

**SUBMITTAL TO THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 10.1
(ID # 15117)**

MEETING DATE:

Tuesday, June 15, 2021

FROM: HOUSING AUTHORITY:

SUBJECT: HOUSING AUTHORITY: Adopt Resolution No. 2021-004, Approving the Housing Authority of the County of Riverside Annual Budget Fiscal Year 2021-2022, All Districts (\$126,576,233 - Housing and Urban Development 85.26%; Housing Authority Successor Agency 4.02%; Rental Properties 2.79%; Housing, Homelessness Prevention and Workforce Solutions 3.70%; Housing Authority Revenue 2.33%; City Funds 1.90%]; CEQA Exempt

RECOMMENDED MOTION: That the Board of Commissioners:

1. Find that the budget is exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061 (b)(3);
2. Adopt Resolution No. 2021-004, Approving the Housing Authority of the County of Riverside Annual Budget Fiscal Year 2021-2022;
3. Approve the attached Housing Authority of the County of Riverside Fiscal Year 2021-2022 Annual Budget;

Continued on Page 2

ACTION: Policy

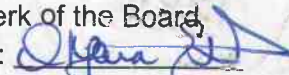

Heidi Marshall, Director, Housing, Homelessness Prevention 5/27/2021

MINUTES OF THE BOARD OF COMMISSIONERS

On motion of Supervisor Washington, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez, and Hewitt
Nays: None
Absent: None
Date: June 15, 2021
xc: Housing Authority

Kecia R. Harper
Clerk of the Board

By: 
Deputy

**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

RECOMMENDED MOTION: That the Board of Commissioners:

4. Authorize the Chair of the Board of Commissioners to execute the attached form HUD-52574 certifying the approval of the Housing Authority Annual Budget Fiscal Year 2021-2022 pursuant to Resolution No. 2021-004;
5. Authorize the Executive Director, or designee, to take all steps necessary to implement Resolution No. 2021-004, including, but not limited to, signing any forms required by the U.S. Department of Housing and Urban Development related to the budget, subject to approval as to form by County Counsel; and
6. Direct Housing Authority staff to file a Notice of Exemption within five business days of approval with the County Clerk.

Continued on Page 3

**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$126,576,233	\$ 126,576,233	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: HUD 85.26%; Successor Agency 4.02%; Rental Properties 2.79%; HHPWS 3.70%; HA Revenue 2.33%; City Funds 1.90%			Budget Adjustment:	No
			For Fiscal Year:	
			2021/2022	

C.E.O. RECOMMENDATION: Approval.

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (HACR) operates various housing programs identified in the proposed Housing Authority of the County of Riverside Annual Budget Fiscal Year 2021-2022 (Annual Budget), funded primarily by annual and multi-year contracts with the U.S. Department of Housing and Urban Development (HUD). These housing programs benefit low- and moderate-income individuals in Riverside County. All costs of operating the housing programs are offset primarily by revenues from Federal, State and Local governments and agencies pursuant to governmental cost accounting guidelines. Various contracts with HUD ranging from one to 15-year durations, provide for an administrative fee earned by the HACR for the development, rehabilitation, lease and maintenance of affordable housing. The proposed Annual Budget is attached.

The Annual Budget also includes program income and bond proceeds derived from housing assets to the HACR in its capacity as housing successor to the former Redevelopment Agency for the County of Riverside (formerly Riverside County RDA) pursuant to the California redevelopment dissolution laws, and an administrative cost allowance necessary to perform all activities in HACR's capacity as the housing successor to the former Riverside County RDA and the former Coachella Redevelopment Agency.

Should the Board approve the attached Annual Budget, HUD requires approval of such budget via Board Resolution to continue housing assistance payments for over 10,000 low-income households. These payments must commence on July 1, 2021. Proposed Resolution No. 2021-004 approving the Annual Budget is attached.

Pursuant to the California Environmental Quality Act (CEQA), the proposed Annual Budget was reviewed and determined to be categorically exempt from CEQA under the State CEQA Guidelines Section 115061 (b)(3), General Rule or "Common Sense" exemption. It can be seen with certainty that there is no possibility that approval of the Annual Budget may have a significant effect on the environment, since it is an administrative document and will only have financial effects. A Notice of Exemption will be filed by HACR staff with the County Clerk within five days of the approval of the Annual Budget. County Counsel has reviewed Resolution No. 2021-004 and has approved it as to form. Staff recommends approval of the Annual Budget and

**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

adoption of Resolution No. 2021-004.

Impact on Residents and Businesses

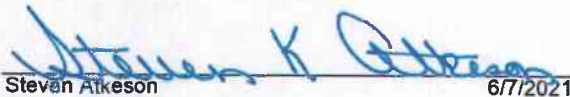
Approval of the Fiscal Year 2021-2022 Annual Budget will enable the HACR to continue with its mission of providing project and tenant based rental assistance, short term rental/utility assistance, housing information service, and housing case management services to low and moderate households, veterans and chronically homeless individuals.

Additional Fiscal Information

Sources of funds vary per program and are identified in the attached Fiscal Year 2021-2022 Annual Budget; funding from the County General Fund is not needed.

ATTACHMENTS:

- Board of Commissioners Resolution No. 2021-004, Approving the Housing Authority of the County of Riverside Annual Budget Fiscal Year 2021-2022
- Housing Authority Annual Budget Fiscal Year 2021-2022
- Form HUD-5274 (PHA Board Resolution Approving Operating Budget for FY 2021-2022)
- Notice of Exemption


Steven Aikesson

6/7/2021


Gregory V. Priamos, Director County Counsel

6/1/2021

PHA Board Resolution

Approving Operating Budget

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing -
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
(exp. 06/30/2022)

Public reporting burden for this collection of information is estimated to average **10 minutes per response**, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Housing Authority of the County of Riverside PHA Code: CA027

PHA Fiscal Year Beginning: July 1, 2021 Board Resolution Number:

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

Operating Budget approved by Board resolution on: 06/15/2021

Operating Budget submitted to HUD, if applicable, on:

Operating Budget revision approved by Board resolution on:

Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

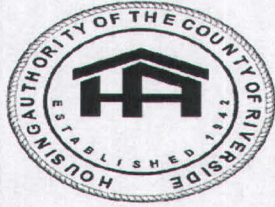
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name: KAREN SPIEGEL	Signature: <i>Karen S. Spiegel</i>	Date: JUN 15 2021
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ATTEST: Previous editions are obsolete
KECIA R. HARRER, Clerk
By *[Signature]*
DEPUTY

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]* **6/1/2021**
AMRIT P. DHILLON DATE

form HUD-52574 (06/2019)



HOUSING AUTHORITY of the County of Riverside

Main Office
5555 Arlington Avenue
Riverside, CA 92504-2506
(951) 351-0700
Admin FAX (951) 657-1650
Housing FAX 951.354-6324

Indio Office
PO Box 1747
Indio, CA 92202-1747
(760) 863-2828
(760) 863-2838 FAX

Website: harivco.org

NOTICE OF EXEMPTION

To: County Clerk
2724 Gateway Drive
Riverside, CA 92507

Activity Title: Housing Authority of the County of Riverside Fiscal Year 2021-22 Budget

Activity Location: Riverside County, California

Activity Description – Nature, Purpose and Beneficiaries: In order for the Housing Authority of the County of Riverside (Authority) to conduct operations, it is necessary for the Authority Board of Commissioners to approve of an annual budget. On June 15, 2021, the Authority Board of Commissioners approved the Authority's Fiscal Year 2021-22 Budget.

Name of Public Agency Approving Project: Housing Authority of the County of Riverside

Name of Person/Agency Carrying out Project: Housing Authority of the County of Riverside

Exempt Status: California Environmental Quality Act (CEQA) Guidelines Title 14 California Code of Regulations, Section 15061(b)(3), General Rule of "Common Sense" exemption.

Reasons why activity is exempt: Pursuant to the California Environmental Quality Act (CEQA), the Authority Fiscal Year 2021-22 Budget was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Section 15061(b)(3), General Rule or "Common Sense" exemption. It can be seen with certainty that there is no possibility that the Project may have a significant effect on the environment. The Budget will have purely financial effects.

Lead Agency Contact: Esmeralda Oviedo, Fiscal Manager

Telephone: (951) 343-5403

Prepared By: Jennifer Paz, Supervising Accountant

Telephone: (951) 343-5602

BOARD OF COMMISSIONERS

HOUSING AUTHORITY OF THE
COUNTY OF RIVERSIDE

**RESOLUTION NO. 2021-004
APPROVING THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE
ANNUAL BUDGET FISCAL YEAR 2021-2022**

WHEREAS, the Housing Authority of the County of Riverside (“Authority”) was created pursuant to the U.S. Housing Act of 1937 and Section 34200 et seq. of the California Health and Safety Code to provide housing for low and moderate income families; and

WHEREAS, the Authority administers a variety of local, state and Federal Programs in pursuit of its mission; and

WHEREAS, the Authority operated public housing developments authorized by the U.S. Department of Housing and Urban Development (“HUD”); and

WHEREAS, the Housing Authority of the County of Riverside Annual Budget Fiscal Year 2021-2022 attached hereto as Exhibit A and incorporated herein by this reference (“Annual Budget”) has been prepared in accordance with and consistent with all applicable laws and guidelines; and

WHEREAS, the United States Housing Act of 1937, as amended, provides that there shall be local determination of the need for public housing to meet needs not being adequately met by private enterprise; and

WHEREAS, under the provisions of the United States Housing Act of 1937, as amended, HUD is authorized to provide financial assistance to public housing agencies for such housing;

WHEREAS, the Board of Commissioners desires to approve the attached Annual Budget, which includes HUD financial assistance, to continue operating the Authority’s various housing programs.

NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED, and ORDERED by the Board of Commissioners for the Housing Authority of the County of Riverside, State of California, in regular session assembled on June 15, 2021, in the meeting

JUN 15 2021 10.1

FORM APPROVED COUNTY COUNSEL

BY AMRIT P. DHILLON DATE 6/11/2021

DATE

1 room of the Board of Commissioners located on the 1st floor of the County Administrative
2 Center, 4080 Lemon Street, Riverside, California, as follows:

- 3
- 4 1) The foregoing recitals are true and correct.
- 5
- 6 2) The Board of Commissioners hereby approves the allocation and appropriation of funds
7 identified in the attached Housing Authority of the County of Riverside Annual Budget
8 Fiscal Year 2021-2022 attached hereto as Exhibit A and incorporated herein by this
9 reference ("Annual Budget").
- 10
- 11 3) The Board of Commissioners hereby approves the attached Annual Budget.
- 12

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14 Roll Call:

15 Ayes: Jeffries, Spiegel, Washington, Perez, and Hewitt
16 Nays: None
17 Absent: None

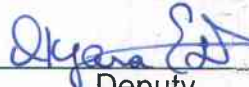
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21 The foregoing is certified to be a true copy of a resolution duly adopted by said
22 Board of Supervisors on the date therein set forth.

23 KECIA R. HARPER, Clerk of said Board

24 By: 
25 Deputy

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EXHIBIT A
HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE COUNTY
ANNUAL BUDGET FISCAL YEAR 2021-2022
(behind this page)



HOUSING AUTHORITY of the County of Riverside

Annual Budget Fiscal Year 2021-2022



Office Locations

Housing Authority
5555 Arlington Avenue
Riverside, CA 92504

Phone 951.351.0700
800.655.4228
Fax 951.687.1650
TDD 951.351.9844

Workforce Development Center
44-199 Monroe Suite B
Indio, CA 92201

Phone 760.863.2828
800.609.5708
Fax 760.863.2838
TDD 760.863.2830

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Background

The Housing Authority of the County of Riverside (HACR) was established in 1942 under the U.S. Housing Act of 1937 and the State of California Housing Authority Law of 1938. The HACR is a government agency chartered by the State of California to administer the development, rehabilitation or financing of affordable housing programs. The area of jurisdiction of the HACR is the entire County of Riverside. Permanent operational office facilities are maintained in Riverside and Indio to facilitate the provision of services.

The governing body of the HACR is the County Board of Supervisors serving as the Board of Commissioners. The Housing, Homelessness Prevention, and Workforce Solutions (HHPWS) executive management and HACR management team direct the administration of the HACR.

As of March 17, 2021, there were 113,736 applicants on a waiting list for participation in the Housing Choice Voucher Program.

The HACR is authorized to assist 10,121 households per month throughout the County of Riverside with a projected \$101 million in housing assistance subsidies for Fiscal Year 2021-2022.

The HACR provides additional housing assistance and supportive services through other grant programs and its non-profit arm, the Riverside Community Housing Corp.



Board of Commissioners

County Administrative Center
4080 Lemon Street, 5th Floor
Riverside, California 92501



Kevin Jeffries
First District



Karen Spiegel
Second District



Chuck Washington
Third District
Vice Chair



V. Manuel Perez
Fourth District
Chair



Jeff Hewitt
Fifth District



Organizational Chart



Executive Summary

The Housing Authority of the County of Riverside (HACR) Fiscal Year 2021-2022 recommended operating budget reflects an estimate of \$126.6 million in revenues augmented. The HACR consolidated budget includes \$10.9 million for Authority programs, \$101.5 million for Section 8 programs, \$7.5 million for Various Grants, the Housing Authority Successor Agency and Coachella Successor Agency and \$6.6 million for the Riverside Community Housing Corp. The planned staffing level of 146 positions includes 124 regular and 22 temporary.

The annual operating budget, which begins July 1, 2021 and ends June 30, 2022, serves as a guide to assist the HACR management in coordinating activities of the organization, anticipating problematic areas before they arise, examining operational resources, and evaluating the agency's financial performance.

The budget displays all budgeted funds by fund type, showing the allocation of each fund's budgeted revenues and expenditures by major expenditure categories. The HACR is comprised of 52 individual programs and projects. The progress of which are monitored by the fiscal team and HACR executive management team to ensure that actual expenditures do not significantly deviate from planned resources.

The Authority programs include the HACR business unit, the Central Office Cost Center (COCC), that employs the HACR management and administrative personnel and earns income from fees charged to other programs. The COCC also provides working capital for grant programs that help households experiencing homelessness or are at-risk of homelessness maintain and/or connect to affordable housing in their area or residency. The HACR grant portfolio includes the City of Riverside Housing Opportunities for Persons with Aids (HOPWA), Department of Social Services Continuum of Care and CalWORKs Programs. The HACR also owns and operates 17 housing units in Palm Springs, 77 units in Ripley, three single-family homes in Riverside funded from the U.S. Department of Housing and Urban Development Housing Choice Voucher Program net restricted assets, and 11 homes funded by the HOPWA Program.



Executive Summary

The Housing Choice Voucher Program funding provisions of the Consolidated Appropriations Act 2020 was enacted on December 27, 2020, which recognized the method of allocating renewal funds for housing assistance payments, new incremental vouchers and administrative fees. Stability in federal funding is necessary to provide housing assistance for the HACR authorized threshold of 9,561 tenant-based and 560 project-based vouchers. The HACR's Section 8 Program has earned the HUD SEMAP designation of "High Performer" for the past 17 consecutive year. As a result of COVID-19, HUD waived the requirement of the SEMAP certification for FY19/20 and each agency was to retain the SEMAP score earned in FY18/19 for FY19/20. With this HUD Waiver, the HACR continued to be a HUD designated "High Performer" for the 18th consecutive year.

The HACR's responsibility in managing all the housing functions and assets of the former Redevelopment Agencies of the County of Riverside and the City of Coachella involves serving over \$109 million in loans and grants; compliance monitoring 5,769 units; managing different mobile home tenant programs as well as providing financing assistance.

The Riverside Community Housing Corp. acquisition of 464 affordable housing units through the HUD Rental Administration Demonstration (RAD) Program and 35 affordable units using the Community Development Block Grant - Neighborhood Stabilization Program funds provides financial independence and stability for the HACR's non-profit arm.

Overall, the HACR budget demonstrates its commitment in implementing programs that would meet its mission of providing affordable, safe, decent, and sanitary housing opportunities and supportive programs that foster economic assistance. The budget is an instrument for holding the HACR accountable for expending resources on planned activities. In line with good economic governance, HACR places emphasis on transparency and accountability while ensuring that obligations are prioritized, and project development opportunities support its strategic objectives.



Mission Statement

The mission of the Housing Authority of the County of Riverside (HACR) is to transform and promote healthy, thriving communities, reignite hope and restore human dignity through the creation and preservation of high quality and innovative housing and community development programs that enhance the quality of life and revitalize neighborhoods to foster self-sufficiency.

Strategic Objectives

The HACR strategic objectives are to finance, acquire, develop, rehabilitate, own, manage, and sell affordable housing in Riverside County for the benefit of persons of extremely low, low and moderate-income families.

The Housing Authority is responsible for administering the County's federally funding Housing Choice Voucher Program (Section 8), which includes both tenant based vouchers and project based vouchers. Moderate Rehabilitation Program, and Veteran Affairs Supportive Housing Program, and is also the housing successor to the former Redevelopment Agencies for the County of Riverside and City of Coachella. The purpose of these programs are to combat homelessness, provide decent and safe housing, expand the supply of affordable housing, increase homeownership opportunities for low-moderate income households and to oversee the wind down of the Former Redevelopment Agencies for the County of Riverside and City of Coachella.



STRATEGIC OBJECTIVES

Department Objective #1: Preserve, manage and increase the supply of safe and affordable housing within Riverside County.

Portfolio Objective: Create and preserve housing options to enhance and revitalize communities.

County Outcome: Housing choices.

Performance Measure(s)	FY 19/20 Actuals	FY 20/21 Projected	FY 21/22 Target	Goal
New affordable housing units produced annually	81	40	67	100
Down Payment Assistance Program	0	0	26	26
New affordable housing units earmarked for households at 30% or less of Area Median Income	38	50	30	7
Section 8 funding utilization rate	97%	98%	100%	100%
Project Based Section 8 vouchers provided to developers for the development of new affordable housing units	38	166	120	100

➤ **Insights:**

- The Housing Authority works to address the demand by financing, acquiring, developing, owning, managing, and selling affordable housing for the benefit of persons of extremely low, low, and moderate-income families.
- Cuts in federal and state funding, including the elimination of the state redevelopment program, have reduced investment in affordable housing production and preservation by nearly \$158 million per year since 2008, an 85 percent reduction.



STRATEGIC OBJECTIVES

- Median rent in Riverside County has increased 32 percent since 2000, while median renter household income has decreased three percent when adjusted for inflation. As a result, demand for affordable housing units has significantly increased. As of February 2021, over 111,000 families have registered for the county's Section 8 waiting list.
- The Housing Authority as the housing successor to the former Redevelopment Agency (RDA) for the County of Riverside and City of Coachella utilizes the remaining RDA housing funds to develop new affordable housing units within Riverside County and City of Coachella. The department's goal is to produce at least 100 new units of affordable housing annually. Of these new 100 units of affordable housing, at least 7% of the units will be earmarked for extremely low-income households, which are defined as having incomes at or below 30 percent of the Area Median Income.
- Section 8 vouchers can be awarded to developments as "project based vouchers" which are permanently tied to an affordable housing development for up to 20 years. The leveraging of project-based vouchers is made possible by combining the project-based rental subsidy with the syndication of Low Income Housing Tax Credits and other housing funds managed by the State. Combining these resources together has the potential to finance the construction of at least 100 additional affordable rental apartments annually. With project-based vouchers we are able to target a deeper affordability and make more units for extremely low-income households, which are defined as having incomes at or below 30 percent of the Area Median Income.



STRATEGIC OBJECTIVES

Department Objective #2: Provide housing opportunities for homeless individuals and families.

Portfolio Objective: Create and preserve housing options to enhance and revitalize communities.

County Outcome: Housing choices.

Performance Measure(s)	FY 19/20 Actuals	FY 20/21 Projected	FY 21/22 Target	Goal
Section 8 vouchers reserved for chronically homeless households annually	4	15	10	10
Homeless households provided rapid re-housing services annually	50	50	50	50
Homeless households provided with permanent supportive housing annually	636	600	600	600
Section 8 vouchers reserved for seniors experiencing homelessness	0	0	100	100

➤ **Insights:**

- Section 8 vouchers, also known as Housing Choice Vouchers, are the most common form of rental assistance in the nation, serving approximately 2.2 million households. Vouchers are also the nation’s primary tool for preventing and ending homelessness. Because of their targeting, mobility, and stability, vouchers are the cornerstone of almost every local, state, and federal plan to end homelessness. Earmarking or reserving Section 8 vouchers for chronically homeless individuals and households is a best practice championed by the US department of Housing and Urban Development (HUD) and leading researchers.



STRATEGIC OBJECTIVES

- Rapid re-housing is an intervention designed to help individuals and families quickly exit homelessness and return to permanent housing. Rapid re-housing services combine time-limited subsidized housing with customized supportive services to promote housing stability and wellness.
- Permanent Supportive Housing (PSH) is a model that combines low-barrier affordable housing, health care, and supportive services to help individuals and families lead more stable lives. PSH typically targets people who are homeless, experience multiple barriers to housing, and/or are unable to maintain housing stability without supportive services. PSH has proven to reduce homelessness while delivering cost savings for the county through the reduction of other services including health care.
- The Housing Authority will use the recently adopted Riverside County Homeless Plan to guide and direct programming aimed at ending chronic homelessness in Riverside County. The County's plan emphasizes cross-system and inter-departmental collaboration to align investments in homeless services.



STRATEGIC OBJECTIVES

Department Objective #3: Increase earned income and self-sufficiency of program participants.

Portfolio Objective: Create economic opportunities for business and employees.

County Outcome: Thriving, robust, diverse economy

Performance Measure(s)	FY 19/20 Actuals	FY 20/21 Projected	FY 21/22 Target	Goal
Family Self-Sufficiency Program participants reporting a 25% or greater increase in earned income	19	40	60	60
Percent of Housing Authority program participants that are employed during the fiscal year (July 1 – June 30 th)	60%	40%	50%	50%
Number of FSS Participants who completed the FSS Program and become self-sufficient	16	10	12	14

➤ **Insights:**

- The Family Self-Sufficiency (FSS) program enables Section 8 families to increase their earned income and reduce their dependency on welfare assistance and rental subsidies. Some of the services coordinated through the program include childcare, transportation, education, job training, employment counseling, financial literacy, and homeownership counseling, among others. Services are generally not provided by the Housing Authority, but rather outsourced to service providers in the community.
- In addition to increasing the earned income of program participants, the aim of the program is also to position unemployed participants for employment.



STRATEGIC OBJECTIVES

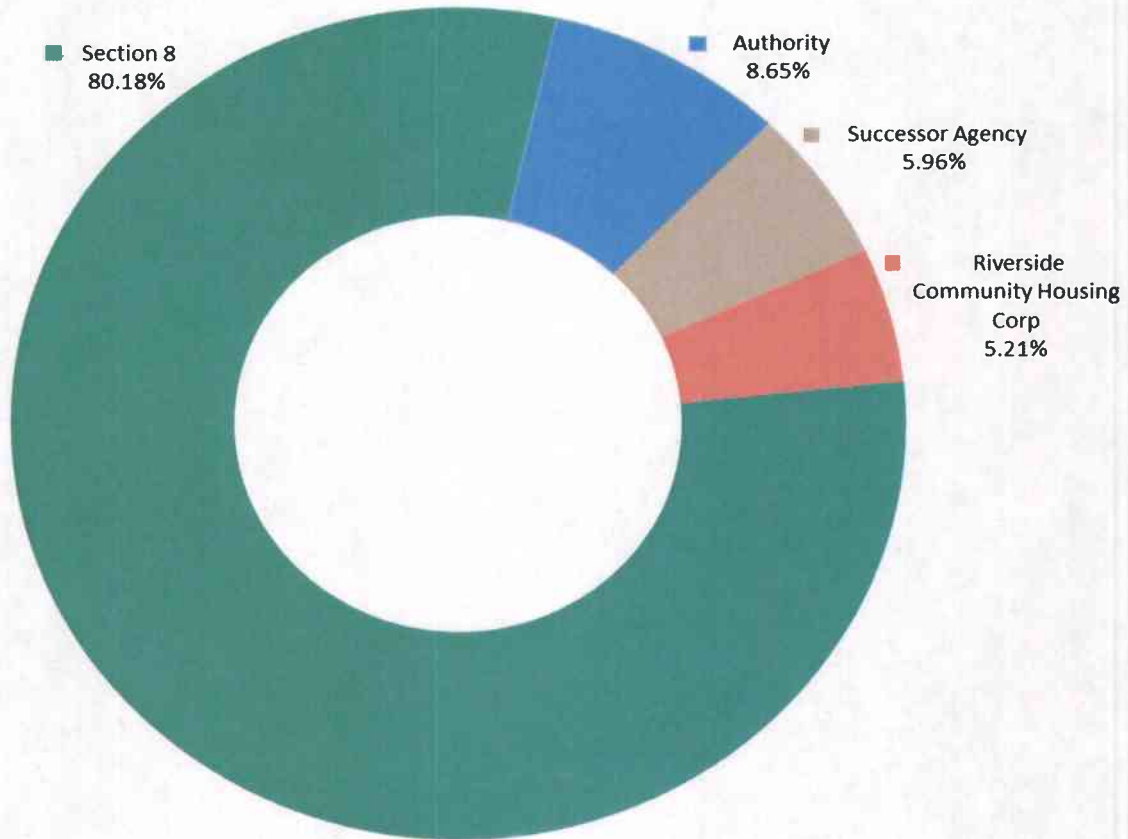
- The Housing Authority receives an annual grant from HUD to fund seven self-sufficiency case managers. These case managers provide direct career coaching and connections with training/educational providers.



Budget at a Glance

Recommended Budget By Functional Area: All Funds

Total Recommended Budget: \$126.6 million



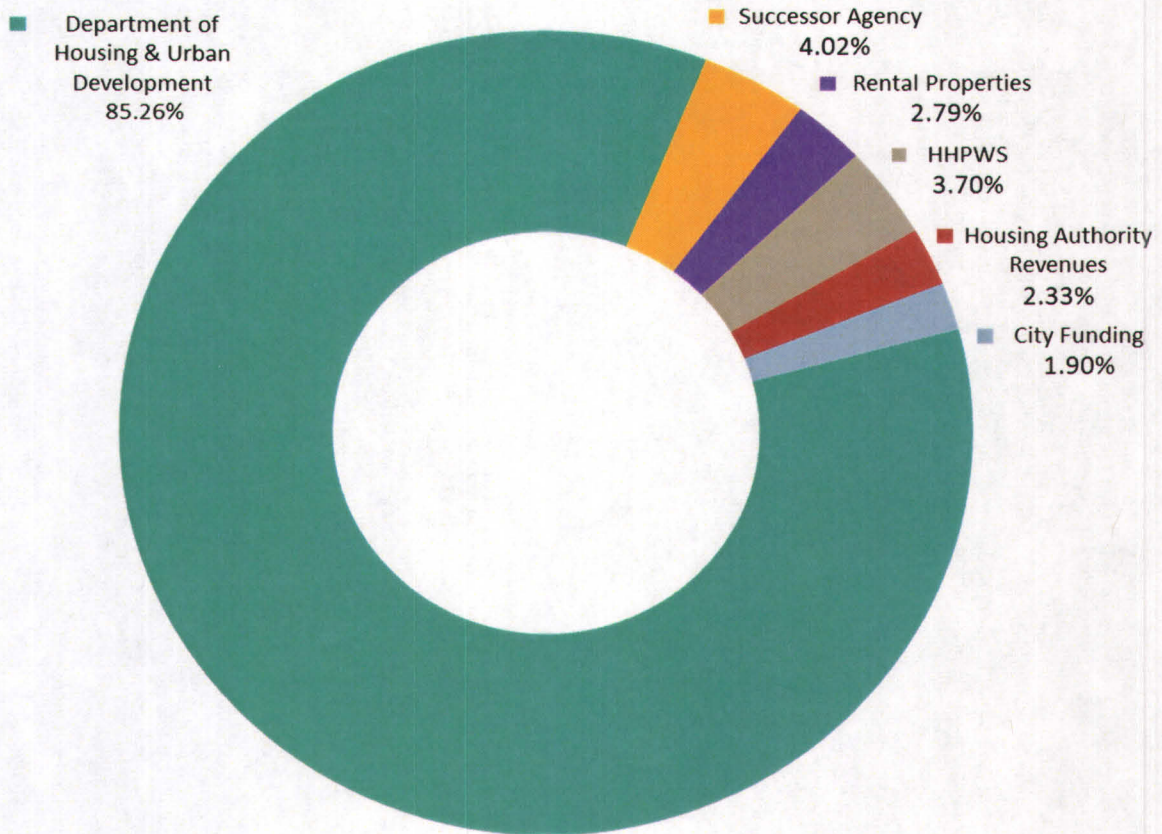
Recommended Budget by Program Sources: All Funds

		Budget in Millions	Percent of Total Budget
Section 8	\$	101.5	80.18%
Authority		11.0	8.65%
Successor Agency		7.5	5.96%
Riverside Community Housing Corp		6.6	5.21%
TOTAL	\$	126.6	100.00%



BUDGET AT A GLANCE

Recommended Budget By Sources of Funding: All Funds



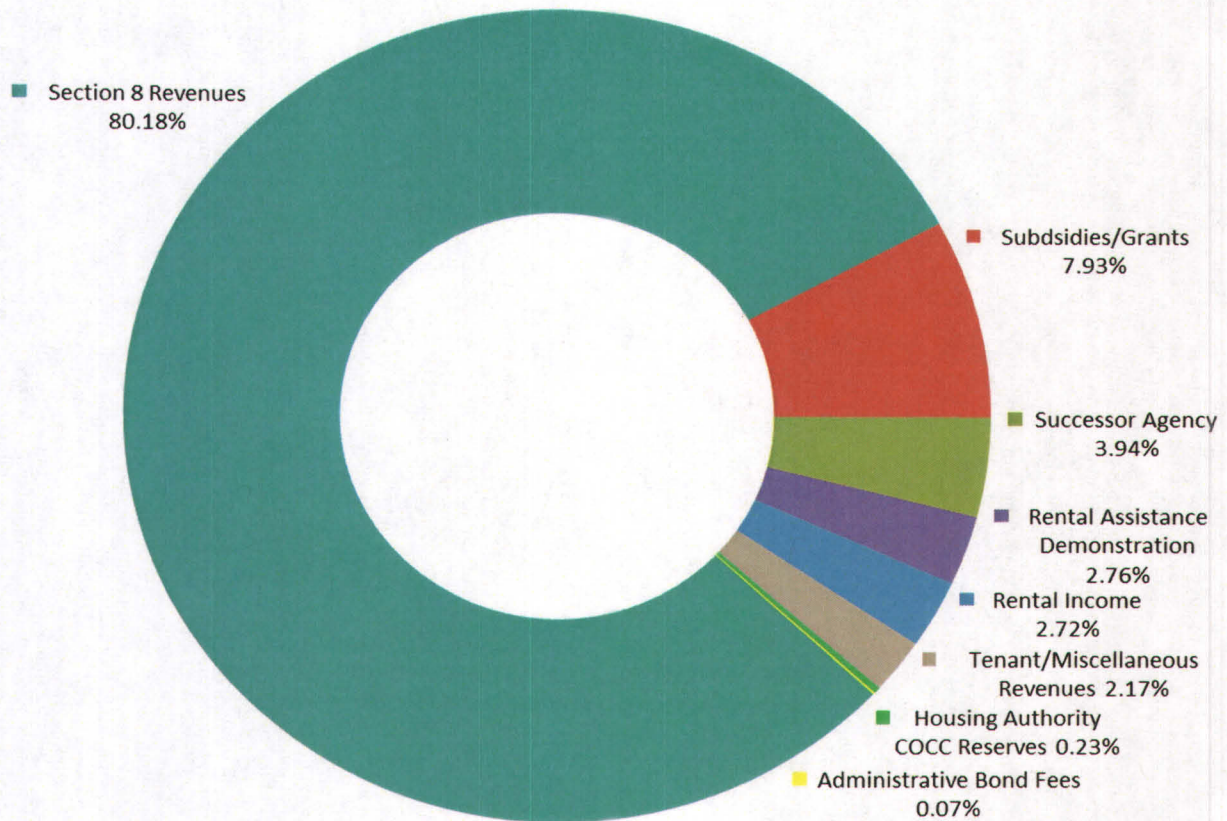
Recommended Budget by Sources of Funding: All Funds

		Budget in Millions	Percent of Total Budget
Department of Housing & Urban Development	\$	107.9	85.26%
Successor Agency		5.1	4.02%
Rental Properties		3.5	2.79%
HHPWS		4.7	3.70%
Housing Authority Revenues		3.0	2.33%
City Funding		2.4	1.90%
TOTAL	\$	126.6	100.00%



BUDGET AT A GLANCE

Recommended Budget by Categories of Revenues: All Funds

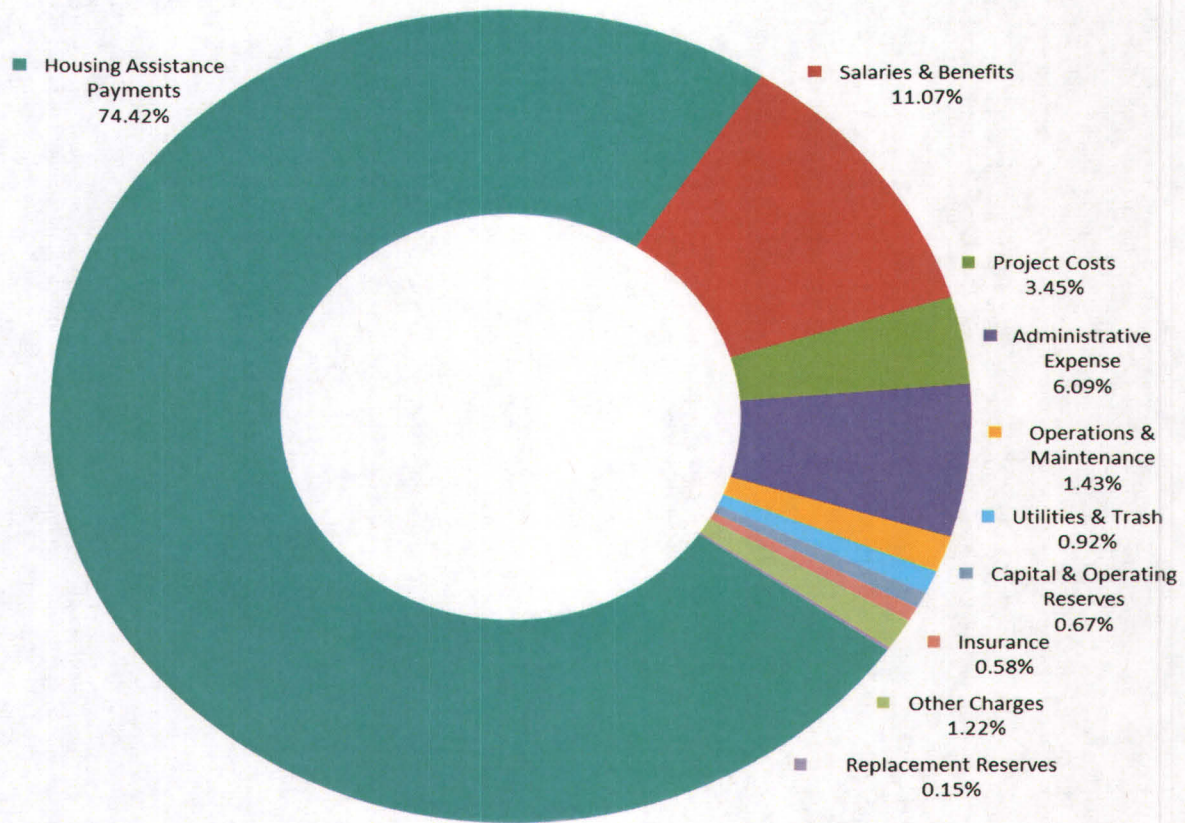


Recommended Budget by Categories of Revenues: All Funds			
		Budget in Millions	Percent of Total Budget
Section 8 Revenues	\$	101.5	80.18%
Subsidies/Grants		10.0	7.93%
Successor Agency		5.0	3.94%
Rental Assistance Demonstration		3.5	2.76%
Rental Income		3.4	2.72%
Tenant/Miscellaneous Revenues		2.8	2.17%
Housing Authority COCC Reserves		0.3	0.23%
Administrative Bond Fees		0.1	0.07%
TOTAL	\$	126.6	100.00%



BUDGET AT A GLANCE

Recommended Budget by Categories of Expenditures: All Funds



Recommended Budget by Categories of Expenditures: All Funds

	Budget in Millions	Percent of Total Budget
Housing Assistance Payments	\$ 94.2	74.42%
Salaries & Benefits	14.0	11.07%
Project Costs	4.4	3.45%
Administrative Expense	7.7	6.09%
Operations & Maintenance	1.8	1.43%
Utilities & Trash	1.2	0.92%
Capital & Operating Reserves	0.8	0.67%
Insurance	0.7	0.58%
Other Charges	1.6	1.22%
Replacement Reserves	0.2	0.15%
TOTAL	\$ 126.6	100.00%



Budget Comparison

Budget Comparison							
	Budget 17-18	Budget 18-19	Budget 19-20	Budget 20-21	Budget 21-22	Year-Over-Year Change [Budget 20-21 to Budget 21-22]	% Change [Budget 20-21 to Budget 21-22]
Revenues	\$110,290,121	\$114,509,135	\$112,406,188	\$135,238,314	\$126,279,899	(\$8,958,415)	
Reserves	11,971	263,288	231,228	260,000	296,334	\$36,334	
Total Revenues	\$110,302,092	\$114,772,423	\$112,637,416	\$135,498,314	\$126,576,233	(\$8,922,081)	-6.58%
Expenses							
Salaries & Benefits	\$10,931,269	\$10,898,637	\$11,290,302	\$11,118,071	\$14,005,398	\$2,887,327	
Services & Supplies	6,396,258	6,165,621	6,869,628	9,784,446	12,898,058	\$3,113,612	
Capital & Operational Reserves	0	441,088	470,176	1,328,499	1,039,212	(\$289,287)	
Other Charges	92,974,565	97,267,077	94,007,310	93,767,298	98,633,565	\$4,866,267	
Fixed Assets/Property Purchases	-	-	-	19,500,000	-	(\$19,500,000)	
Total Expenses	\$110,302,092	\$114,772,423	\$112,637,416	\$135,498,314	\$126,576,233	(\$8,922,081)	-6.58%
Net Assets Gain / (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-



Staff Count

Staff Count	
Job Title	Filled and Vacant Positions
	FY 21 - 22
Regular Employees:	
Accountant I	1
Accountant II	4
Accounting Technician I	2
Accounting Technician II	2
Administrative Services Supervisor	1
Building Maintenance Superintendent	1
Building Maintenance Worker	1
Deputy Director of B & C, Svcs, HHPWS	1
Development Specialist I	1
Development Specialist II	3
Development Specialist III	1
Fiscal Analyst	1
Fiscal Manager	1
Housing Authority Maintenance Worker	5
Housing Program Assistant I	5
Housing Program Assistant II	1
Housing Specialist I	37
Housing Specialist II	15
Housing Specialist III	9
Office Assistant I	1
Office Assistant II	7
Office Assistant III	2
Principal Development Specialist	4
PH Property Manager	3
Senior Accountant	2
Senior Building Maintenance Worker	1
Supervising Development Specialist	11
Supervising Accountant	1
Total Regular Employees	124
Temporary Assistance Pool (TAP):	
Accounting Assistant I	1
Fiscal Manager	1
Housing Specialist I	10
Office Assistant I	3
Office Assistant II	1
Office Assistant III	3
Porter	3
Total TAP	22
Total Filled and Vacant Positions	146



Budgets by Program

AUTHORITY PROGRAMS

Central Office Cost Center (COCC)

As required by the U.S. Department of Housing and Urban Development (HUD), the COCC was established to act as the internal management agent of the agency. The COCC provides management services and receives fee income in return from business activities. Management fees are based on HUD's publication of the 80th percentile of fees paid by the market industry. HUD requires the COCC to be split between activities supporting the Section 8 Program and other business activities.

2021-2022 BUDGET				
	COCC #101	COCC #102	COCC #103	Total
REVENUES				
Interest Revenue	1,000	-	-	1,000
Reserve Drawdown	82,181	-	-	82,181
Other Revenue - WDC	-	35,451	-	35,451
Administrative Bond Fees	-	-	75,000	75,000
Other Revenue-Management/Bookkeeping Fee	1,657,585	-	337,481	1,995,066
TOTAL REVENUES	1,740,766	35,451	412,481	2,188,698
EXPENSES				
Payroll, Benefits & Taxes	764,052	5,529	288,053	1,057,633
Payroll, Benefits & Taxes-HHPWS	453,590	-	23,873	477,463
Temporary/Contract Employees	94,934	-	-	94,934
Worker's Compensation	13,172	85	4,417	17,674
Legal	19,266	-	2,306	21,571
Training & Travel	16,725	-	-	16,725
Auditing	300	-	-	300
Office Rent	84,314	20,832	46,392	151,538
Operations and Maintenance - Materials	1,802	-	-	1,802
Operations and Maintenance - Services	12,730	-	-	12,730
Administrative Sundry	112,958	68	6,960	119,986
Operating Costs-HHPWS	89,903	-	4,732	94,635
Computer Services (RCIT-County & TenMast)	62,559	8,937	35,748	107,244
Insurance	10,361	-	-	10,361
Other General Expense	4,100	-	-	4,100
TOTAL EXPENSES	1,740,766	35,451	412,481	2,188,698
NET GAIN (LOSS)	-	-	-	-



AUTHORITY PROGRAMS

Security Deposit Assistance Program

The HACR was awarded a HOME grant passed through from the Riverside County Housing, Homelessness Prevention and Workforce Solutions to provide security deposit assistance to very low-income individuals and families that earn no more than 50 percent of the area median income. The grant is designed to remove the initial barrier that eligible participants encounter as they attempt to find and secure suitable, decent housing to rent.

2021-2022 BUDGET	
REVENUES	
Subsidy Revenue	194,163
TOTAL REVENUES	194,163
EXPENSES	
Housing Assistance Payments	194,163
TOTAL EXPENSES	194,163
NET GAIN (LOSS)	-



AUTHORITY PROGRAMS

Administration Building & Services

Expenses related to this fund are apportioned to other programs based on cost allocation percentages derived from the number of units supported and staff time. Reimbursement of costs associated with the administration building is paid through a rent offset. The budget includes a withdrawal of \$214,153 from cash reserves for anticipated extraordinary maintenance on the elevator and roof repairs.

2021-2022 BUDGET	
REVENUES	
Interest Revenue	2,600
Miscellaneous Revenue	545,628
Reserve Drawdown	214,153
TOTAL REVENUES	762,381
EXPENSES	
Development- Management Improvements	280,000
Payroll, Benefits & Taxes	217,374
Worker's Compensation	3,333
Legal	1,831
Utilities	56,505
Operations and Maintenance - Materials	11,997
Operations and Maintenance - Services	76,750
Trash	1,629
Insurance	45,718
Office Rent	6,396
Administrative Sundry	51,912
Computer Services (RCIT-County & TenMast)	8,937
TOTAL EXPENSES	762,381
NET GAIN (LOSS)	-



AUTHORITY PROGRAMS

Housing Opportunities for Persons with AIDS (HOPWA)

HUD named the City of Riverside as grantee for having the largest population of any city within the county eligible metropolitan areas. In 1993, Riverside County became eligible for the HOPWA funds and the HACR agreed to serve as project sponsor for Riverside County. The HACR utilizes these funds to serve approximately 108 participants with short-term housing, utilities assistance, and home health care.

2021-2022 BUDGET				
	Prior Year			Total
	Renewal Grant	Grant Balance	CARES Act	
REVENUES				
Subsidy Revenue	1,876,674	302,644	220,000	2,399,318
TOTAL REVENUES	1,876,674	302,644	220,000	2,399,318
EXPENSES				
Payroll, Benefits & Taxes	238,029	-	7,417	245,446
Worker's Compensation	3,650	-	114	3,764
Travel	5,300	-	-	5,300
Auditing	500	-	-	500
Office Rent	8,853	-	183	9,036
Administrative Sundry	32,006	-	13,609	45,615
Tenant Services/Supportive Services	466,962	302,644	198,677	968,283
Housing Assistance Payments	1,121,374	-	-	1,121,374
TOTAL EXPENSES	1,876,674	302,644	220,000	2,399,318
NET GAIN (LOSS)	-	-	-	-



AUTHORITY PROGRAMS

HOPWA Homes

The HACR utilized excess HOPWA funds to purchase 11 homes to assist clients with subsidized housing. It is expected that this project will be self-supporting and accumulate enough reserves for future capital improvements.

2021-2022 BUDGET	
REVENUES	
Rental Income	47,258
Rental Assistance Payments	58,456
Other Income-Cleaning & Damages	667
Interest Income	28
TOTAL REVENUES	106,409
EXPENSES	
Payroll, Benefits & Taxes	16,214
Property Management Fees	6,600
Administrative Sundry	41,544
Utilities	720
Operations and Maintenance - Materials	-
Operations and Maintenance - Services	10,757
Insurance	7,475
Replacement Reserves	3,300
Operational Reserves	19,799
TOTAL EXPENSES	106,409
NET GAIN (LOSS)	-



AUTHORITY PROGRAMS

Continuum of Care -HHPWS

The HACR provides rental assistance to individual and families who are certified by the Department of Mental Health to be chronically homeless and mentally disabled. The HACR has an agreement with the Housing, Homelessness Prevention and Workforce Solutions Department to administer two grants, which are currently serving approximately 122 families collectively throughout Riverside County.

2021-2022 BUDGET			
	Shelter Plus		
	Consolidated	Harrison House	Total
REVENUES			
Grants - HAP	988,488	81,886	1,070,374
Grants - Admin	37,661	2,382	40,043
TOTAL REVENUES	1,026,149	84,268	1,110,417
EXPENSES			
Payroll, Benefits & Taxes	35,959	2,115	38,074
Worker's Compensation	551	32	584
Administrative Sundry	1,150	235	1,385
Housing Assistance Payments	988,488	81,886	1,070,374
TOTAL EXPENSES	1,026,149	84,268	1,110,417
NET GAIN (LOSS)	-	-	-



AUTHORITY PROGRAMS

HHPWS – Project RoomKey

Project Roomkey is a Non-Congregate Shelter Program designed for “**High risk**” asymptomatic homeless individuals as defined in the Governor’s Stay at Home Order who require emergency non-congregate sheltering as a social distancing measure and are over 65, pregnant, or have one of the following underlying health conditions: respiratory, comprised immunities; or chronic disease.

2021-2022 BUDGET	
REVENUES	
Subsidy Revenue - COC/County	706,296
TOTAL REVENUES	706,296
EXPENSES	
Payroll, Benefits & Taxes	297,585
Temporary/Contract Employees	272,939
Worker's Compensation	8,749
Computer Services (RCIT-County & TenMast)	89,370
Administrative Sundry	37,654
TOTAL EXPENSES	706,296
NET GAIN (LOSS)	-



AUTHORITY PROGRAMS

Business Activities

In January 2012, the HACR received HUD approval to utilize its unrestricted net assets to purchase, rehabilitate, and lease three homes to Family Self Sufficiency participants in the Housing Choice Voucher Program. These development activities were accomplished with the mission of preserving affordable homes and stabilizing neighborhoods hardly hit by foreclosures.

2021-2022 BUDGET	
REVENUES	
Rental Income	26,064
HAP Subsidy Income	25,236
TOTAL REVENUES	51,300
EXPENSES	
Payroll, Benefits & Taxes	30,664
Worker's Compensation	470
Administrative Sundry	663
Operations and Maintenance - Materials	3,500
Operations and Maintenance - Services	6,744
Insurance	6,024
Other General Expense	480
Capital Reserves	1,800
Operational Reserves	954
TOTAL EXPENSES	51,300
NET GAIN (LOSS)	-



AUTHORITY PROGRAMS

Palm Springs Projects

The HACR owns and operates 17 affordable units in Palm Springs. Revenue sources are generated from dwelling rent and associated tenant charges.

2021-2022 BUDGET			
	Calle de Carlos	Racquet Club	Total
REVENUES			
Rental Income	65,104	51,216	116,320
Miscellaneous/Tenant Charges	80	-	80
TOTAL REVENUES	65,184	51,216	116,400
EXPENSES			
Payroll, Benefits & Taxes-Property Management	11,216	12,617	23,833
Property Management Fees	5,376	6,048	11,424
Legal	1,500	1,500	3,000
Auditing	200	200	400
Administrative Sundry	1,271	468	1,739
Utilities	5,136	5,199	10,335
Operations and Maintenance - Materials	11,513	3,960	15,472
Operations and Maintenance - Services	9,180	13,539	22,719
Trash	2,602	1,986	4,588
Insurance	7,431	5,699	13,130
Replacement Reserves	1,495	-	1,495
Operational Reserves	8,264	-	8,264
TOTAL EXPENSES	65,184	51,216	116,400
NET GAIN (LOSS)	-	-	-



AUTHORITY PROGRAMS

Desert Rose Apartments

Financed jointly by the State of California through its Office of Migrant Services of the Department of Housing and Community Development (HCD) and by the U.S. Government through its Farmer's Home Administration, this farm worker housing project became operational in November 1991. In Fiscal Year 2004 - 2005, due to the California fiscal budget crisis, the Office of Migrant Services ordered the HACR not to rent the units for the entire fiscal year and took steps to dispose of the buildings. The HACR negotiated to have title and ownership of the buildings and granted \$3,000,000 from the Joe Serna Junior Farmworker Housing Grant Program of the HCD and \$3,795,110 from the U.S. Department of Agriculture to rehabilitate the units and make them available on a year round basis. The HACR also received a total of \$8,500,000 in grant funding from the county's Redevelopment Agency in Fiscal Year 2008 - 2009, which prompted the construction to widen some of the units and convert 100 housing units to 77 units. For a number of years, this project has continually been challenged with a low occupancy level, ranging from 30 to 50 percent. This budget includes a drawdown from the reserves that is necessary to sustain the upkeep of the building and grounds. To aide with lease-up activities, the HACR received approval from HCD to allow the following: (1) the project to be rented to non-farmworker tenants, (2) an increase in the maximum income limit to 120 percent of the area median income and (3) the waive the requirement to keep a minimum number of persons in the household.

In an effort to improve the living and budgetary conditions of Desert Rose Apartments in August of 2019 HACR contracted with Riverside Housing Development Corporation (RHDC) to provide property management services for the property. Additionally, in 2019 the Board of Commissioners of the HACR agreed to project base 41 units of Project Based Housing Choice vouchers. The HACR is starting to see improvements in the physical condition of the property and is starting to see the project achieve fiscal sustainability.



AUTHORITY PROGRAMS

Desert Rose Apartments

2021-2022 BUDGET	
REVENUES	
Rental Income	256,293
Rental Assistance Payments	181,079
Laundry Machine Revenue	3,790
Miscellaneous Income	4,332
TOTAL REVENUES	445,493
EXPENSES	
Payroll, Benefits & Taxes-Property Management	83,097
Legal	5,150
Auditing	1,000
Administrative Sundry	12,432
Utilities	53,762
Operations and Maintenance - Materials	74,257
Operations and Maintenance - Services	42,000
Trash	20,413
Insurance	72,428
Property Management Fees	51,100
Replacement Reserves	7,700
Operational Reserves	22,154
TOTAL EXPENSES	445,493
NET GAIN (LOSS)	-



AUTHORITY PROGRAMS

CalWORKs

The HACR has received funding passed through from the Housing, Homelessness Prevention and Workforce Solutions Department for the state-funded CalWORKs Housing Support Program that would help 200 homeless families' secure permanent housing by removing barriers.

2021-2022 BUDGET	
REVENUES	
Grants (County DPSS)-HAP	2,199,790
Grants (County DPSS)-Admin	668,832
TOTAL REVENUES	2,868,622
EXPENSES	
Payroll, Benefits & Taxes	649,054
Temporary/Contract Employees	45,207
Worker's Compensation	10,646
Training	5,000
Administrative Sundry	31,580
Housing Assistance Payments	2,127,135
TOTAL EXPENSES	2,868,622
NET GAIN (LOSS)	-



SECTION 8 PROGRAMS

Housing Choice Voucher Program

The Housing Choice Voucher Program (formerly Section 8 Program) assists lower income households with rental assistance to provide an opportunity to live in affordable, decent, safe and sanitary housing.

As mandated by federal regulations, families, elderly, and disabled persons earning 50 percent of median income or less are eligible to participate in the program. However, at least 75 percent of families drawn from the waiting list must earn no more than 30 percent of median income. Tenants receiving assistance under the voucher program will pay between 30 – 40 percent of their income toward rent and utilities, with U.S. Department of Housing and Urban Development (HUD), through the HACR, providing the subsidy for the difference between that amount and the rent plus utilities. Utilizing this criteria, staff certifies applicant eligibility, issues vouchers, negotiates leases, prepares contracts and inspects dwelling units for housing quality standards established by the federal government. Additionally, staff manages rental assistance contracts by processing tenant relocations and ports, terminations, and annual re-certification of eligibility. Staff also provides tenant-landlord mediation services for Section 8 Program participants. For calendar year 2021, HUD awarded the HACR \$82 million to assist 9,800 families per month.

Veterans Affairs Supportive Housing (VASH)

This program offers rental assistance for homeless veterans with case management and clinical services through the U.S. Department of Veterans Affairs. HUD allocates vouchers by analyzing point-in-time data provided by the Continuum of Care, Veteran Administration Medical Center data on the number of contacts with homeless Veterans, and performance data from housing authorities. There are 798 vouchers set aside for Veterans Affairs Supportive Housing.

Rental Assistance Demonstration (RAD) Program

HUD obligated funds to provide assistance for families affected by the RAD conversion. The Consolidated and Further Continuing Appropriations Act of 2012 authorized the RAD Program to help preserve HUD's public and assisted housing. This movement is a central part of the department's rental housing preservation strategy to preserve the nation's stock of affordable rental housing, promote efficiency within and among HUD guidelines and build strong, stable communities. There are 464 vouchers set aside for the Rental Assistance Demonstration Program.



SECTION 8 PROGRAMS

Mainstream Program for Persons with Disabilities

The HACR works in cooperation with local organizations that provide referral and support services to disabled persons in order to help disabled clients locate affordable and accessible housing. HUD awarded the HACR 241 vouchers for non-elderly persons with disabilities.

Moderate Rehabilitation Rental Assistance Program

This HUD-program was designed to preserve existing rental housing stock. Each fiscal year, HACR is required to base the renewal at rent levels equal to the lesser of: 1) Existing contract rents, adjusted by the operating cost adjustment Factor (2.3 percent for California); or 2) Existing Fair Market rents (at 120 percent) less any amounts allowed for tenant supplied utilities; or 3) Comparable market rents for the market area. A landlord will enter into a 15-year contract with the HACR, which guarantees Section 8 rental assistance to qualified tenants. HUD has continued to renew the HACR contracts beyond the initial term date but has not issued any new contracts. HUD awarded the HACR 80 vouchers to assist households located in Riverside.

Family Self-Sufficiency (FSS) Program

The Family Self-Sufficiency (FSS) Program was established to assist families to become economically independent from governmental financial assistance within a five-year period. Over the five-year period, as family income grows, the corresponding amount to rent increase is deposited into an escrow account to purchase a home, pay for higher education, or even start a business. The FSS Program is available to those families assisted under the Section 8 Program. Through the FSS Program, the HACR has established a network with public agencies to provide job training, family counseling, career assessments and other social services. This budget includes funding to pay for seven resident coordinator positions. As of March 2021, there were 297 FSS participants throughout Riverside County.



SECTION 8 PROGRAMS

COVID-19 HUD CARES Act HCV Program

On April 28, 2020, HUD issued PIH Notice PIH-2020-08 which implemented the funding provisions for the Housing Choice Voucher (HCV) and Mainstream Programs in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136), enacted on March 27, 2020. The CARES Act provides additional appropriations for housing assistance payments (HAP) and administrative fee funding to prevent, prepare for, and respond to coronavirus. The CARES Act provides funding to prevent, prepare for, and respond to coronavirus, including for public housing agencies to maintain normal operations and take other necessary actions during the period the program is impacted by coronavirus. The total supplemental appropriation for the HCV Program is \$1.25 billion of which the HACR received \$2.6 million. Under the CARES Act, this supplemental administrative fee funding may be used only for two purposes: (1) any currently eligible HCV (including Mainstream voucher) administrative costs during the period that the program is impacted by coronavirus; and (2) new coronavirus-related activities, including activities to support or maintain the health and safety of assisted individuals and families, and costs related to the retention and support of participating owners. Currently eligible HCV administrative costs under (1) include necessary upgrades to information technology or computer systems to enhance telework capacities and overtime pay for PHA staff to carry-out HCV Program responsibilities.



SECTION 8 PROGRAMS

2021-2022 BUDGET									
	HCV 801 & VASH 805	FSS Coordinator 808	Sec 8 HUD CARES Act Admin 809	Mainstream 802,811	Mainstream CARES Act HAP 812	Mainstream CARES Act Admin 812	Moderate Rehabilitation 804, 810		TOTAL
REVENUES									
FSS Forfeitures	150,000	-	-	-	-	-	-		150,000
Sec 8 Fraud Recovery Revenue-Admin	67,666	-	-	-	-	-	-		67,666
HUD Section 8 Earned HAP Subsidy	87,243,494	-	-	857,940	481,212	-	649,500		89,232,146
HUD Section 8 Earned Administrative Fees	8,712,207	-	2,615,012	81,384	-	20,904	100,045		11,529,552
HUD Section 8 Earned Other Subsidy	-	504,000	-	-	-	-	-		504,000
TOTAL REVENUES	96,173,367	504,000	2,615,012	939,324	481,212	20,904	749,545		101,483,364
EXPENSES									
Payroll, Benefits & Taxes	5,506,456	496,148	5,529	22,339	-	-	55,846		6,086,318
Worker's Compensation	84,889	7,608	2,788	344	-	-	861		96,491
Temporary/Contract Employees	29,263	-	176,285	119	-	-	297		205,963
Legal	49,637	-	-	201	-	-	503		50,342
Conferences/Training	5,850	-	-	-	-	-	-		5,850
Travel	6,375	-	-	-	-	-	-		6,375
Auditing	30,975	-	-	1,000	-	-	2,000		33,975
Office Rent	399,935	-	-	1,249	-	-	3,124		404,309
Management & Bookkeeping Fee	1,620,126	-	-	20,707	-	-	16,751		1,657,585
Administrative Sundry	331,502	243	17,452	32,565	-	20,904	13,514		416,180
Computer Services (RCIT-County & TenMast)	598,167	-	1,150,593	2,427	-	-	6,067		1,757,253
Communication Expenses	7,882	-	35,000	32	-	-	80		42,994
Vehicle Lease	24,297	-	-	99	-	-	246		24,642
Operations and Maintenance - Materials	11,846	-	-	48	-	-	120		12,015
Operations and Maintenance - Services	22,642	-	60,000	92	-	-	230		82,964
Insurance	15,859	-	-	24	-	-	59		15,942
Other General Expense	34,172	-	1,167,365	139	-	-	347		1,202,022
Housing Assistance Payments	87,393,494	-	-	857,940	481,212	-	649,500		89,382,146
TOTAL EXPENSES	96,173,367	504,000	2,615,012	939,324	481,212	20,904	749,545		101,483,364
NET GAIN (LOSS)	-	-	-	-	-	-	-		-



VARIOUS GRANTS

The HACR administers housing programs to foster homeownership opportunities that ultimately create viable and sustainable communities that enhance the quality of life for Riverside County residents. In meeting its mission, the HACR partners with the Riverside County Department of Housing, Homelessness, Prevention and Workforce Solutions, the recipient of various grant funds, by managing the various grants listed below providing resources for staffing.

2021-2022 BUDGET										
	NSP 1	NSP 1	HOME	HOME	HOME CARES	CDBG	CDBG	PLHA	PLHA	
	Admin	Direct	Direct	Admin	Act Admin	Admin	CARES Act	Direct	Admin	Total
REVENUES										
Grants	183,901	89,669	268,497	175,764	890,000	135,218	10,948	454,227	212,795	2,421,020
TOTAL REVENUES	183,901		268,497	175,764	890,000	135,218	10,948	454,227	212,795	2,421,020
EXPENSES										
Payroll, Benefits & Taxes	136,450	87,251	260,749	136,753	669,227	106,219	10,653	454,227	123,200	1,984,729
Worker's Comp	2,092	1,338	3,998	2,097	13,385	1,629	163	-	8,855	33,557
Training and Travel	10,000	-	-	10,000	-	-	-	-	-	20,000
Office Rent	14,260	-	-	12,836	25,000	8,165	-	-	32,281	92,542
Computer Services (RCIT-County & TenMast)	18,678	-	-	12,065	30,700	17,874	-	-	38,876	118,193
Administrative Sundry	2,421	1,080	3,750	2,013	151,688	1,332	132	-	9,583	171,999
TOTAL EXPENSES	183,901	89,669	268,497	175,764	890,000	135,218	10,948	454,227	212,795	2,421,020
NET GAIN (LOSS)	-	-	-	-	-	-	-	-	-	-



HOUSING AUTHORITY SUCCESSOR AGENCY (HASA)

On June 29, 2011, Governor Brown signed two California Assembly Bills, ABX1 26 and ABX1 27, which would dissolve redevelopment agencies (RDAs) throughout California, and create an alternative voluntary redevelopment program to allow agencies to continue redevelopment activity by voluntarily making a payment to the state. On November 10, 2011, the California Supreme Court announced its decision to uphold ABX1 26 and strike down ABX1 27, thus eliminating RDAs. On January 10, 2012, the HACR Board of Commissioners accepted the responsibility for performing all activities as the successor to the redevelopment housing function. On February 1, 2012, all California RDAs were eliminated and HACR assumed all the housing functions previously performed by the RDA for the County of Riverside.

On July 3, 2012, per Board Resolution 2012-006, the Board of Commissioners authorized the HACR to accept any and all assets, liabilities, duties, loans, leases, and obligations associated with the housing activities of the former RDA.

On July 17, 2012, a Low and Moderate Income Housing Asset Fund was established to manage the disbursements and cash receipts for the HASA. This fund is used to pay administrative and operational costs to develop the assets; maintain loan and grant portfolios; and manage the leases, rental housing properties, and homeownership units.

Other revenue sources include rental receipts from different mobile home parks managed by the HASA; a lease payment for agricultural land; monitoring fees; residual receipt loan payments from rental housing developments that the former RDA assisted, and recaptured proceeds from various programs like Home Repair and down payment assistance when households don't meet the affordability covenants.

All projects listed on the Recognized Obligation Payment Schedule approved by the California Department of Finance will be supported by bond proceeds.



HOUSING AUTHORITY SUCCESSOR AGENCY (HASA)

2021-2022 BUDGET

	ROPS	LMIHF	Total
REVENUES			
Loan Repayments/Loan Pay-Off	-	50,000	50,000
Miscellaneous Revenue	-	20,500	20,500
Bond Proceeds (Taxable and Tax-Exempt)	3,882,319	-	3,882,319
Low Moderate Income Housing Fund	-	791,063	791,063
TOTAL REVENUES	3,882,319	861,563	4,743,882
EXPENSES			
Payroll, Benefits & Taxes	42,011	63,399	105,410
Worker's Compensation	644	972	1,616
Legal	-	31,507	31,507
Training	-	6,000	6,000
Travel	-	4,000	4,000
Auditing	-	11,758	11,758
Office Rent	-	29,573	29,573
Administrative Sundry	520	33,430	33,950
Computer Services (RCIT-County & TenMast)	-	19,751	19,751
Insurance	-	6,727	6,727
General Expense	-	26,960	26,960
Project Cost	3,839,144	260,032	4,099,176
Operations Reserve	-	367,454	367,454
TOTAL EXPENSES	3,882,319	861,563	4,743,882
NET GAIN (LOSS)	-	-	-



HOUSING AUTHORITY SUCCESSOR AGENCY (HASA)

VILLA DE JOSUE MOBILE HOME PARK

With the dissolution of the Redevelopment Agency for the County of Riverside, the HASA assumed the 1.95 acre property that is located in the unincorporated community of Thermal, and was tasked with managing the property. There is a total of 9 spaces on the property and those spaces are leased out to 9 low income families that own their own mobile homes. This project has provided affordable housing to low and very low-income households and will continue to be made available to low income households in perpetuity. Rental receipts will cover the administrative expenses.

2021-2022 BUDGET	
REVENUES	
Rental Income	32,400
TOTAL REVENUES	32,400
EXPENSES	
Payroll, Benefits & Taxes	9,688
Worker's Compensation	149
Administrative Sundry	748
Office Rent	456
Utilities	583
Operations and Maintenance - Materials	1,000
Operations and Maintenance - Services	12,169
Trash	1,391
Operational Reserves	6,216
TOTAL EXPENSES	32,400
NET GAIN (LOSS)	-



COACHELLA SUCCESSOR AGENCY (CSA)

On June 4, 2013, the HACR Board of Commissioners accepted, through a Memorandum of Understanding, the responsibilities for performing all activities as the successor to the redevelopment housing functions for the former Coachella Redevelopment Agency. On February 19, 2014, Governor Brown signed AB 471, which provides an administrative cost allowance for all qualified housing successor agencies that assumed the housing functions of dissolved redevelopment agencies. Hence, the allowance of \$150,000 will cover any administrative costs associated with disbursing bond proceeds for housing development activities identified in the Recognized Obligation Payment Schedule (ROPS), approved by the Oversight Board and the State of California Department of Finance. Fiscal Year 2018-2019 was the last year to collect this allowance.

The City of Coachella transferred to the HACR all bond proceeds and assets related to wind down activities identified in the ROPS approved by the California Department of Finance. While HACR will be responsible for drawing down the bond funds for development activities, the City will continue the tasks of paying the debt service and reporting on continuing disclosures.

2021-2022 BUDGET			
	Administrative Fund	Bond Fund	Total
REVENUES			
Miscellaneous	82,647	-	82,647
Bond Proceeds	-	264,398	264,398
TOTAL REVENUES	82,647	264,398	347,045
EXPENSES			
Administrative Salaries&Benefits	63,017	-	63,017
Worker's Compensation	966	-	966
Office Rent	9,194	-	9,194
Administrative Sundry	2,354	-	2,354
Project Costs	-	264,398	264,398
Operations Reserve	7,116	-	7,116
TOTAL EXPENSES	82,647	264,398	347,045
NET GAIN (LOSS)	-	-	-



RIVERSIDE COMMUNITY HOUSING CORP. (RCHC)

On January 7, 1992, the HACR's Board of Commissioners adopted a resolution that authorized the creation of the RCHC. The RCHC was established as an affiliate and blended component unit of the HACR for the purpose of financing, acquiring, developing, rehabilitating, owning, managing, and selling affordable housing in Riverside County for persons of extremely low, low and moderate income and to access certain state and federal programs available to non-profit corporations. RCHC was inactive subsequent to its incorporation in 1992. On July 1, 2014, the HACR Board of Commissioners adopted another resolution to authorize the activation of RCHC and commencement of its corporate operations.

RCHC received Emergency Solutions Grant funds passed through from the HHPWS to provide housing relocation and stabilization services including housing search and placement; landlord mediation; security and/or utility deposits; the provision of short-term or medium-term rental assistance and utility payments; and housing case management.

In Fiscal Year 2017, the RCHC received 469 units of affordable housing that were transferred from the HACR through HUD's Rental Assistance Demonstration (RAD) Program. RAD is a voluntary program of HUD, which seeks to preserve public housing by providing public housing agencies with access to more stable funding to make needed improvements to properties. The first component of the RAD program, project-based vouchers allows projects funded under the Public Housing Program to convert their assistance to long-term, project-based Section 8 rental assistance contracts, which will pass through the HACR. HUD considers RAD to be a central part of its rental housing preservation strategy to stimulate efficiency, and build resilient, steady communities. After receiving HUD's approval for Commitments for Entering into a Housing Assistance Payment (CHAPs), the HACR submitted its financial plan, and completed all requirements to receive HUD's final approval through RAD Conversion Commitments.



RIVERSIDE COMMUNITY HOUSING CORP. (RCHC)

In September 13, 2016, RCHC entered into an assignment and assumption agreement with Rancho Housing Alliance, Inc. to accept all rights and obligations regarding 35 housing units in Desert Hot Springs and Cathedral City and one single-family rental home in Blythe. RCHC was identified as a qualified entity capable of managing these properties for the duration of the required 55-year affordability period. Funds from the Neighborhood Stabilization Program in the amount of \$500,000 were loaned to RCHC to fulfill obligations for acquisition and rehabilitation of these properties and funding of a three-year capital reserve account. RCHC contracted with Riverside Housing Development Corporation to handle property management.

On October 2, 2019 Perris Park, LLC acquired Perris Park Apartments, an 80 unit apartment community in the City of Perris. Perris Park LLC's sole member is Riverside Community Housing Corp. (RCHC) and serves as an affiliate of the Housing Authority of the County of Riverside. To facilitate the transaction Perris Park, LLC received an acquisition loan from Banner Bank in the amount of \$2,100,000. The intent is for RCHC to rehabilitate the property and preserve this existing affordable housing development as an affordable housing development for Riverside residents with the start of construction in the spring of 2022. The Housing Authority provided a pre-development financing related to the project and will be repaid when the property is transferred to the tax credit limited partnership.



RIVERSIDE COMMUNITY HOUSING CORP. (RCHC)

2021-2022 BUDGET													
	Rental Assistance Demonstration												
	East & West Properties	Midway Properties	Desert Properties										
	RCHC	RHDC	RAD RHDC										
	Moreno Valley, Gloria,Dracaea, Eldorado, Scattered Sites, Beaumont, Banning Thermal, Mecca	Broadway,Fairview, Midway, Idyllwild	Desert Hot Springs, Cathedral City, Indio	NSP Properties	Mountain View	Perris Park Apartments					Emergency Solutions Grant- COVID19 CARES Act	Total	
REVENUES													
Rental Income	1,418,297	447,968	359,082	247,488	42,035	455,146	-	2,970,017					
RAD Income	1,876,210	520,141	405,677	8,196	-	446,350	-	3,256,575					
Grants	-	-	-	-	-	-	295,000	295,000					
Laundry Income	36,916	-	6,851	385	-	-	-	44,152					
Miscellaneous	10,521	302	4,218	8,447	-	9,440	-	32,928					
Interest Income	-	206	69	78	-	-	-	353					
TOTAL REVENUES	3,341,945	968,617	775,898	264,594	42,035	910,936	295,000	6,599,024					
EXPENSES													
Property Management Fee	-	64,512	51,072	25,823	-	39,552	-	180,959					
Asset Management Fee	-	-	-	-	-	12,000	-	12,000					
Payroll, Benefits & Taxes-Administrative	1,307,611	-	-	-	-	-	-	1,307,611					
Payroll, Benefits & Taxes-Property Management	-	46,104	66,964	26,208	-	104,384	-	243,660					
Workers Compensation	21,929	4,825	102	-	-	-	-	26,856					
Legal	13,323	6,440	6,638	4,407	-	-	-	30,808					
Training	5,000	-	-	-	-	1,500	-	6,500					
Auditing	11,030	3,616	2,826	-	-	5,500	-	22,972					
Office Rent/Storage	15,038	-	-	-	-	-	-	15,038					
Management & Bookkeeping Fees	344,533	-	-	-	-	-	-	344,533					
Administrative Sundry	81,459	27,205	44,124	4,569	8,897	7,475	5,000	178,727					
Computer Services (RCIT-County & TenMast)	107,244	-	-	-	-	-	-	107,244					
Utilities	319,563	147,966	158,058	16,844	-	118,200	-	760,631					
Payroll, Benefits & Taxes-Maintenance	-	116,481	-	-	-	-	-	116,481					
Payroll, Benefits & Taxes-Prop Mgmt/Maintenance	-	58,472	44,297	25,380	-	-	-	128,149					
Operations and Maintenance - Materials	257,673	-	-	-	-	28,500	-	286,173					
Operations and Maintenance - Services	306,260	171,432	168,383	78,846	-	73,600	-	798,520					
Trash	111,714	47,802	54,969	9,414	-	25,700	-	249,599					
Insurance	326,912	99,675	78,437	13,649	33,138	28,365	-	580,176					
Housing Assistance Payments	-	-	-	-	-	-	290,000	290,000					
Other General Expense	3,978	13,234	29,390	15,799	-	257,025	-	319,425					
Replacement Reserves	87,900	28,800	22,800	10,500	-	32,000	-	182,000					
Operational Reserves	20,778	132,053	47,838	33,155	-	177,135	-	410,960					
TOTAL EXPENSES	3,341,945	968,617	775,898	264,594	42,035	910,936	295,000	6,599,024					
NET GAIN (LOSS)	-	-	-	-	-	-	-	-					



Cost Allocations

THE HOUSING AUTHORITY (HACR)

The formulas and methodology adopted by the HACR present sensible accounts of how direct and indirect costs are allocated to different funding sources. Budgetary allocations for each program may change during the fiscal cycle depending on funding availability and changes in expense categories.

The basis of allocation was formed by the following conditions:

1. All allowable costs that can be charged directly to the funding stream are identified in the appropriate budgetary line.
2. Allowable costs that are identified as benefiting more than one program are prorated based on the benefits derived from the activities that the costs are attributed to.
3. All other general costs that cannot be identified to a specific program are allocated using a base that results in the most reasonable and equitable distribution.

Cost methodologies:

1. Compensation for Personnel Services: Supported by timesheets, salaries for all employees are charged directly to the program for which work has been done. If an employee works on two or more programs, his/her total salaries and benefits are allocated between affected programs in the ratio of time worked.
2. Rent: Costs of maintaining the Administrative Building (i.e. utilities and trash; maintenance and repair; custodial; office supplies and general expenses; and materials and services) are captured and shared based on the square footage for the programs whose funding sources allow for rental expenses, which include:
 - a. Section 8 Program
 - b. Rental Assistance Demonstration Program
 - c. Central Office Cost Center
 - d. Housing Successor Agency
 - e. Grant Programs: HOME, NSP, CDBG, and HOPWA
 - f. RCHC
 - g. Workforce Development Center
3. Utilities: Other utility costs not related to the Administrative Building are directly charged to the programs that benefit from them, including public housing sites, bond units, and the senior center.



HACR COST ALLOCATION (CON'T)

4. Telephone: Communication costs not related to the Administrative Building are charged directly to the particular program where applicable.
5. Maintenance and Repair: Charges for maintenance and repair are charged directly to the program that incurs such cost.
6. Equipment Purchase: Equipment, which includes tangible, nonexpendable property having a useful life of more than one year and an acquisition cost of \$5,000 or more, are charged directly to the program that incurs such cost.
7. Office Supplies: These costs are charged directly to the individual programs that incur the expenses.
8. Consultants, Professional Services, Legal Expenses: These costs are charged directly to the programs that incur the expenses.
9. Audit Costs: These services are allocated based upon the current budgeted expenses of the programs that allow such expenses, which include:
 - a. Central Office Cost Center
 - b. Housing Successor Agency
 - c. Section 8 Program
 - d. Rental Assistance Demonstration (RAD) Program
 - e. Grant Programs (per contract)
 - f. Bond-Funded and other Affordable Housing Projects
10. Insurance Cost: Premiums are paid directly by the programs based on their proportionate share of premium commensurate with operational exposure and property values as determined by the County of Riverside's Risk Management Department. Claims are charged directly to the program that incurred the loss.
11. Information Technology: Information system expenses are allocated based on the number of Microsoft Licenses assigned to employees for each program that allow such expenses.



HACR COST ALLOCATION (CON'T)

12. Management Fees and Bookkeeping Fees: The Department of Housing and Urban Development (HUD) issued formal guidance identifying asset management activities, and granted the right for a Public Housing Authority's Central Office Cost Center to establish and charge administrative work to other programs based on The Financial Management Division's 80th percentile management fees limit. As such, HACR's property management fee cap of \$90.49 for Calendar Year 2021 is based on the Los Angeles Field Office's threshold.

The Section 8 Program's management fee is the higher of either 20% of annual administrative fee or \$12 per unit month cost based on number of vouchers leased. The maximum bookkeeping fee allowable by HUD is up to \$7.50 based on the number of leased units.

COUNTY-WIDE COST ALLOCATION PLAN (COWCAP) FY 2020-2021

The COWCAP identifies and distributes the costs of services provided by support/centralized departments (such as ACO, Treasury, EO, etc.) to county departments. This plan is approved by the State Controller's Office.

Please refer to the following pages for a copy of the plan.

