

Fiscal Year 2017-2018



SAHA | SAN ANTONIO
HOUSING AUTHORITY
Opportunity Lives Here

SAHA Board of Commissioners

June 1, 2017

Agenda

I. Background

- A. SAHA Significant Accomplishments in FY 2016-2017
- B. Guiding Principles and Strategic Plan Alignment
- C. Key Agency Budget Priorities

II. Funding Environment

- A. Who We Serve
- B. Federal Funding Trend

III. SAHA FY 2017-2018 Budget

- A. FY 2017-2018 Consolidated Budget - Revenues and Expenses
- B. MTW Uses
- C. SAHA Staffing Count and Organizational Chart
- D. Agency Goals and Priorities

SAHA and Partner FY 16-17 Accomplishments

- ▶ **Celebrated the opening of the first phase of East Meadows Apartments**, part of the community-wide revitalization effort enhancing the Eastside of San Antonio with a sustainable mixed-income neighborhood.
- ▶ **Partnered with Workforce Solutions Alamo and Alamo Colleges to introduce the Workforce on Wheels (WOW Bus)**, a new mobile application center that helps people in the community find and apply for jobs, get training, gain work certifications, or apply to college and request financial aid.
- ▶ **Received 18 Awards of Merit** from the National Association of Housing and Redevelopment Officials (NAHRO) for various innovative programs and initiatives.
- ▶ **Raised nearly \$10,000 at the Education Investment Foundation Benefit Show & Art Auction**, with the proceeds benefiting young SAHA residents through college scholarships and academic incentive awards
- ▶ **Presented more than 200 R.E.A.C.H. (Rewarding Educational Achievement, Cultivating Hope) Awards** to SAHA students for achieving Perfect Attendance and/or A-B Honor Roll. In addition, 43 SAHA youth received college scholarships.
- ▶ **Voted to accept \$1.5 million in tax increment funding from the City of San Antonio**, which will be used for public improvements such as utilities, streets, and sidewalks at the Victoria Commons area southeast of downtown. City Council will vote on it in August.

Budget Guiding Principles & Goals

I. Budget Guiding Principles

- Improve Quality of Life for Residents
- Preserve and Expand Affordable Housing
- Strengthen SAHA's basic internal services, systems and staff capacity

II. Goals Consistent with Strategic Plan:

- 1) Empower and equip families to improve their quality of life and achieve economic stability.
- 2) Invest in our greatest resource -our employees- and establish a track record for integrity, accountability, collaboration and strong customer service.
- 3) Preserve and improve existing affordable housing resources and opportunities.
- 4) Strategically expand the supply of affordable housing.
- 5) Transform core operations to be a high performing and financially strong organization.
- 6) Develop a local and national reputation for being an effective leader, partner, and advocate for affordable housing and its residents.

Key Agency Budget Priorities

- **Operations:** Focus on operational excellence, High performer
- **Choice Neighborhood:** Full implementation of People, Neighborhood, and Housing goals
- **Moving to Work:** Focus on client success and people outcomes
- **5-year Asset Management Plan** for capital improvements and new construction
- **Public Scorecard** for SAHA strategic plan

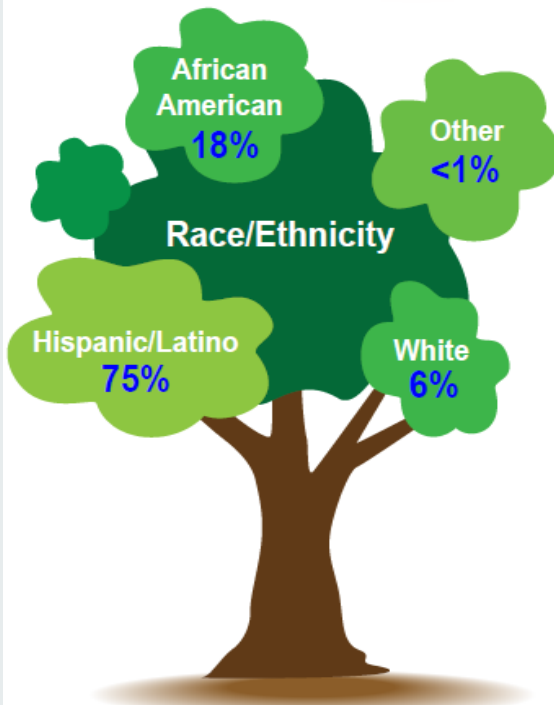
Who We Serve

97% occupancy in Public Housing, and **96%** of vouchers are assisting families.

Nearly **25%** of San Antonio renters spend more than half of their income on housing.

65,000
individuals housed,
including
33,000
children

50,657
Households
on the waiting list



97% of families served are very low income (50% of area median income and below)

Over **53%** of households live on a fixed income and are elderly and/or disabled

Nearly **51%** of families include children

Average income of **\$12,310** (average San Antonio family makes \$61,459)

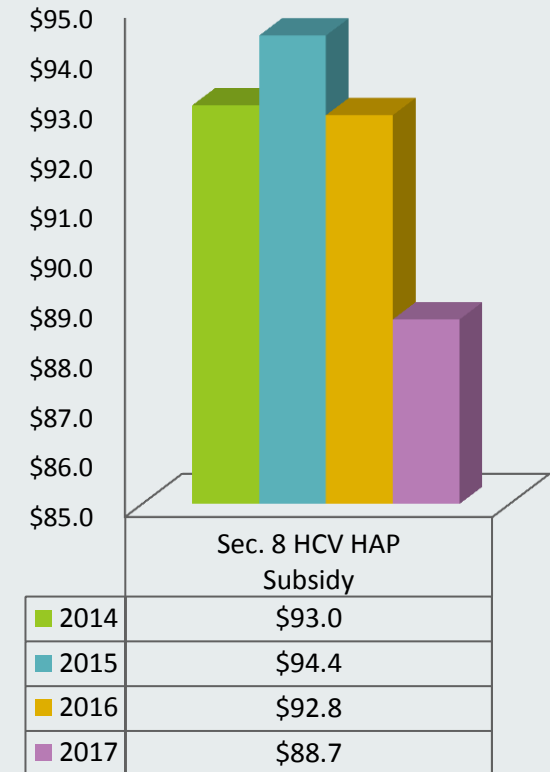
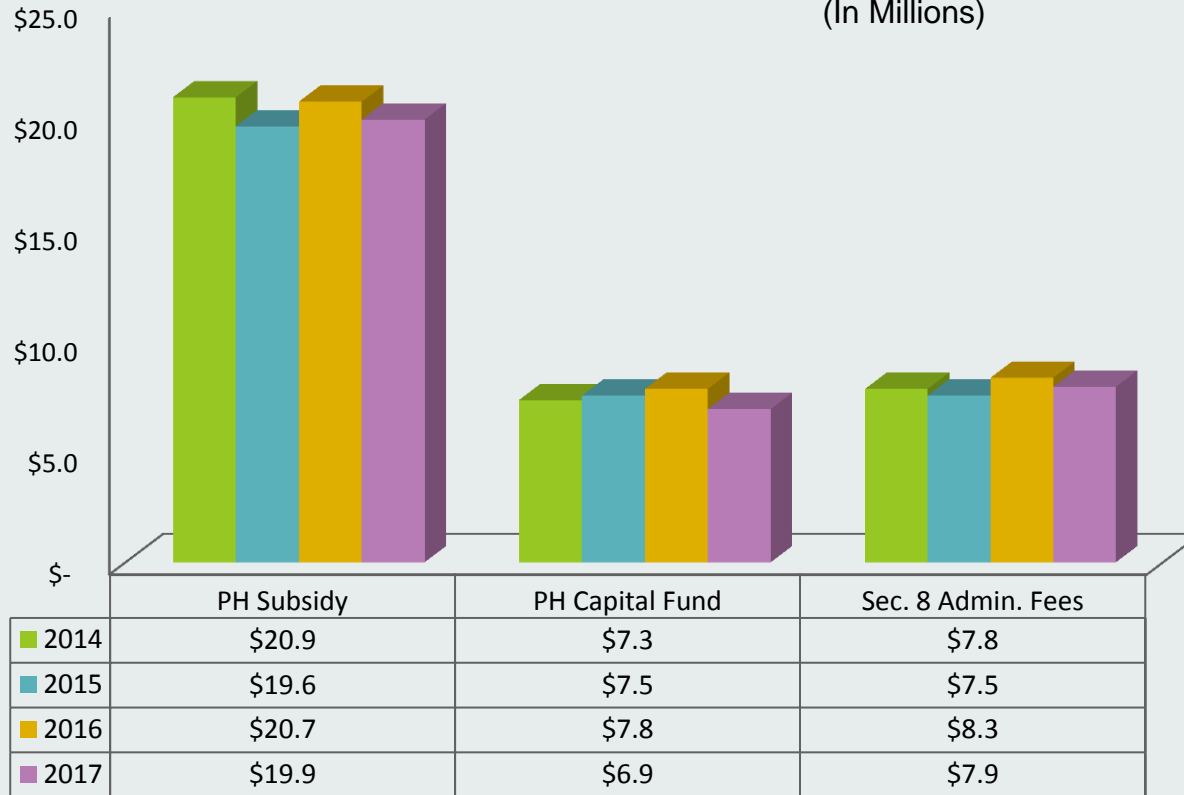
Households pay an average of **\$237** a month in rent

1,144
Families and individuals served through homeless programs with supportive services

Federal Funding Trend

2017 HUD CY Program Funding

(In Millions)



Percentage Change
2017 vs 2016

-3.86%

-11.54%

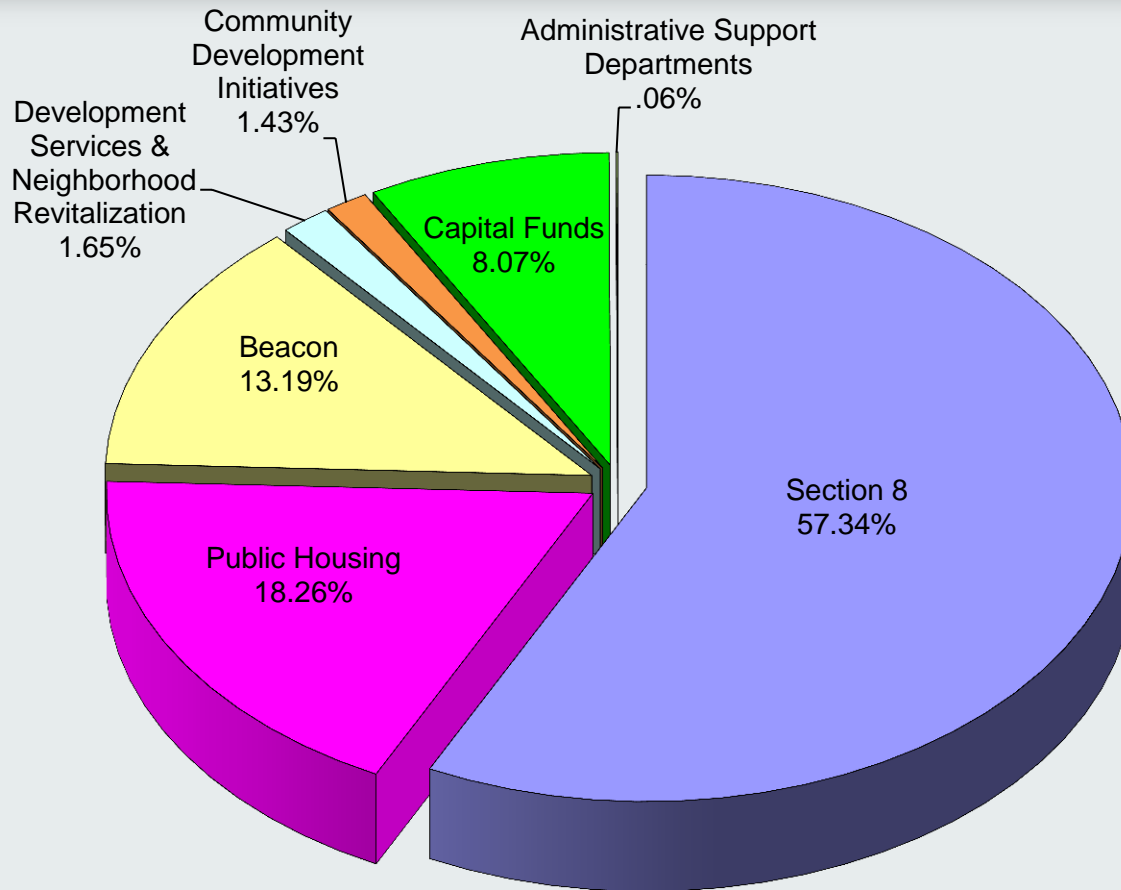
-4.82%

-4.42%

- Sec. 8 Housing Choice Voucher information indicated above does not include any Sec. 8 special programs
- Sec. 8 Housing Choice Voucher proration was 101% in 2015 , 99% in 2016 and 95% in 2017

FY 2018 Consolidated Revenue (Sources)

\$ 176 Million



Line of Business	Projected Revenue (Mil) \$176
■ Section 8 (HAP & Admin. Fee)	\$100.9
■ Public Housing	\$ 32.1
■ Beacon	\$ 23.2
■ DSNR	\$ 3.0
■ Community Initiatives	\$ 2.5
■ Capital Funds	\$ 14.2
■ Administrative Support Departments	\$ 0.10

- Revenue above reflects Fiscal Year funding as opposed to Slide 7, which reflects HUD Calendar Year funding
- Section 8 Revenue includes all special programs
- Capital Funds include CFP and Choice Neighborhood Implementation Grant

FY 2018 Consolidated Revenue Trend

Projected revenue in FY 2018 will decrease by \$ 8 Million

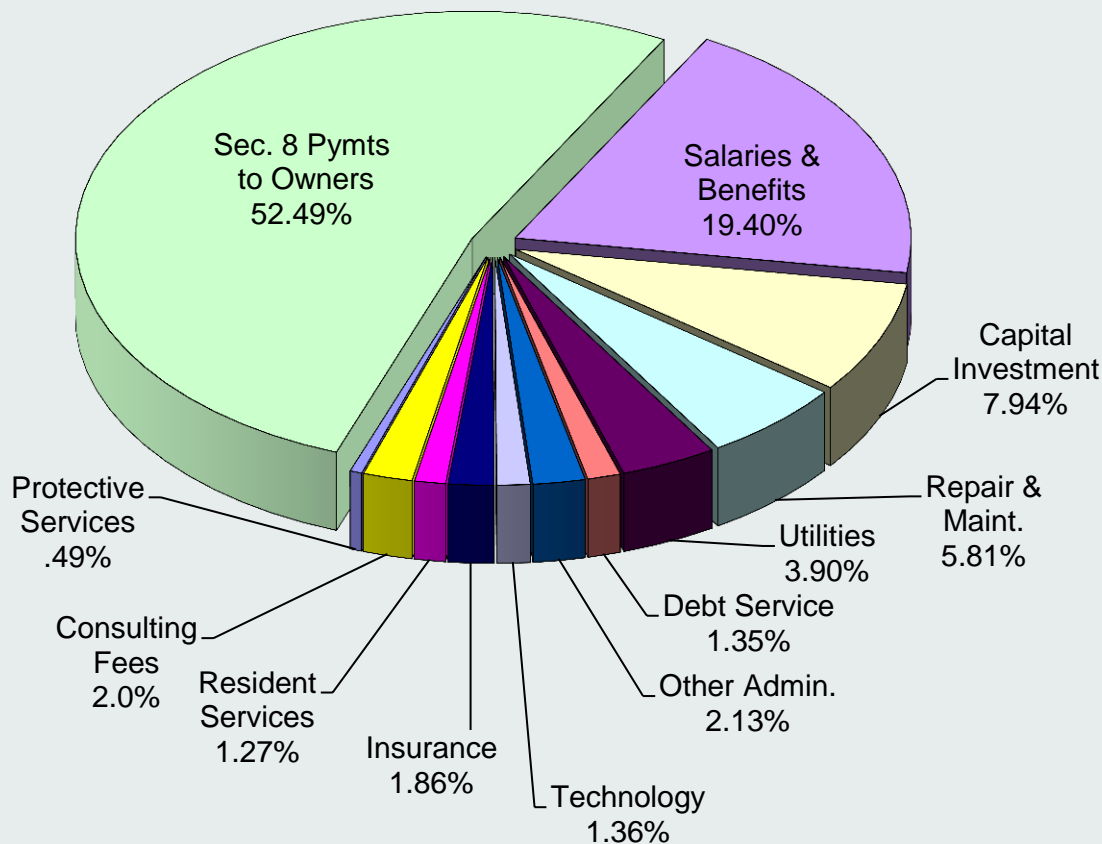
Description	FYE 6/30/16	FYE 6/30/16	FYE 6/30/17	FYE 6/30/18	Variance
	Actual	Budget	Budget	Budget	2018 Budget vs 2017 Budget Increase/ (Decrease)
Rental Revenue	\$ 28.7	\$ 29.6	\$ 31.4	\$ 31.9	\$ 0.5
Grant Revenue					
Section 8 - HAP	100.1	96.5	96.3	92.4	(3.9)
Section 8 - Admin.	9.0	7.7	8.6	8.4	(0.2)
Operating Subsidy	19.9	19.6	20.1	19.7	(0.4)
Capital Grants ¹	14.9	27.9	19.9	14.2	(5.7)
Other Grants	3.7	4.5	3.2	4.8	1.6
Total Grant Revenue	\$ 147.6	\$ 156.2	\$ 148.1	\$ 139.5	\$ (8.6)
Other Revenue ²	5.9	4.8	4.5	4.6	0.1
Total Revenue	\$ 182.2	\$ 190.6	\$ 184.0	\$ 176.0	\$ (8.0)

¹ Capital Grants include CFP and the Choice Neighborhood Implementation Grant

² Includes such Revenue as Lease Payments, Cash Donations, Compliance Monitoring Fees, Other Income, Deposit Forfeitures and Interest Income.

FY 2018 Consolidated Uses of Funds

\$ 176 Million



Budget	Projected Expenses (Mil)
Sec. 8 Pymts to Owners	\$92.39
Salaries & Benefits	\$34.16
Capital Investment	\$13.97
Repair & Maint. (Non-Capital)	\$10.23
Utilities	\$6.85
Debt Service Interest	\$2.38
Admin. & Other*	\$3.74
Technology	\$2.38
Insurance	\$3.27
Resident Services	\$2.24
Consulting Fees	\$3.53
Protective Services	\$0.86

* Includes expenses such as audit, postage, office supplies, dues and fees, advertising, legal fees, training, travel, etc.

FY 2018 Consolidated Expense Trend

Description	FYE 6/30/16	FYE 6/30/16	FYE 6/30/17	FYE 6/30/18	Variance
	Actual	Budget	Budget	Budget	2017 Budget vs 2016 Budget Increase/ (Decrease)
Sec. 8 Pymts to Owners	\$82.5	\$96.5	\$96.1	\$92.4	(\$3.7)
Salaries & Benefits	31.0	34.2	33.7	34.2	0.5
Technology ¹	1.7	1.9	1.9	2.4	0.5
Admin. and Other ²	3.5	3.2	3.6	3.7	0.1
Consulting Fees ³	3.8	5.6	2.8	3.5	0.7
Utilities	6.8	6.7	6.8	6.8	0.0
Resident Services	1.3	1.8	1.6	2.2	0.6
Repair & Maintenance	12.9	10.9	10.3	10.2	(0.1)
Insurance	2.3	2.4	2.3	3.3	1.0
Protective Services	0.9	0.9	1.0	0.9	(0.1)
Debt Service Interest	3.0	2.8	2.5	2.4	(0.1)
Capital Investment	17.2	23.7	21.4	14.0	(7.4)
Total Expenses	\$ 166.9	\$ 190.6	\$ 184.0	\$ 176.0	\$ (8.0)

¹ Includes IT telephone, technology/licensing costs and internet.

² Includes expenses such as audit, postage, office supplies, dues and fees, advertising, legal fees, training, travel, etc.

³ Includes \$1.9 million for the Capital Grants

Consolidated Budget

By Line of Business (Millions)

Balanced Budget

Description	Public Housing Budget	Section 8 Budget	Beacon Budget	Real Estate Budget	Central Office Budget	CDI/MTW Initiatives Budget	Subtotal
OPERATING REVENUE	\$ 31.7	\$ 100.9	\$ 23.3	\$ 2.0	\$ 1.1	\$ 2.5	\$ 161.5
OPERATING EXPENSE	25.7	99.2	13.6	1.7	11.7	3.9	155.8
OPERATING INCOME	\$ 6.0	\$ 1.7	\$ 9.7	\$ 0.3	\$ (10.6)	\$ (1.4)	\$ 5.7
INTEREST INCOME	\$ 0.4	0.0	0.2	0.9	0.0	0.0	1.5
NON-OPERATING INCOME & EXPENSES*	(6.6)	(3.1)	(5.0)	(0.2)	9.5	0.1	(5.3)
NET SURPLUS or (DEFICIT)	\$ (0.2)	\$ (1.4)	\$ 4.9	\$ 1.0	\$ (1.1)	\$ (1.3)	\$ 1.9

* Management Fee and Interest Expense are the primary sources of the listed Non-Operating Expenses, but also includes Replacement/Extraordinary Items

Uses of SAHA MTW Funds

Preservation and Expansion of Affordable and Public Housing

Priority	Purpose	MTW Goal	Amount (in Mil)
Section 8	To enable Section 8 to continue to serve residents after continued funding cuts	Strategic Goal # 4 - Strategically expand the supply of affordable housing.	\$1.4
Community Development Initiatives	<p>Program administration and implementation of MTW strategic goals:</p> <ul style="list-style-type: none"> Recruit and maintain the number of participants in the PH/HCV FSS, Jobs Plus and the Earned Income Disregard (EID) to over 1,600 participants Ensure over 650 or 40% participants secure/maintain employment; Enroll and/or complete 480/30% into training/education Support Staff to host over 250 community events Host 12 Early Engagement Sessions and serve over 2,000 residents Provide more than 3000 referrals for services to residents on a monthly basis 	Strategic Goal # 1 - Empower and equip families to improve their quality of life and achieve economic stability.	\$1.1
Preservation and Expansion of Affordable and Public Housing	Choice implementation matching grant for Wheatley Courts transformation.	Strategic Goal # 4 - Strategically expand the supply of affordable housing.	\$5.0
	Development of Chavez Multifamily Property		\$8.5
	Capital Planning		\$0.4
	Funding for the Rehabilitation of Victoria Plaza		\$10.0
	Additional Funding for East Meadows Development		\$0.6
Preservation and expansion of affordable and public housing	\$7.2		
Total Proposed Use of SAHA MTW Funds			\$34.2

SAHA Personnel Count

	2017 Budgeted Positions	2018 Budgeted Positions	Personnel Distribution by Department
Public Housing	199	189	39%
Section 8 & Special Programs	90	89	18%
Community Development Initiatives	42	51 ¹	10%
Beacon	36	38	8%
Real Estate Services	20	13 ²	3%
Management & Administrative Support (COCC)			
Property Management	16	13	3%
Other Management & Administrative Support	107	96 ³	20%
Total	510	489	100%

Public Safety/Security (Full-Time Equivalents)

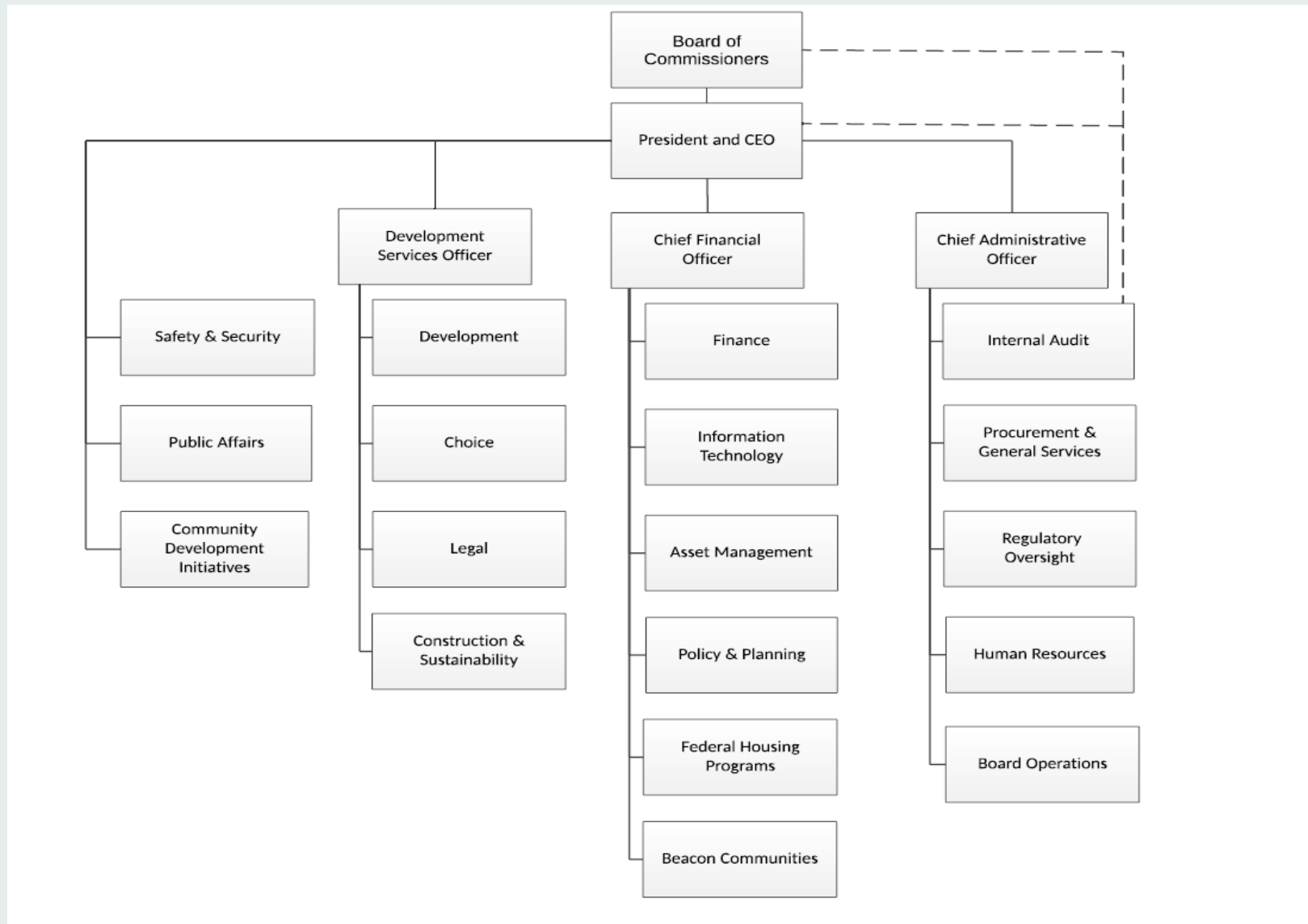
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¹ Includes 35 grant-funded positions for the Jobs Plus, ROSS, Annie E. Casey Foundation, Family Self Sufficiency, HPOG, Endowment, ConnectHome and Choice Implementation Grants

² Includes 1 grant-funded position for the Choice Implementation Grant

³ Includes 1/2 grant-funded position for the Chocie Implementation Grant

SAHA Organizational Structure



Goals for Section 8

Empower and equip families to improve their quality of life and achieve economic stability

- Increase current FSS enrollment by 30% by marketing the FSS program to new and existing HCV program participants (June 2018)
- Employ a minimum of 5 youths from the Summer Youth Employment Program (September 2017)
- Implement a Payment Standard schedule based on Small Area Fair Market Rents (February 2018)

Invest in our greatest resource - our employees - and establish a track record for integrity, accountability, collaboration, and strong customer service

- Implement annual training curriculum comprised of monthly trainings to include: Fair Housing procedures; Violence Against Women Act procedures; trainings specific to each job position or workgroup; Housing Quality Standards training for inspectors; and separate customer service training tailored for operations staff and inspections staff (June 2018)

Preserve and improve existing affordable housing resources and opportunities

- Special Programs: Utilize vouchers/certificates at 95% or above (June 2018)
- CoC: Utilize funds at 100%, ensure inspection turnaround within 3 business days, and collaborate with partners to ensure maximum program utilization (June 2018)
- Maintain MTW HCV utilization above 100% (June 2018)
- Commit 36 project-based vouchers to Wheatley Phase II (June 2018)
- Perform all recertifications in a timely fashion within HUD guidelines (June 2018)

Transform core operations to be a high performing and financially strong organization

- Implement Landlord electronic submission of lease contracts through Adobe Sign (June 2017)
- Implement Batch Correspondence and eDocs in Elite (August 2017)
- Transition from paper to electronic participant files (June 2018)
- Investigate and implement a Participant Portal (June 2018)

Develop a local and national reputation for being an effective leader, partner, and advocate for affordable housing and its residents.

- Participate in the UPCS-V Inspection Demonstration Program (June 2018)

Goals for Public Housing

Empower and equip families to improve their quality of life and achieve economic stability

- With CDI, implement revised Working Family and Restorative Housing Pilot preferences by October 2018
- Present Bullying Classes at all Family and Elderly and Disabled properties by July 2018
- Provide voter outreach to all PH residents through July 2018
- Initiate Credit Building program by January 2018
- Provide Domestic Violence training at Family sites by July 2018
- With CDI & Incarnate Word Medical School, coordinate Family Health Fairs by July 2018

Invest in our greatest resource – our employees – and establish a track record for integrity, accountability, collaboration and strong customer service

- Build culture of excellent customer service by July 2018
- Achieve and maintain Public Housing Manager and Specialist certifications by January 2018
- Work Order Management - implement maintenance tech connectivity through smart phones for better work-order management by January 2018

Transform core operations to be a high performing and financially strong organization

- Performance Ratings - achieve high-performance ratings of 90% on Public Housing Assessment System by July 2018
- Occupancy Rates – Increase occupancy to 98% by January 2018
- Maintain rent delinquency below 3% through June 2018
- Make-Ready Goals - reduce make-ready turnaround time from 17 days to below 13 days by July 2018
- Reposition Scattered Sites by October 2017
- Reduce number of off-line units from 38 to fewer than 25 units by July 2018
- Batch-load Elite forms and become paperless by July 2018

Develop a local and national reputation for being an effective leader, partner, and advocate for affordable housing and its residents

- Produce training videos for maintenance staff to improve quality and consistency and to reduce costs by July 2018
- Introduce computer tablets for maintenance techs and train them for use in work order by January 2018
- Continue to expand ConnectHome through June 2018
- Train staff on Mental Health First Aid by July 2018
- Work with CDI to reduce school truancy by 2%
- Work with City Council offices and residents to complete Bond infrastructure improvements

Goals for Beacon Communities

Invest in our greatest resource - our employees and establish a track record for integrity, accountability, collaboration, and strong customer service

- Increase efforts to pursue training opportunities and foster a team environment.

Preserve and improve existing affordable housing resources and opportunities

- Aggressively pursue refinancing opportunities for reinvestment in capital improvements to improve the overall quality of properties.

Strategically expand the supply of affordable housing

- Increase the supply of affordable housing by planning the transfer of ownership of tax credit partnerships that are due to expire.

Transform core operations to be a high performing and financially strong organization

- Begin 5 year transition of contract managed communities into SAHA managed stock
- Increase occupancy to 96%. A commanding lead over the average market occupancy of 92%.

Goals for Real Estate Services

Empower and equip families to improve their quality of life and achieve economic stability

- HomeBuyer Readiness Program will graduate 75 individuals (June 2018)
- 10 HomeBuyer Readiness Graduates will purchase homes (June 2018)

Invest in our greatest resource - our employees - and establish track record for integrity, accountability, collaboration, and strong customer service

- Train Housing Counselor to use HUD approved data collection software (Dec. 2017)
- Establish SAHA as HUD Certified Counseling Agency (Dec. 2017)
- Certify 3 SAHA Staff as Housing Counselors (June 2018)
- Asst. Director: NAHRO/NeighborWorks America Community Revitalization & Development Certification (June 2018)

Strategically expand the supply of affordable housing

- Finalize Gap funding for Victoria Commons for Chavez at Labor St multi-family development (January 2018)
- Sale of the Sutton and Snowden Road tracts (July 2017)
- List 98 Artisan Park townhome lots for sale (Sept 2017)
- Locate new parcels for land banking (July 2018)
- Sell 4 homes and 2 lots from single family scattered site HOPE VI Springview portfolio (June 2018)
- Sell 12 single family homes in HOPE VI Mirasol - Blueridge (June 2018)
- Select General Contractor for new home development in HOPE VI Mirasol (May 2017) and Villas de Fortuna (March 2018)

Goals for Choice Neighborhood Implementation

Empower and equip families to improve their quality of life and achieve economic stability

- Neighborhood
 - Oversee completion of 9 rehabs of owner-occupied single family homes in EastPoint Choice (June 2018)
 - Award 7 grants for Business Facade Restoration (February 2018)
 - Complete the Samaritan Veterans Outreach and Transitional Center (September 2017)
 - Plant 200 trees in the Choice Neighborhood (August 2017)
 - Launch Urban Farm (December 2017)
- People
 - Transition residents from jobs to careers; increase household income by 20% from 8,604 to 10,325
 - Provide capacity development to ensure returning residents are successful tenants
 - Collect, analyze, adjust education strategies and meet all education metrics

Strategically expand the supply of affordable housing

- Neighborhood
 - In-fill Housing Strategy - secure 12 additional lots in Target Area I and/or II locations in the Choice footprint (June 2018)
- Housing
 - Substantially complete Wheatley Park Senior Living (December 2017)
 - Complete the Public Improvements project (October 2017)
 - Receive 9% tax credit award for East Meadows II (August 2017)
 - Obtain HUD approval and close mixed finance transaction for East Meadows II (March 2018)
 - Substantially lease-up East Meadows I (September 2017)
 - Adopt new SAHA Multi-family construction design standards (June 2018)

Goals for Construction Services & Sustainability

Preserve and improve existing affordable housing resources and opportunities

- Obligate Capital Fund 2016 Construction Projects by July 2017:
 - Hail damaged roof repair projects, basements, sprinkler designs
- Expend Capital Fund 2015 Construction Projects by April 2018:
 - H B Gonzalez, Charles Andrews
- Expend Capital Fund 2014 Construction Projects by July 2017:
 - Matt Garcia Offline Units, Charles Andrews, 24 Gus Garcia, Westway
- Obligate MTW Funds for Victoria Plaza Mod. construction by Oct. 2017
- Execute construction contract for Castle Point capital improvements project by end of Q1
- Solicit bids for 2017 PNA by end of Q1
- Earn BSAG Level 2 for 24 Gus Garcia Reconstruction and BSAG Level 1 for Charles Andrews capital improvements project
- Earn and maintain a “no-findings” result on internal audit of files
- HERS Rater certification for construction inspector staff
- Execute one construction contract for high-rise fire sprinkler projects at Fair Avenue and Villa Tranchese in Q2

Goals for Community Development Initiatives

To empower and equip families to improve their quality of life and achieve economic stability

- Improve quality of life for residents
 - Host 250 events; 6,000 participants
 - Recruit and maintain 30 resident councils

- Provide access to resources and non-SAHA programs
 - 1,500 households receive food assistance valued at \$100,000
 - 1,000 FSS/ROSS/Jobs Plus referrals for services
 - 40 college scholarships
 - 250 REACH Awards
 - 80 SYEP

- Improve resident capacity
 - FSS – maintain 1,200
 - Jobs Plus - increase Jobs Plus enrollment to: 450
 - FSS/Jobs Plus – 30% of households are in education/training
 - FSS/Jobs Plus – 40% of households are employed
 - Host 4 RC training sessions
 - Host 10 Early Engagement sessions with 2,000 participants

- Facilitate residents to achieve self sufficiency
 - Increase household income by 20% from 9,984 to 12,000

- Improve agency performance
 - Secure over \$1 million in grants
 - Raise \$100,000 for EIF

Goals for Administrative Departments

Asset Management

- Utilize \$10 million annual tax exempt bank qualified debt allocation to refinance 4 additional Beacon properties and utilize net loan proceeds to fund capital repairs per 5 year plan

Risk Management

- Provide staff training on Defensive Driving, OSHA, CPR, and First Aid and resident training on Fire, Safety, and Health issues

Procurement

- Develop and implement the new Procurement Policy and Procedures

Innovative Technology Services

- Implement new telephone system

Finance and Accounting

- In collaboration with IT, implement accounts payable automation software and the new web-based version of TimeClock Plus

Human Resources

- Reduce yearly turnover on a rolling calendar to 12% and reduce first year turnover (employees leaving within 365 days) to 10%.

Internal Audit

- Develop and implement the 2017-2018 Internal Audit Plan by July 1, 2017, based on a comprehensive risk assessment process

Legal

- Continue to provide training and work with staff in fair housing, reasonable accommodations, and evictions

Policy and Planning

- Work with external partners on key initiatives (AFFH, VIA, SA2020, SACorridors, Urban Renewal). Monitor National, State, and local legislation and policies and take appropriate action, especially around agency priorities

Public Affairs

- Roll out new communications policy to include guidelines for employee communications, media relations and social media use

Discussion