3% utilization of HAP funding, and an expected year-end balance of \$740k in HAP reserves.

The overall projected voucher utilization for CY 2015 is 99.95%, ending the month of December at 98.1%.

### **Recommendation**

This item is informational only. No action is necessary.



CITY HAP ANALYSIS - CALENDAR YEAR 2015

HAP	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	CY 2015 Total
Total HAP Revenue (101.2%)	3,772,347	3,847,848	3,847,848	3,741,556	3,858,194	3,701,144	3,701,144	3,701,144	3,701,144	3,701,144	3,701,144	3,701,142	44,975,799
HAP Expenses	3,731,670	3,800,170	3,739,637	3,755,600	3,722,948	3,695,266	3,667,584	3,652,960	3,638,336	3,623,711	3,609,087	3,594,462	44,231,431
Net HAP	40,677	47,678	108,211	(14,044)	135,246	5,878	33,560	48,184	62,808	77,433	92,057	106,680	744,368
Items Impacting NRA*	259	362	366	745	150	150	150	150	150	150	150	150	2,932
PHA-Held Reserve Balance	\$89,071	\$137,111	\$217,154	\$232,389	\$367,785	\$373,813	\$407,523	\$455,857	\$518,815	\$596,398	\$688,605	\$795,435	\$795,435
Items Impacting HUD Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HUD-Held Reserve Balance	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377	\$1,824,377
Total Reserve Balance	\$1,913,448	\$1,961,488	\$2,041,531	\$2,056,766	\$2,192,162	\$2,198,190	\$2,231,900	\$2,280,234	\$2,343,192	\$2,420,775	\$2,512,982	\$2,619,812	\$2,619,812
Monthly Utilization	98.92%	98.76%	97.19%	100.38%	96.49%	99.84%	99.09%	98.70%	98.30%	97.91%	97.51%	97.12%	
YTD Utilization	98.92%	98.84%	98.29%	98.80%	98.33%	98.58%	98.65%	98.66%	98.62%	98.55%	98.46%	98.34%	98.34%

VOUCHER UTILIZATION													
Baseline	7,059	7,059	7,059	7,059	7,059	7,059	7,059	7,059	7,059	7,059	7,059	7,059	84,708
New Contracts Projection	-	-	-	-		25	25	50	50	50	50	50	300
Projected add'l UMLs (Ports to CO)	-	-	-										-
Projected Total	-	-	-	-	-	25	25	50	50	50	50	50	300
Less:													
EOP		-	-	-		(40)	(40)	(40)	(40)	(40)	(40)	(40)	(280)
Other Activities*		-	-	-		(38)	(38)	(38)	(38)	(38)	(38)	(38)	(266)
Unit Months Leased													
Actual	7,109	7,254	7,166	7,010	7,128	7,075	7,022	6,994	6,966	6,938	6,910	6,882	84,454
Ports	-						-	-	-	-	-	-	-
Total Unit Months Leased	7,109	7,254	7,166	7,010	7,128	7,075	7,022	6,994	6,966	6,938	6,910	6,882	84,454
Variance	50	195	107	(49)	69	16	(37)	(65)	(93)	(121)	(149)	(177)	(254)
YTD Baseline	7,059	14,118	21,177	28,236	35,295	42,354	49,413	56,472	63,531	70,590	77,649	84,708	84,708
YTD Unit Months Leased	7,109	14,363	21,529	28,539	35,667	42,742	49,764	56,758	63,724	70,662	77,572	84,454	84,454
Monthly Utilization	100.71%	102.76%	101.52%	99.31%	100.98%	100.23%	99.48%	99.08%	98.68%	98.29%	97.89%	97.49%	
YTD Utilization	100.71%	101.74%	101.66%	101.07%	101.05%	100.92%	100.71%	100.51%	100.30%	100.10%	99.90%	99.70%	99.70%

ADMINISTRATIVE FEES													
Administrative Fees Earned (74%)	403,244	415,090	380,716	372,378	380,839	377,986	375,178	373,728	372,248	370,768	369,289	367,809	4,559,274
Administrative Expenses	357,841	387,649	474,004	406,498	406,498	406,498	406,498	406,498	406,498	406,498	406,498	406,498	4,877,974
Monthly Surplus/(Deficit)	45,403	27,441	(93,288)	(34,120)	(25,659)	(28,511)	(31,319)	(32,770)	(34,250)	(35,729)	(37,209)	(38,689)	
YTD Surplus/(Deficit)	45,403	72,844	(20,444)	(54,563)	(80,222)	(108,734)	(140,053)	(172,823)	(207,073)	(242,803)	(280,012)	(318,700)	(318,700)

AVG HOUSEHOLD INCOME													
Avg Household Inc.	10,361	10,395	10,394	10,304	10,398	10,409	10,412	10,397	10,360	10,360	10,360	10,360	10,376
Per Unit Cost	525	524	522	536	522	522	522	522	522	522	522	522	524

\*Items impacting NRA include: Fraud Recoveries, FSS Escrow Forfeitures, Interest earned on HAP Reserves, and HUD - Required Reserve Utilization

COUNTY HAP ANALYSIS - CALENDAR YEAR 2015

HAP	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	CY 2015 Total
Total HAP Revenue (101.2%)	2,811,731	2,821,292	2,821,292	2,911,256	2,963,606	2,878,291	2,878,291	2,878,291	2,878,291	2,878,291	2,878,291	2,878,292	34,477,215
HAP Expenses	2,722,744	2,883,837	2,978,098	2,961,396	2,987,839	2,969,281	2,950,723	2,932,165	2,913,607	2,895,049	2,876,491	2,857,933	34,929,163
Net HAP	88,987	(62,545)	(156,806)	(50,140)	(24,233)	(90,990)	(72,432)	(53,874)	(35,316)	(16,758)	1,800	20,359	(451,948)
Items Impacting NRA*	618	230	3,754	80	-	-	-	-	-	-	-	-	4,682
PHA-Held Reserve Balance	\$305,513	\$243,198	\$90,146	\$40,086	\$15,853	-\$75,137	-\$147,569	-\$201,443	-\$236,759	-\$253,517	-\$251,717	-\$231,358	-\$231,358
Items Impacting HUD Reserve	\$0	\$0	\$0	-\$66,000	-\$230,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$296,000
HUD-Held Reserve Balance	\$1,267,880	\$1,267,880	\$1,267,880	\$1,201,880	\$971,880	\$971,880	\$971,880	\$971,880	\$971,880	\$971,880	\$971,880	\$971,880	\$971,880
Total Reserve Balance	\$1,573,393	\$1,511,078	\$1,358,026	\$1,241,966	\$987,733	\$896,743	\$824,311	\$770,437	\$735,121	\$718,363	\$720,163	\$740,522	\$740,522
Monthly Utilization	96.84%	102.22%	105.56%	101.72%	100.82%	103.16%	102.52%	101.87%	101.23%	100.58%	99.94%	99.29%	
YTD Utilization	96.84%	99.53%	101.54%	101.59%	101.43%	101.72%	101.83%	101.84%	101.77%	101.65%	101.49%	101.31%	101.31%

VOUCHER UTILIZATION													
Baseline	5,652	5,652	5,652	5,652	5,652	5,652	5,652	5,652	5,652	5,652	5,652	5,652	67,824
Projected New Contracts	-	-	-			25	25	25	25	25	25	25	175
Projected New UML's (Ports from CI)			-										-
Projected Total	-	-	-	-	-	25	25	25	25	25	25	25	175
Less:													
EOP	-	-	-			(36)	(36)	(36)	(36)	(36)	(36)	(36)	(252)
Other Activities*	-	-	-			(25)	(25)	(25)	(25)	(25)	(25)	(25)	(175)
Unit Months Leased													
Actual	5,335	5,593	5,709	5,794	5,796	5,760	5,724	5,688	5,652	5,616	5,580	5,544	67,791
Ports	-						-	-	-	-	-	-	-
Total Unit Months Leased	5,335	5,593	5,709	5,794	5,796	5,760	5,724	5,688	5,652	5,616	5,580	5,544	67,791
Variance	(317)	(59)	57	142	144	108	72	36	-	(36)	(72)	(108)	(33)
YTD Baseline	5,652	11,304	16,956	22,608	28,260	33,912	39,564	45,216	50,868	56,520	62,172	67,824	67,824
YTD Unit Months Leased	5,335	10,928	16,637	22,431	28,227	33,987	39,711	45,399	51,051	56,667	62,247	67,791	67,791
Monthly Utilization	94.39%	98.96%	101.01%	102.51%	102.55%	101.91%	101.27%	100.64%	100.00%	99.36%	98.73%	98.09%	
YTD Utilization	94.39%	96.67%	98.12%	99.22%	99.88%	100.22%	100.37%	100.40%	100.36%	100.26%	100.12%	99.95%	99.95%

ADMINISTRATIVE FEES													
Administrative Fees Earned (75%)	303,553	320,652	311,627	308,263	309,642	307,733	305,824	303,915	302,006	300,096	298,187	296,278	3,667,776
Administrative Expenses	250,229	269,046	329,075	295,980	286,083	286,083	286,083	286,083	286,083	286,083	286,083	286,083	3,432,990
Monthly Surplus/(Deficit)	53,324	51,606	(17,448)	12,283	23,559	21,650	19,741	17,832	15,923	14,014	12,105	10,196	
YTD Surplus/(Deficit)	53,324	104,930	87,482	99,765	123,324	144,975	164,716	182,548	198,471	212,485	224,590	234,786	234,786

AVG HOUSEHOLD INCOME													
Avg Household Inc.	10,259	10,277	10,298	10,271	10,195	10,200	10,174	10,204	10,149	10,149	10,149	10,149	10,206
Per Unit Cost	510	516	522	511	516	516	516	516	516	516	516	516	515

\*Items impacting NRA include: Fraud Recoveries, FSS Escrow Forfeitures, Interest earned on HAP Reserves, and HUD - Required Reserve Utilization




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Fresno, California 93721

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**TO:** Boards of Commissioners      **DATE:** June 12, 2015  
Fresno Housing Authority

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

**AUTHOR**      Shaneece Childress  
Senior Manager

**RE:**      Update on Drought Response Activity

### **Executive Summary**

The purpose of this update is to provide the Boards of Commissioners with information on Fresno Housing's response and approach to the drought. The impact and severity of the drought is evident throughout the State of California, prompting Governor Brown to respond to this serious concern by establishing mandatory water usage restrictions. With 2015 already considered one of the driest years on record, and some small communities only receiving half of their normal allotment of water, the impact of the drought has been felt state wide, and especially here in the Central Valley. The agency has implemented efforts to address this concern for our residents and in the communities in which we operate.

The drought has impacted the residents we serve, their communities, and resources. In response to and in consideration of conserving water, our staff has created an internal team comprised of Housing Management, Planning and Community Development and Accounting staff. Their task is to define and evaluate opportunities to create water usage efficiencies throughout Fresno Housing complexes within the City and County of Fresno; and determine exactly which efforts will have the most benefit within the current portfolio and proposed future construction developments. Some of those considerations include evaluating the efficiency of central air conditioning versus evaporative coolers, capping hose bibs at the site, installation of low-flow shower heads and toilets, and the potential for drought tolerant landscaping.

We've also supported each jurisdiction's water regulations by reinforcing the restrictions through resident education and communication. Each jurisdiction enacted water use restrictions. As an example, the City of Orange Cove has been operating at a tiered-level water supply shortage response, creating mandatory restrictions of watering or irrigating lawns or vegetated areas at any time; and placing limitations on car washing, swimming pools and ponds. We've met with families in this community and mailed information to ensure these guidelines are followed.

Staff are participating in initiatives such as the Drought Coalition, that explores opportunities to create efficiencies; together with representatives of the Economic Opportunities Commission (EOC), the Employment Development Department (EDD), Granville Homes, the United States Department of Agriculture (USDA), local city and county staff, and other organizations. These organizations are focused on the impact of the drought, response efforts including assistance with utility payments, food and hygiene items, and in some cases, water storage tanks for homes whose wells have run dry.

As we actively evaluate the impact of the drought and our response efforts as an agency, we will continue to update the Boards on our efforts.




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**TO:** Boards of Commissioners  
Fresno Housing Authority

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

**AUTHOR** Shaneece Childress  
Senior Manager

**RE:** Update on Broadband and Digital Literacy Initiatives

### **Executive Summary**

The purpose of this memo is to provide the Boards of Commissioners with an update on Broadband and Digital Literacy initiatives. The efforts of staff to provide opportunities for broadband access and digital literacy within the Fresno Housing (FH) communities continues to gain momentum. On January 27, 2015, the Boards ratified the submission of ten (10) applications for broadband infrastructure grant funding. On May 26, 2015 the boards agreed to proceed with 18 additional applications comprising of 60% of the current housing inventory owned by the agency. The most recent 18 applications are scheduled for submission by July 1, 2015. FH staff and Innovative IT considered the five year Internet service provider commitments and evaluated the existing portfolio redevelopment schedule to identify which complexes were suitable for submission at this time. The remaining complexes within the agency portfolio are currently under review for future consideration.

We anticipate the California Public Utilities Commission (CPUC) award decision on Round 1 applications within the next few weeks, and subsequent application awards to follow. The tentative timeline for installation of the broadband infrastructure is currently September with approximately 4 weeks to conclude the installation process. Once the commitment is established, our staff will request quotes for Internet Service Providers (ISP). An evaluation of bids will ensure the ISP's have the affordability, strength, speed and local commitment to provide service in the identified areas. There are several national and local companies available for these services.

In addition to providing the infrastructure and access, we are currently coordinating with California State University, Fresno's Office of Community and Economic Development to establish digital literacy programs within the identified communities. These efforts will support the



goal of enhancing resident engagement and broadening the access to information within our communities.


In previous communications, staff introduced the HUD Digital Literacy Demonstration encouraging Housing Agencies nationwide to participate in providing access to internet services and related educational programs. Several agencies submitted letters of interest to participate, including Fresno Housing. At this time, HUD has indicated that the final notifications to participating agencies are anticipated within the coming weeks.



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TTY (800) 735-2929

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**TO:** Boards of Commissioners **DATE:** 06/12/15  
Fresno Housing  
Authority  
**FROM:** Preston Prince   
CEO/Executive Director  
**AUTHOR** Gary Grinstead  
Construction Manager  
**RE:** Climate Action Plan Pledge

### **Climate Action Plan Pledge**

As part of President Obama's Climate Action Plan, the federal government has recently set a target of promoting the installation of onsite renewable energy technology at federally assisted housing communities across the country. The goal is to reach 100 megawatts of installed energy capacity by 2020. The Housing Authorities of the City and County of Fresno have made a voluntary pledge to install 500 kilowatts of renewable solar energy on new and existing projects over the next five years. There is no penalty for failing to achieve this goal; however, there are certain benefits. Housing authorities that choose to participate in the Climate Action Plan will be listed as a partner, and can take advantage of the Rate Reduction Incentive with all renewable energy projects, receiving a financial incentive as part of their operating subsidy. Through our development efforts over the past few years, we've incorporated within our developments approximately 400 kilowatts.