

**LOCATION: PER CA EXECUTIVE ORDER N-25-20, THIS MEETING WILL BE HELD BY TELECONFERENCE: 712-770-4598 / CODE 799287**

**PUBLIC MAY CALL IN TO 712-770-4598 / CODE 799287 TO PARTICIPATE BY TELEPHONE**

**TIME: 12:00 P.M.**

<b>12:00 PM</b>	<b>REGULAR MEETING</b>	<b>TELECONFERENCE</b>
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**CALL TO ORDER:** Chairman Jay C. Beck

**ROLL CALL:** Commissioners Beck, Boyer, Crotser, Gillett, Odenthal, Souza, Steinberg

**PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA** (not to exceed 15 minutes total)  
The Board welcomes your input. You may address the Board by completing a speaker slip and giving it to the staff clerk prior to the meeting. At this time, you may address the Board on items that are not on the agenda. Time limit is three minutes. State law does not allow the Board to discuss or take action on issues not on the agenda, except that members of the Board or staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights (Gov. Code Sec. 54954.2). Staff may be asked to follow up on such items.

**EXECUTIVE DIRECTOR REPORT**  
The Executive Director’s report is intended to brief the Commission on items, issues, key dates, etc., that do not require specific action, and are not “agendized” as separate items on the HASLO Commission Agenda.

**CONSENT AGENDA**  
A member of the public or a Commissioner may request the Board to pull an item for discussion, clarification, and/or separate action. Pulled items shall be heard at the close of the Consent Agenda unless a majority of the Board chooses another time. The public may comment on any and all items on the Consent Agenda with the three-minute time limit.  
All items on the Consent Agenda are adopted by one motion.  
**RECOMMENDED ACTION: Approve Consent Agenda Items as Presented**

- C1. MINUTES OF THE BOARD OF COMMISSIONERS REGULAR MEETING OF APRIL 16, 2020**  
Approve the Minutes of the Regular Board of Commissioners Meeting of April 16, 2020.
- C2. HOUSING CHOICE VOUCHER (SECTION 8)**
- C3. PROPERTY MANAGEMENT REPORTS**
- C4. FAMILY SELF-SUFFICIENCY & RESIDENT SERVICES PROGRAM REPORT**

**DISCUSSION ITEMS**

1. **ADMINISTRATIVE PLAN AMENDMENTS – MAINSTREAM VOUCHERS**

**RECOMMENDED ACTION:** Adopt Resolution 5 (2020 Series) Approving Amendments To The Housing Authority of San Luis Obispo’s Administrative Plan for the Award of 60 Mainstream Vouchers

2. **ELECTION OF COVID-19 WAIVERS OFFERED BY HUD**

**RECOMMENDED ACTION:** Adopt Resolution 6 (2020 Series) Approving the Housing Authority of San Luis Obispo’s Election Of COVID-19 Waivers in Accordance with PIH Notice 2020-05

3. **SECOND QUARTER FINANCIAL UPDATE**

4. **PURCHASE OF LIMITED PARTNER INTERESTS, Atascadero Senior and Del Rio Terrace Senior**  
Staff has been in communication with WNC, the limited partner at both Atascadero and Del Rio Terrace Senior Housing. Most of the tax benefits have been utilized by the limited partner and they are interested in exiting the partnership. Staff has made them a purchase offer which has been approved by WNC’s Investment Committee. While we expect that our affiliate Edna Islay Housing Corporation will be the actual purchaser of WNC’s interest, because HASLO is a lender on both properties, and because we anticipate HASLO may loan funds to EIHC for the purchase of WNC’s interest, we are seeking Commission approval. Details on the transaction, numbers and financing will be reviewed with the Commission.

**RECOMMENDED ACTION:** Adopt Resolution 7 (2020 Series) in HASLO’s capacity as lender approve Edna Islay Housing Corp as new limited partner at Atascadero and Del Rio Terrace Senior Housing, and authorize additional loan to Edna Islay Housing for the purpose of purchasing WNC’s limited partner interest in each property.

**ADJOURNMENT**

The next Regular Meeting will be held on June 18, 2020, at 12:00 p.m. at 487 Leff Street, San Luis Obispo.

**REQUIREMENTS OF THE BROWN ACT HAVE BEEN SATISFIED AS THIS NOTICE WAS POSTED AT 4:00 P.M. ON MAY 14, 2020, PRIOR TO THE 72-HOUR NOTICING REQUIREMENT.**



HASLO wishes to make all of its public meetings accessible to the public. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the Executive Director’s Assistant at (805) 594-5321 at least 48 hours before the meeting, if possible.

# D R A F T

## MINUTES

### HOUSING AUTHORITY OF THE CITY OF SAN LUIS OBISPO

April 16, 2020

#### CALL TO ORDER

The Regular Meeting of the Housing Authority of the City of San Luis Obispo was called to order on Thursday, April 16, at 12:00 p.m. by Chair Jay C. Beck. Per CA Executive Order N-25-20, the meeting was authorized to be held via teleconferencing and was made accessible to the public telephonically.

#### ROLL CALL

PRESENT: Commissioners Beck, Souza, Odenthal, Crotser, Steinberg

ABSENT: Commissioners Gillett, Boyer

STAFF: Scott Smith, Ken Litzinger, Elaine Archer, Sandra Bourbon, Michael Burke, and Vicky Connerley

#### PUBLIC COMMENT:

Members of the San Luis Obispo Nonprofit Housing Authority, Janet Kourakis and Linda Minton, attended the teleconference.

#### EXECUTIVE DIRECTOR'S REPORT:

Scott Smith, Executive Director, told the Board that Commissioner Boyer did not need to be sworn in again. The City now only requires an Advisory Body member to be sworn in when they first begin their term as long as their terms are consecutive.

Smith attended two meetings in Pismo Beach over the last 45 days regarding our senior housing project on a vacant lot on Shell Beach Road, formerly a gas station.

**12:04 P.M. Commissioner Gillett now present.**

The Planning Commission met in person at the end of February to have a conceptual hearing on the project. The Planning Commission voted unanimously in favor of the concept and requested the full application as soon as possible. At the April 8 virtual meeting, the Pismo Beach City Council was very supportive and voted to authorize the City Manager to enter into negotiations with HASLO to provide \$1 million.

WNC, the investor of Atascadero Senior Housing, has requested an offer to be bought out of the partnership in the next couple of weeks. Del Rio Terrace will also be coming to a point soon where WNC will want to exit.

Chair Beck asked about due diligence for the Shell Beach property. Has there been soil testing? We have a copy of the closure letter and the results from the previous developer. Michael Burke, Director of Construction and Development, said that this is nothing different from Moylan Terrace or 860 on the Wye which had a gas storage tank on it.

#### CONSENT AGENDA:

- C1. MINUTES OF THE BOARD OF COMMISSIONERS REGULAR MEETING OF MARCH 16, 2020**
- C2. HOUSING CHOICE VOUCHER (SECTION 8)**
- C3. PROPERTY MANAGEMENT REPORTS**
- C4. FAMILY SELF-SUFFICIENCY & RESIDENT SERVICES PROGRAM REPORT**
- C5. CONSTRUCTION AND DEVELOPMENT REPORT**

Chair Beck had questions/comments for the staff. For Ken Litzinger, Director of Finance, regarding the report on HCV funding analysis and HAP moving up, it appears we have strong reserves. Litzinger responded that per a telephone conversation with HUD, additional HAP funding is coming but no news on the amount.

Chair Beck complimented Sandra Bourbon, Director of Resident Services, on their work with the Food Bank and getting food to our households that need it.

**ACTION TAKEN:** A motion to approve all Consent Agenda items was made by Commissioner Gillett, seconded by Chair Beck, and unanimously approved.

### **DISCUSSION ITEM:**

**CORONAVIRUS** – As soon as we had a sense that there would be a Stay-at-Home order, Smith reached out to Wade Horton, County Administrator, who confirmed that HASLO is an essential business. None of our staff has reported being sick with COVID-19. Staff is working remotely or isolated at their desk. We are staggering schedules. We bought Surface Pros to assist our staff working from home. We are using GoToMeeting for our meetings. Special acknowledgement to all staff. Maintenance staff is on the front lines as well as Property Management and Construction staff. We are taking precautions and following guidelines with vendors as well. We are in the middle of the RAD project and that has been difficult. Staff has risen to the occasion. Contractors and the moving company are being responsible. Two of our projects are finishing construction, Halcyon Collective in Arroyo Grande, and Courtyard at the Meadows in San Luis Obispo. We are renting up those projects. Halcyon will be ready for occupancy in July and Courtyard will have two of four buildings ready in July. TCAC will accept DocuSign so signatures can be done remotely. Section 8 has over 2,000 clients. With incomes going down, HAP payments are increasing. Our HAP payments are going up to \$800 per client which is an historic high; we can't sustain that. We would have to freeze any new vouchers being given. Smith wants to do a PSA targeting landlords.

HUD expects \$400 million will be available to housing authorities to help with this but we don't know yet how to apply for that. HUD has broad authority to grant waivers for statutory requirements. HUD issued a 70-page waiver document. We are deciding which to implement. Most of the waivers are regarding getting an income certification; we can have them self-certify. We are using waivers cautiously. Annual audit is due for submittal by the end of June, but HUD as now extended that deadline due to Covid. It is time for our 5-year plan. Normally, it has to be submitted by July, but public meetings are required, so HUD has granted an extension.

Commissioner Steinberg offered congratulations to our staff regarding RAD.

Commissioner Steinberg said that the homeless shelter, 40 Prado, has not had one positive for COVID-19; they are taking temperatures of the residents.

Commissioner Gillett asked if staff had communicated with United Way. We have been letting our clients know what resources are available and we are bringing food to many of the properties. We are individually bagging for households and distributing. If a tenant is sick, we don't want it spreading to other tenants. Commissioner Steinberg suggested contacting Public Health if a client needs a test. She also mentioned that we could touch base with Dr. Penny Borenstein, County Public Health Director. Bourbon is using ReadySLO for resources and going out of her way to check in with residents. Commissioner Gillett said United Way offers help in getting people food and pharmaceutical supplies. Meals That Connect is being used by some residents. Commissioner Gillett emphasized that translations in Spanish are important.

Commissioner Gillett moved to adjourn, and Commissioner Souza seconded.

There being no further business, the meeting was adjourned at 12:51 p.m.

Respectfully submitted,

Scott Smith, Secretary

## **Executive Summary**

### **Housing Choice Vouchers (“Section 8”)**

- COVID-19 Related Actions:
  - All staff continue to work from home.
  - 260 interims were done in the month of April, many of them to reflect decreased income resulting from loss of employment related to COVID-19. This is almost twice as many interims as we would typically complete in a month.
  - HUD issued PIH 2020-05 to identify waivers and alternative requirements as established under the authority of the CARES Act as well as Secretary Carson’s finding that these waivers and alternative requirements are necessary for the safe and effective administration of the Public Housing and HCV programs, consistent with the purposes described under the CARES Act, to prevent, prepare for, and respond to COVID-19.
  - HUD has provided a chart to track the various waivers and alternative requirements. The attached chart shows each of the waivers, and the supporting regulatory details. The last two columns identify whether HASLO is implementing the waiver. The most significant waivers the HASLO is electing are:
    - HCV-1 - Annual Plan submission date by end of year or sooner.
    - HCV-2 - Annual Reexaminations – delayed submission – we do not believe that we will need to implement this waiver; currently we are able to stay current with the work due to the extraordinary efforts of staff while working remotely.
    - HCV-3 – Self Certification – currently we do not believe that we need to rely on self-certification of information provided on annual certifications except on a very limited basis.
    - HCV-4 – Interim Certifications – self-certification – we are implementing this waiver in order to promptly process decreases in income. We have accepted the statement from the participant about their employment or earnings under covid-19.
    - HQS-5 – Biennial inspections – delay as long as they are completed by October 31<sup>st</sup>. We are implementing this on a limited basis, if participants are not able to participate in an online inspection of their unit using a smart phone.
    - HQS-6 – Interim Examinations – HASLO will implement, though on a limited basis as we do not receive very many requests for a health and safety inspection due to unsafe living conditions.
    - HQS-9 – HQS QC Inspections – HASLO will implement the waiver to conduct Quality Control Inspections during the covid-19 shelter-at-home restrictions.
    - HCV-10 – FUP Participants – HASLO will implement the additional year of eligibility for Foster-Youth to provide them with a year additional access for rental assistance.

- Waiting List Lease-up Activity:
  - All of the remaining applicants from the 2018-Fall waiting list are in process to receive a voucher.

Year	Lottery Size	Leased-up	% Leased	Rent-in-Place % of Leased-up
2015	500	133	26%	did not track
2017	250	97	38%	28%
2018	500	203	40%	30%
2018-Fall	250	24	10%	to be analyzed

- Average Housing Assistant Payment (HAP) Analysis –
  - The attached monthly report of the factors affecting average HAP per voucher has been updated to include the RAD PBV vouchers.
  - A preliminary review of April 2020 data, reflecting COVID-19 income changes, shows that average income per family is declining 9% and average HAP increased by 4%.
- Mainstream Voucher Activity
  - We are up to 43 new voucher-holders leased up out of the award of 60 vouchers.
  - We continue to receive referrals; we anticipate that it may take longer than expected to lease up the vouchers during covid-19.
  - Agencies such as 5CHC and 40 Prado and TMHA have been able to achieve significant success with their clients with the addition of these vouchers to our community.
- FUP Voucher Activity
  - 3 new leases signed this month, for a total of 17 vouchers.
- Net voucher Activity for the year is shown in the chart below.
  - Annualized turnover of vouchers is showing a slight decline on a % basis given the recent addition of PBV-RAD vouchers, mainstream vouchers and Judson Terrace PBV vouchers.
  - Average family income had been increasing over the course of the last year, but has significantly declined with covid-19. The average income per family is down to the levels at the beginning of the year.
  - Average HAP per voucher has shown a related increase in cost with the decline in family income.

50058 Listing  
All Vouchers (HCV, RAD&PBV, VASH,FUP, Mainstream)  
Rolling 12 Month Detail

Year	Month	New Leases	End of Participation	Net
				Change/ Month
2019	May	14	-17	-3
2019	June	21	-28	-7
2019	July	18	-20	-2
2019	August	26	-14	12
2019	September	21	-24	-3
2019	October	129	-10	119
2019	November	57	-18	39
2019	December	12	-24	-12
2020	January	38	-18	20
2020	February	23	-13	10
2020	March	22	-20	2
2020	April	25	-19	6
<b>Totals for last 12 months</b>		<b>406</b>	<b>-225</b>	<b>181</b>
average change/month		34	-19	
annualized % turnover statistic			9.7%	

Distribution of Vouchers

- o The chart below shows the breakdown of unit type by program and breakdown of “regular vouchers” versus “special purpose vouchers.”
- o HUD requires that we track special purpose vouchers– VASH, FUP and Mainstream.
- o The average HAP/month for each voucher type is also reflected in the analysis showing that many of the special purpose vouchers do have lower costs, on average, due to the ability of our partners to make arrangements for shared housing.
- o We are starting to monitor the average HAP/voucher compared to pre-COVID-19 statistics.
- o Overall, almost every category of vouchers has experienced a significant increase in average HAP – the FUP voucher increase in cost is likely due to the increasing number of vouchers, rather than a change in the economic situation.

Vouchers, by Program Type  
Trend Analysis Report  
ad of 04/30/2020

HUD Ctrct	Maximum # Units	TOTAL Leased	# of Leased Participants, by voucher size						avg HAP Curr Mo	avg HAP pre-COVID	%	chge	Notes
			Studio	1 bd	2 bd	3 bd	4 bd	5 bd					
HCV & TPV	1,738	1,684	9	1,051	396	194	31	3	\$853	\$814	4.8%		
RAD	175	110	8	10	36	36	18	2	\$768	\$713	7.7%	(effective 10/1/19, vacant units for relocation)	
PBV	308	302	26	103	81	80	12		\$805	\$760	5.9%	(includes new award for Judson Terrace 11/1/19)	
	2,221	2,096											
VASH	201	145		120	15	8	2		\$740	\$684	8.2%		
PBV-VASH	25	20		19	1				\$724	\$726	-0.3%	(pending 4 new PBV-VASH at OP4)	
FUP	38	18		1	8	8	1		\$1,395	\$1,182	18.0%	new award effective 2/1/19	
Mainstream	60	43		39	1	2	1		\$809	\$758	6.7%	new award effective 1/1/20	
	324	226											
	2,545	2,322	43	1,343	538	328	65	5	\$840	\$796	5.5%		
distribution by voucher size			2%	58%	23%	14%	3%	0.2%					



## HASLO – Implementation of COVID-19 Waivers

Attachment: Summary of Public Housing and HCV Waivers and Alternative Requirements (Refer back to the Notice using the item code for a full description and more detailed information.)

This chart summarizes the waivers authorized under this notice and the availability period for each. As stated in Section 5, PHAs must keep written documentation on the waivers applied by the PHA as well as the effective dates. To fulfill those requirements, PHAs may but are not required to utilize the last two columns to record this information.

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
PH and HCV-1 PHA 5-Year and Annual Plan	<p><u>Statutory Authority</u> Section 5A(a)(1), Section 5A(b)(1), Section 5A(g), Section 5A(h)</p> <p><u>Regulatory Authority</u> § 903.5(a)(3), 903.5(b)(3), 903.21</p>	<ul style="list-style-type: none"> <li>Alternative dates for submission</li> <li>Changes to significant amendment process</li> </ul>	<ul style="list-style-type: none"> <li>Varies based on FYE</li> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Maybe</li> <li>Notes: Annual Plan due for HASLO y/e 09/30/2020</li> <li>HASLO's dates are RAB review by June/2020, to HUD by July 15<sup>th</sup></li> </ul>	April 10, 2020
PH and HCV-2 Family income and composition – delayed annual reexaminations	<p><u>Statutory Authority</u> Section 3(a)(1)</p> <p><u>Regulatory Authority</u> § 982.516(a)(1), § 960.257(a)</p>	<ul style="list-style-type: none"> <li>Permits the PHA to delay the annual reexamination of income and family composition</li> <li>HCV PHAs must implement HCV-7 for impacted families if they implement this waiver</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>May implement for a limited set of AR's</li> <li>Able to work remotely and by email/fax to verify all necessary information to complete the AR</li> </ul>	

HASLO – Implementation of COVID-19 Waivers

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
PH and HCV-3 Annual Reexamination Income Verification	<u>Regulatory Authority</u> § 5.233(a)(2)  <u>Sub-regulatory Guidance</u> PIH Notice 2018-18	<ul style="list-style-type: none"> <li>• Waives the requirements to use the income hierarchy, including the use of EIV, and will allow PHAs to consider self-certification as the highest form of income verification</li> <li>• PHAs that implement this waiver will be responsible for addressing material income discrepancies that may arise later</li> </ul>	<ul style="list-style-type: none"> <li>• 7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Yes, on a very limited basis, where verification cannot be obtained, will use self-certification</li> </ul>	4/10/2020
PH and HCV-4 Interim reexaminations	<u>Statutory Authority</u> Section 3(a)(1)  <u>Regulatory Authority</u> § 5.233(a)(2), 982.516(c)(2), 960.257(b) and (d)  <u>Sub-regulatory Guidance</u> PIH Notice 2018-18	<ul style="list-style-type: none"> <li>• Waives the requirement to use the income verification requirements, including the use of EIV, for interim reexaminations</li> </ul>	<ul style="list-style-type: none"> <li>• 7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• Need to ask staff whether they are still printing EIV for all interims</li> <li>• Taking the client notification of loss of income due to COVID-19 and then requesting follow-up verification</li> <li>• Write a note on the green interim cover sheet</li> </ul>	4/10/2020
PH and HCV-5 EIV System Monitoring	<u>Regulatory Authority</u> § 5.233  <u>Sub-regulatory Guidance</u> PIH Notice 2018-18	<ul style="list-style-type: none"> <li>• Waives the mandatory EIV monitoring requirements – Deceased Tenants, Identity Verification, Immigration, IVT, Multiple Subsidy and New Hires Reports</li> </ul>	<ul style="list-style-type: none"> <li>• 7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Not implemented</li> <li>• Assumed HUD still preparing monthly reports</li> </ul>	

**HASLO – Implementation of COVID-19 Waivers**

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
PH and HCV-6 FSS Contract of Participation	<u>Regulatory Authority</u> § 984.303(d)	<ul style="list-style-type: none"> <li>Provides for extensions to FSS contract of participation</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>FSS doesn't think they have anyone at risk right now</li> </ul>	
PH and HCV-7 Waiting List	<u>Regulatory Authority</u> § 982.206(a)(2) PIH Notice 2012-34	<ul style="list-style-type: none"> <li>Waives public notice requirements for opening and closing waiting list</li> <li>Requires alternative process</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> </ul>	
HQS-1 Initial inspection	<u>Statutory Authority</u> Section 8(o)(8)(A)(i), Section 8(o)(8)(C)  <u>Regulatory Authority</u> § 982.305(a), 982.305(b), 982.405	<ul style="list-style-type: none"> <li>Changes initial inspection requirements, allowing for owner certification that there are no life-threatening deficiencies</li> <li>Where self-certification was used, PHA must inspect the unit no later than October 31, 2020.</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> <li>10/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> <li>Since initial inspections are done in vacant units, inspection can still be completed safely</li> <li>If tenant in place, ask them to leave the unit during HQS</li> </ul>	
HQS-2: PBV Pre-HAP Contract Inspections, PHA acceptance of completed units	<u>Statutory Authority:</u> Section 8(o)(8)(A)  <u>Regulatory Authority:</u> §§ 983.301(b), 983.156(a)(1)	<ul style="list-style-type: none"> <li>Changes inspection requirements, allowing for owner certification that there are no life-threatening deficiencies</li> <li>Where self-certification was used, PHA must inspect the unit no later than October 31, 2020.</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> <li>10/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> <li>Since initial inspections are done in vacant units, inspection can still be completed safely</li> </ul>	

HASLO – Implementation of COVID-19 Waivers

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
HQS-3 Non-Life Threatening HQS - Initial Unit Approval	<u>Statutory Authority</u> Section 8(o)(8)(A)(ii)  <u>Regulatory Authority</u> HOTMA HCV Federal Register Notice January 18, 2017	<ul style="list-style-type: none"> <li>Allows for extension of up to 30 days for owner repairs of non-life threatening conditions</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> <li>Move-in contracts are not started until the unit passes inspection</li> </ul>	
HQS-4 Initial HQS - Alternative Inspections	<u>Statutory Authority</u> Section 8(o)(8)(A)(iii)  <u>Regulatory Authority</u> HOTMA HCV Federal Register Notice January 18, 2017	<ul style="list-style-type: none"> <li>Under Initial HQS Alternative Inspection Option - allows for commencement of assistance payments based on owner certification there are no life-threatening deficiencies</li> <li>Where self-certification was used, PHA must inspect the unit no later than October 31, 2020.</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> <li>10/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> <li>Option not previously implemented by HASLO as permitted by the regulations</li> </ul>	
HQS-5 Biennial Inspections	<u>Statutory Authority</u> Section 8(o)(D)  <u>Regulatory Authority</u> §§ 982.405(a), 983.103(d)	<ul style="list-style-type: none"> <li>Allows for delay in biennial inspections</li> <li>All delayed biennial inspections must be completed as soon as reasonably possible but by no later than October 31, 2020</li> </ul>	<ul style="list-style-type: none"> <li>10/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Yes, Implemented on a limited basis</li> <li>Virtual inspection with an additional smart phone</li> <li>Tracking those that are delayed if requested by participant</li> </ul>	04/16/2020

**HASLO – Implementation of COVID-19 Waivers**

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
HQS-6 Interim Inspections	<u>Statutory Authority</u> Section 8(o)(8)(F)  <u>Regulatory Authority</u> §§ 982.405(g), § 983.103(e)	<ul style="list-style-type: none"> <li>• Waives the requirement for the PHA to conduct interim inspection and requires alternative method</li> <li>• Allows for repairs to be verified by alternative methods</li> </ul>	<ul style="list-style-type: none"> <li>• 7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Yes</b></li> <li>• HASLO receives very few such requests</li> </ul>	4/13/20
HQS-7 PBV Turnover Inspections	<u>Regulatory Authority</u> § 983.103(c)	<ul style="list-style-type: none"> <li>• Allows for PBV turnover units to be filled based on owner certification there are no life-threatening deficiencies</li> <li>• Allows for delayed full HQS inspection</li> </ul>	<ul style="list-style-type: none"> <li>• 7/31/20</li> <li>• 10/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Not implemented</li> <li>• Since initial inspections are done in vacant units, inspection can still be completed safely</li> </ul>	
HQS-8: PBV HAP Contract – HQS Inspections to Add or Substitute Units	<u>Statutory Authority</u> Section 8(o)(8)(A)  <u>Regulatory Authority</u> §§ 983.207(a), 983.207(b)	<ul style="list-style-type: none"> <li>• Allows for PBV units to be added or substituted in the HAP contract based on owner certification there are no life-threatening deficiencies</li> <li>• Allows for delayed full HQS inspection</li> </ul>	<ul style="list-style-type: none"> <li>• 7/31/20</li> <li>• 10/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Not implemented</li> <li>• HASLO does not anticipate any changes in added or substituted units at this time</li> <li>• Generally, this only happens for vacant units which can be inspected safely</li> </ul>	

HASLO – Implementation of COVID-19 Waivers

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
HQS-9 HQS QC Inspections	<u>Regulatory Authority</u> § 982.405(b)	<ul style="list-style-type: none"> <li>Provides for a suspension of the requirement for QC sampling inspections</li> </ul>	<ul style="list-style-type: none"> <li>10/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> <li>• On avg, 3 QC/month</li> </ul>	4/13/20
HQS-10 HQS Space and Security	<u>Regulatory Authority</u> § 982.401(d)  <small>Language from the PIH Notice: - If the PHA wishes to assist a current participant that needs to add a member or members to the assisted household as a result of the COVID-19 emergency ...</small>	<ul style="list-style-type: none"> <li>Waives the requirement that each dwelling unit have at least 1 bedroom or living/sleeping room for each 2 persons.</li> </ul>	Remains in effect one year from lease term or date of notice, whichever is longer	<ul style="list-style-type: none"> <li>• Not implemented</li> </ul>	
HQS-11 Homeownership HQS	<u>Statutory Authority</u> Section 8(o)(8)(A)(i), Section 8(y)(3)(B)  <u>Regulatory Authority</u> § 982.631(a)	<ul style="list-style-type: none"> <li>Waives the requirement to perform an initial HQS inspection in order to begin making homeownership assistance payments</li> <li>Requires family to obtain independent professional inspection</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable to HASLO</li> </ul>	
HCV-1 Administrative Plan	<u>Regulatory Authority</u> § 982.54 (a)	<ul style="list-style-type: none"> <li>Waives the requirement to adopt revisions to the admin plan</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Not implemented</li> <li>• Board meetings are being held remotely; Admin Plan changes can be approved</li> </ul>	
HCV-2 PHA Oral Briefing	<u>Regulatory Authority</u> § 982.301(a)(3) § 983.252(a)	<ul style="list-style-type: none"> <li>Waives the requirement for an oral briefing</li> <li>Provides for alternative methods to conduct required voucher briefing</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Not implemented</li> <li>• Phone interviews for intake still include oral briefing &amp; mailing briefing packet</li> </ul>	

HASLO – Implementation of COVID-19 Waivers

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
HCV-3 Term of Voucher - Extensions of Term	<u>Regulatory Authority § 982.303(b)(1)</u>	<ul style="list-style-type: none"> <li>Allows PHAs to provide voucher extensions regardless of current PHA policy</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> <li>Current extension policy for voucher sufficient to enable adequate search time</li> <li>Landlords still submitting RFTA's</li> </ul>	
HCV-4 PHA Approval of Assisted Tenancy	<u>Regulatory Authority § 982.305(c)</u>	<ul style="list-style-type: none"> <li>Provides for HAP payments for contracts not executed within 60 days</li> <li>PHA must not pay HAP to owner until HAP contract is executed</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> <li>With ability to fax and email, 60 days remain sufficient to execute HAP contract</li> </ul>	
HCV-5 Absence from unit	<u>Regulatory Authority § 982.312</u>	<ul style="list-style-type: none"> <li>Allows for PHA discretion on absences from units longer than 180 days</li> <li>PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 consecutive days</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Wait and see if anyone requests the accommodation</li> </ul>	
HCV-6 Automatic Termination of the HAP Contract (ZERO HAP)	<u>Regulatory Authority § 982.455</u> <i>- In recognition that the COVID-19 emergency is creating economic and employment instability for many families, as well as situations where families may on a temporary basis be adding members whose additional income may result in a \$0 HAP subsidy calculation, HUD is waiving this requirement</i>	<ul style="list-style-type: none"> <li>Allows PHA to extend the period of time after the last HAP payment is made before the HAP contract terminates automatically.</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> </ul>	

## HASLO – Implementation of COVID-19 Waivers

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
HCV-7 Increase in Payment Standard	<u>Regulatory Authority</u> § 982.505(c)(4)	<ul style="list-style-type: none"> <li>Provides PHAs with the option to increase the payment standard for the family at any time after the effective date of the increase, rather than waiting for the next regular reexamination to do so.</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> <li>Analysis shows this affects &lt; 10% of families</li> </ul>	
HCV-8 Utility Allowance Schedule	<u>Regulatory Authority</u> § 982.517	<ul style="list-style-type: none"> <li>Provides for delay in updating utility allowance schedule</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not implemented</li> </ul>	
HCV-9 Homeownership Counseling	<u>Statutory Authority</u> Section 8(y)(1)(D)  <u>Regulatory Authority</u> § 982.630, 982.636(d)	<ul style="list-style-type: none"> <li>Waives the requirement for the family to obtain pre-assistance counseling</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	
HCV-10 FUP	<u>Statutory Authority</u> Section 8(x)(2)	<ul style="list-style-type: none"> <li>Allows PHAs to increase age to 26 for foster youth initial lease up</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Yes – one potential FUP about to age out</li> </ul>	4/13/20
PH-1 Fiscal closeout of Capital Grant Funds	<u>Regulatory Authority</u> § 905.322(b)	<ul style="list-style-type: none"> <li>Extension of deadlines for ADCC and AMCC</li> </ul>	Varies by PHA	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	
PH-2 Total Development Costs	<u>Regulatory Authority</u> § 905.314(c)	<ul style="list-style-type: none"> <li>Waives the TDC and HCC limits permitting approval of amounts in excess of published TDC by 25% to 50% on a case by case basis</li> </ul>	Applies to development proposals submitted to HUD no later than December 31, 2021	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	



**HASLO – Implementation of COVID-19 Waivers**

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
PH-3 Cost limitations	<u>Regulatory Authority § 905.314(j)</u>	<ul style="list-style-type: none"> <li>Allows for the use of force account labor for modernization activities in certain circumstances</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	
PH-4 ACOP	<u>Regulatory Authority § 960.202(c)(1)</u>	<ul style="list-style-type: none"> <li>Changes to approval process for ACOP</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	
PH-5 CSSR	<u>Statutory Authority Section 12(c)</u>  <u>Regulatory Authority § 960.603(a) and 960.603(b)</u>	<ul style="list-style-type: none"> <li>Temporarily suspends CSSR</li> </ul>	<ul style="list-style-type: none"> <li>3/31/21</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	
PH-6 Energy Audits	<u>Regulatory Authority § 965.302</u>	<ul style="list-style-type: none"> <li>Allows for delay in due dates of energy audits</li> </ul>	One year beyond 2020 audit deadline	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	
PH-7 Over-income families	Housing Opportunity Through Modernization Act (HOTMA) of 2016: Final Implementation of the Public Housing Income Limit 83 FR 35490 Notice: Notice PIH 2019-11	<ul style="list-style-type: none"> <li>Changes to timeframes for determination of over-income</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	

**HASLO – Implementation of COVID-19 Waivers**

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
PH-8 Resident Council Elections	<u>Regulatory Authority</u> § 964.130(a)(1)	<ul style="list-style-type: none"> <li>Provides for delay in resident council elections</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	
PH-9 Utility Allowance	<u>Regulatory Authority</u> § 965.507	<ul style="list-style-type: none"> <li>Provides for delay in updating utility allowance schedule</li> </ul>	<ul style="list-style-type: none"> <li>12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	
PH-10 Tenant notifications	<u>Regulatory Authority</u> § 966.5	<ul style="list-style-type: none"> <li>Advance notice not required except for policies related to tenant charges</li> </ul>	<ul style="list-style-type: none"> <li>7/31/20</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to HASLO</li> </ul>	
11a PHAS	<u>Regulatory Authority</u> 24 CFR Part 902	<ul style="list-style-type: none"> <li>Allows for alternatives related to inspections</li> <li>PHA to retain prior year PHAS score unless requests otherwise</li> </ul>	HUD will resume issuing new PHAS scores starting with PHAs with FYE dates of 3/31/21	N/A	N/A
11b SEMAP	<u>Regulatory Authority</u> 24 CFR Part 985	<ul style="list-style-type: none"> <li>PHA to retain prior year SEMAP score unless requests otherwise</li> </ul>	HUD will resume issuing new SEMAP scores starting with PHAs with FYE dates of 3/31/21	N/A	N/A
11c Financial reporting	<u>Regulatory Authority</u> §§ 5.801(c), 5.801(d)(1)	<ul style="list-style-type: none"> <li>Allows for extensions of financial reporting deadlines</li> </ul>	Varies by PHA FYE	<ul style="list-style-type: none"> <li>Not implemented</li> <li>Per discussion with auditors</li> </ul>	

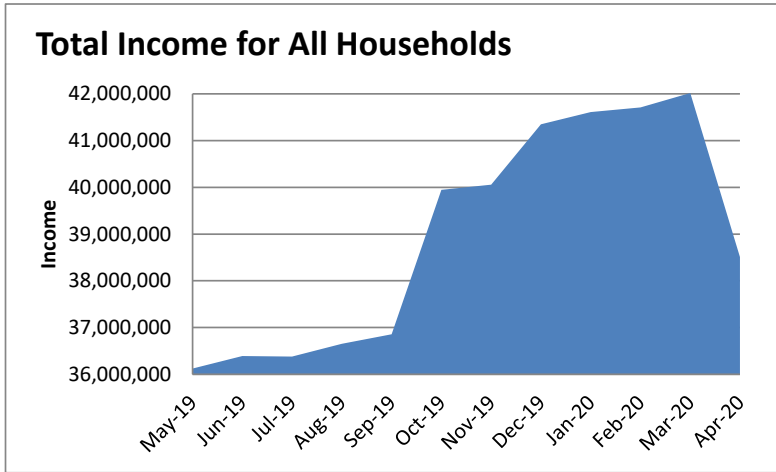
**HASLO – Implementation of COVID-19 Waivers**

Item	Statutory and regulatory waivers	Summary of alternative requirements	Availability Period Ends	Did PHA implement waiver and alternative requirement?	Date of PHA adoption
12a Form HUD 50058	<u>Regulatory Authority</u> 24 CFR Part 908, § 982.158  <u>Sub-regulatory Guidance</u> PIH Notice 2011-65	<ul style="list-style-type: none"> <li>• Waives the requirement to submit 50058 within 60 days</li> <li>• Alternative requirement to submit within 90 days of the effective date of action</li> </ul>	<ul style="list-style-type: none"> <li>• 12/31/20</li> </ul>	<ul style="list-style-type: none"> <li>• Not implemented</li> <li>• Still able to submit timely</li> <li>• NOTE: need to wait for add'l HUD guidance on fixing errors</li> </ul>	
12b Designated housing plan	<u>Statutory Authority</u> Section 7(e)(1)	<ul style="list-style-type: none"> <li>• Allows for HUD to delay notification about designated housing plan</li> </ul>	<ul style="list-style-type: none"> <li>• 7/31/20</li> </ul>	N/A	N/A
12c Deadline for reporting Operating and Capital Fund expenditures	<u>Statutory Authority</u> Section 9(j) <u>Regulatory Authority</u> § 905.306(d)(5)	<ul style="list-style-type: none"> <li>• Provides a one-year extension</li> </ul>	One-year extension, however no programmatic expenditure end date shall be extended beyond one month prior to closure of relevant appropriations acc	<ul style="list-style-type: none"> <li>• N/A to HASLO</li> </ul>	

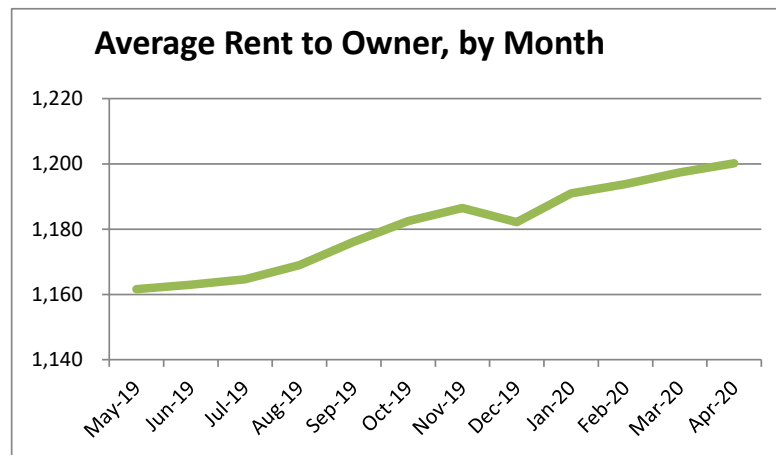
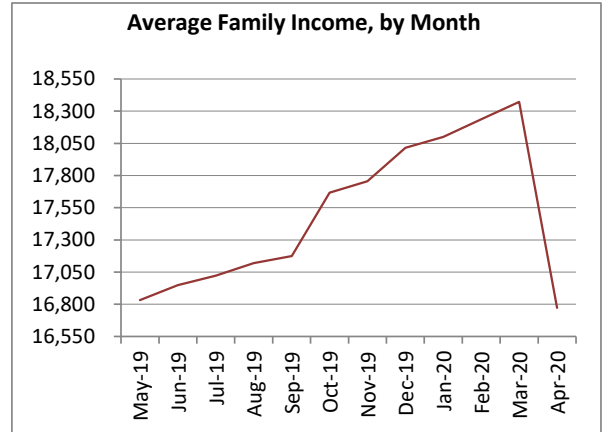
# HASLO

## Voucher Monthly Analysis (VMA)

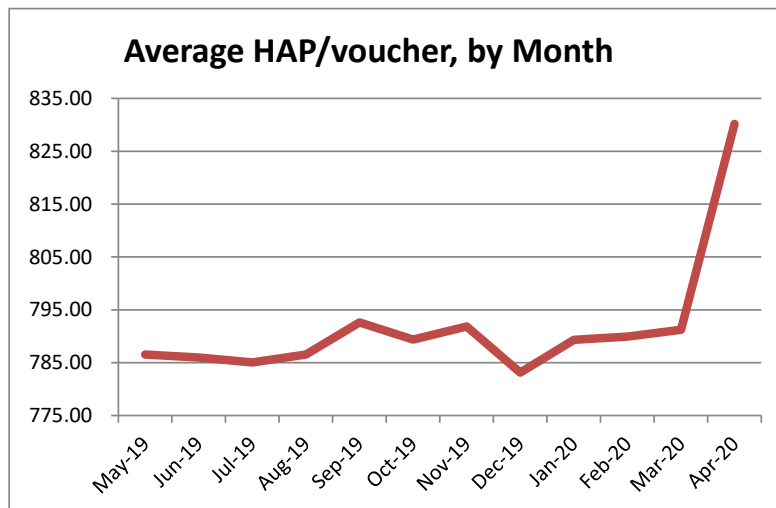
### Rolling 12 months



Average Family Income, 12 month % change: -0.4%

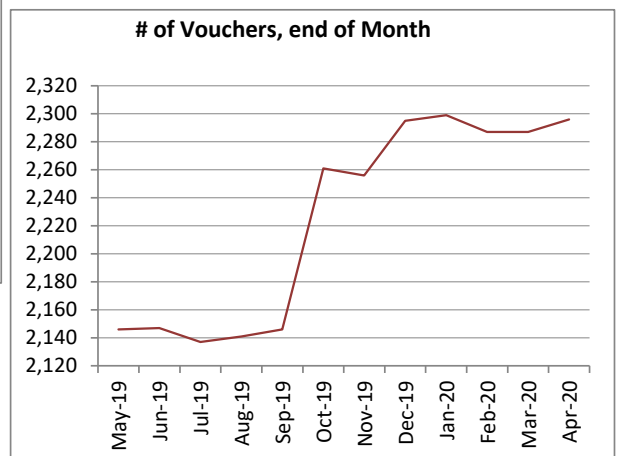


RTO, 12 month % change: 3.3%



Average HAP, 12 month % change: 5.5%

# of HH members assisted: 4,357



# SEMAP Indicators Report

As of April 30, 2020

Housing Authority: **CA064**  
 Housing Authority FYE: **September 30**

Current SEMAP Indicator Information	Most Recent SEMAP Indicator Information
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**Reporting Rate as of April 30, 2020**

Program Type	VMS Units Leased	As of MM/YY	Port-Outs	Port-Ins	Number of 50058s Required (#)	Number of 50058s Reported (#)	Reporting Rate (%)
All Voucher Funded Assistance	2302	03/20	21	27	2308	2336	100

**Indicator 9:  
Annual Reexaminations**

Note: For Indicators 9-12 and 14, HUD mandates for SEMAP a Reporting Rate of at least 95 percent by the PHA's fiscal year end. If this threshold is not met, the PHA will receive zero points for these four indicators.

<b>Percent of Families with reexaminations overdue (%) (Percentage includes all reexaminations more than 2 months overdue. SEMAP scores: Under 5% = 10 points; 5% - 10% = 5 points; greater than 10% = 0 points. Percentages shown as red and bold result in reduced SEMAP scores.)</b>	0
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<b>Number of Families in Current Database</b>	<b>Number of Late Reexaminations</b>
2390	1

[\[+\] Families with reexaminations overdue](#)

**Indicator 10:  
Correct Tenant Rent Calculations**

<b>%</b>	0
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<b>Number of Families in Current Database</b>	<b>Number of Rent Discrepancies</b>
1659	0

[\[+\] Families with incorrect rent calculation\(s\)](#)

**Indicator 11:  
Precontract HQS Inspections**

<b>Percent of units that did pass HQS inspection before the beginning date of the assisted lease and HAP contract (%) (SEMAP scores zero points when fewer than 98 percent of newly leased units pass the HQS inspection before the beginning of the lease/HAP as indicated by percentages as shown in red and bold.)</b>	100
---	-----

<b>Number of Families in Current Database</b>	<b>Number of Inspections On or Before Effective Date</b>
523	522

[\[+\] Families where HQS inspection did not pass before lease and HAP contract](#)

**Indicator 12:  
Annual HQS Inspections**

Percent of units under contract where annual HQS inspection is overdue (%)  
(Percentage includes all HQS Inspections more than 2 months overdue. SEMAP scores: Under 5% = 10 points; 5% - 10% = 5 points; greater than 10% = 0 points.  
Percentages shown as red and bold result in reduced SEMAP scores.)

0

Number of Families in Current Database	Number of Late Inspections
1945	3

[\[+\] Families with annual HQS inspections overdue](#)

**Indicator 13:  
Lease-Up**

**Note: This data is not currently available.**

**Indicator 14:  
Family Self-Sufficiency Enrollment**

Enrolled	Escrow Balance	Points
80% or more	30% or more	10
60%-79%	30% or more	8
80% or more	Less than 30%	5
Less than 60%	30% or more	5
60%-79%	Less than 30%	3
Less than 60%	Less than 30%	0

Percentages shown in red and bold result in reduced SEMAP scores.

Number of Mandatory Slots (#)*	Number of Families Enrolled (#)	Percent of Families Enrolled (%)	Number of Families with Progress Report and Escrow Balances (#)	Percent of Families with Progress Report and Escrow Balances (%)
0	68	<b>0</b>	48	76

[\[+\] Families enrolled in Voucher FSS Program](#)

[\[+\] Families completing FSS Contract](#)

\* - As reported by the PHA in Indicator 14 (a) from the last SEMAP Certification and confirmed by the Field Office. This number may have decreased as families have graduated from the program. Also data may not include approved exceptions to mandatory slots.

**Executive Summary**  
**Property & Asset Management**

- Key Priorities for the Property Management team continue to be:
  - COVID-19 Related Activities:
    - ✓ The Governor’s executive order prohibits that tenants cannot be evicted for non-payment of income related to COVID-19 loss if income or increase in medical expenses.
    - ✓ Policies and procedures have been developed to calculate a reasonable rent due from the tenant during this time period and to defer the balance of the rent. After the pandemic is declared over, a repayment agreement will be signed with each tenant for the deferred rent.
    - ✓ Recertification and filling of units will be done remotely.
    - ✓ Security Deposit repayment plans for SLO Villages tenants have been placed on hold for at least two months.
  - Deferral Analysis of tenant rents for the month of April, by property:
    - ✓ Overall, the rent deferral is approximately 3% of total rental income for all of the properties under management (non-Section 8 properties).

HASLO							
Rent Deferrment - COVID-19							
Report as of:		Apr-20					
	COVID	Avg/Mo			%		# of
Property	Deferral	Tenant	Avg/Mo	%	Deferred	Cumulative	tenants
	\$/Month	Rent (TR)	s8	of TR	of Total	Deferred	requesting
					Income		deferral
<b>Tax Credit Properties:</b>							
860	0	8,020	9,915			0	-
ASH	964	6,275	12,189	15%	5%	964	1
BRZ	0	11,040	16,843			0	-
Carmel	0	9,425	8,070			0	-
DRT	0	12,884	22,566			0	-
HCA	3,650	56,757	24,521	6%	4%	3,650	4
IWK	1,318	25,199	35,030	5%	2%	1,318	2
MGA	63	8,862	17,071	1%	0%	63	1
Pismo	440	5,766	8,328	8%	3%	440	1
							-
<b>Non-subsidized Properties:</b>							
BHA	0	6,951	7,624			0	-
Emp	0	6,161	6,454			0	-
Ferrell	0	4,927	6,413			0	-
Macadero	397	12,768	10,902	3%	2%	397	1
Marg	1,300	15,169	9,556	9%	5%	1,300	1
Parkwood	4,438	31,985	12,285	14%	10%	4,438	3
POI	957	12,439	20,451	8%	3%	957	1
	13,527	234,628	228,218	6%	3%	13,527	15

- Vacancies
  - ✓ There is another vacancy at the Anderson in one of the commercial spaces. This is the second vacancy in many, many years. With one year remaining on our lease with 955 Monterey, it will be a challenge to rent these spaces.
  - ✓ RAD 175 will be leasing some of the newly vacated ground floor units in order to accommodate the needs of the senior tenants at Toro Gardens during the renovation.
  
- Waiting Lists
  - ✓ Several waiting lists are going to be opening this spring:
    - SLO Villages – we continue to try and fill vacant, renovated units with direct transfers from other units in RAD. This provides the tenant with the opportunity to move only once and minimizes the number of families to be displaced as each property undergoes renovation. This process has been well-received so far by the tenants.
    - Courtyard at the Meadows – begin planning for the rent-up of this new property. Rent-up likely to be done in two stages. There are 8 PBV vouchers.
    - Halcyon Collective – begin planning for the rent-up of this new property. There are no PBV vouchers.
    - We are utilizing an online system for the intake for Courtyard and Halcyon – this enhances our ability to meet remotely and to provide applicants with a streamlined system for completing the paperwork.
    - We will be interviewing applicants in person for the new properties by utilizing the glass window in the lobby as a barrier between staff and applicant. We are asking questions prior to the interview to ensure that there are no signs of symptoms of covid-19.
  
- Maintenance
  - ✓ We recently hired two trainees and are hopeful that this will be a great opportunity to develop the strength and depth of the department.
  - ✓ The team that works on turning over vacant units is also focusing on the vacant public housing units so that they are in good condition to be used for temporary relocation purposes during RAD.
  
- RAD
  - ✓ Weekly planning meetings are held for the project, focusing on areas such as:
    - The temporary relocation schedule has been mapped out for the two-year project. We are working with ASAP, the contracted movers for the project, to ensure that we have a commitment for services, even if there are changes in the schedule.
    - The focus on the last two weeks has been to move the Toro Gardens tenants as quickly as possible so that they are established in their temporary relocation home



- Community and Family Support
  - ✓ Property Management Staff continue to work one-on-one with residents that need additional help with issues such as housekeeping and compliance with the lease.
  - ✓ Community rooms have been closed in compliance with the COVID-19 requirements.



May 12, 2020

To: HASLO Board of Commissioners  
 From: Sandra Bourbon-Director of Resident Services  
 Re: April 2020

**FSS:**

Continued outreach, case management and annual assessments. The below chart is as of 04-30-2020.

	Sandra	Traci	TOTAL
<b>Active</b>	36	31	67
<b>New contracts added this month</b>	0	0	0
<b>Graduates this grant period</b>	2	0	2
<b>Terminated for Non-Compliance / Contract Expired / Voluntary Withdrawal within this grant period</b>	0	0	0
<b>Active participants who have ported out this grant period</b>	0	0	0
<b>Increase in Earned Income this month</b>	195,779	277,487	473,266
<b>Increase in Tenant Payment (TTP) this month</b>	3,487	4,631	8,118
<b>Total Escrow Accounts</b>	27	20	47
<b>New Escrow Accounts this grant period</b>	0	0	0
<b>Percentage of participants with an Escrow Account this month</b>	75%	65%	70%
<b>Total Escrow Account balance</b>	139,284	175,166	314,450
<b>Total interim withdrawals paid within this grant period</b>	0	0	0
<b>Total of Escrow Account funds paid out to FSS Graduates for this grant period</b>	16,950	0	16,950

\*FSS graduates: 2/29/2020 \$16,009.51 and 3/31/2020 \$940.15

**SERVICES:**

Resident Services staff continues to work a combination of remotely and in the office. We are working with the Food Bank to deliver fresh produce and some nonperishables to any of our households who would like it. We are currently packing individual bags and delivering to 130+ households. Residents receive one bag of produce and one bag of shelf stable items. We have also been able to offer milk and cheese. 2 staff are bagging and distributing over 500 pounds of food items each week.

We continue to reach out to residents by phone and email at all of our properties. We are "checking in" with them as well as making sure they are aware and connected to community resources. The most recent feedback is that they are doing okay, but the seniors are bored and lonely.

Remote Learning Center activities and homework help continue to be available. Samantha develops weekly lesson plans and send them out to the families. Lesson plans include educational activities, games and crafts.

Something fun... We applied and were granted \$100 worth of children's books from First Book Marketplace's Book Bank. Books are donated by publishing partners. The books are high quality and geared towards a variety of ages. We have been reaching out to our youth and will be delivering starting this week.

Resident Services is actively working with Property Management in the Tenant Selection Process for Halcyon Collective and Courtyard at the Meadows. We have been meeting weekly to discuss applicants and make decisions to approve or deny unit offers.

**RESOLUTION NO. 5 (2020 SERIES)**

**RESOLUTION APPROVING AMENDMENTS TO  
THE HOUSING AUTHORITY OF SAN LUIS OBISPO'S  
ADMINISTRATIVE PLAN FOR THE AWARD OF 60 MAINSTREAM  
VOUCHERS**

**WHEREAS**, the Housing Authority of San Luis Obispo (hereinafter "HASLO") has an Administrative Plan applicable to the Housing Choice Voucher Program; and

**WHEREAS**, HASLO is required to keep the Administrative Plan current with changes in regulations, and to adopt policies and procedures consistent with amendments to the regulations; and

**WHEREAS**, HASLO received a targeted funding award of 60 Mainstream Vouchers on December 12, 2019; and

**WHEREAS**, the award for Mainstream Voucher requires an amendment to the Admin Plan within six months of receiving the award in order to incorporate any preferences that were selected in the application for these targeted vouchers; and

**WHEREAS**, HASLO specified that the following Mainstream preferences were to be implemented in the Administrative Plan:

- a. Transitioning out of institutional and other segregated settings or at serious risk of institutionalization;
- b. Currently experiencing homelessness, previously experienced homelessness and currently a client in a permanent supportive housing or rapid rehousing project; or
- c. At risk of experiencing homelessness; and

**WHEREAS**, HUD published PIH Notice 2020-01 on January 18, 2020 stating that the preferences for the Mainstream Voucher program were to be incorporated into the Admin Plan; and

**WHEREAS**, the HASLO Commission received and discussed these proposed changes at its May 21<sup>st</sup>, 2020 public meeting,

**NOW THEREFORE BE IT RESOLVED**, that the Board of Commissioners approves these changes as an amendment to HASLO's Administrative Plan.

On motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_,  
and on the following roll call votes:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

The foregoing Resolution was duly adopted and passed this 21<sup>st</sup> day of May, 2020.

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**JAY BECK, CHAIRMAN**

**SEAL:**

**ATTEST:**

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**SCOTT SMITH, SECRETARY**

## **RESOLUTION NO. 6 (2020 SERIES)**

### **RESOLUTION APPROVING THE HOUSING AUTHORITY OF SAN LUIS OBISPO'S ELECTION OF COVID-19 WAIVERS IN ACCORDANCE WITH PIH NOTICE 2020-05**

**WHEREAS**, HUD issued on April 10, 2020 PIH Notice 2020-05, COVID-19 Statutory and Regulatory Waivers for the Public Housing, Housing Choice Voucher, Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program; and

**WHEREAS**, pursuant to the CARES Act, the waivers/alternative requirements are effective for immediate use by PHAs as of the date of this notice; and

**WHEREAS**, HUD is establishing an alternative requirement that any change to a PHA policy may be effectuated without completing the significant amendment process to the Admin Plan; and

**WHEREAS**, the waivers implemented through this notice provide administrative relief and allow for alternative approaches to various aspects of PHA operations. HUD encourages PHAs to apply the waivers authorized in this notice based on local circumstances and needs. HUD also encourages PHAs to document and expeditiously implement plans for alternative procedures in order to provide stable housing for some of our country's most vulnerable families; and

**WHEREAS**, these waivers and alternative requirements are established under the authority of the CARES Act as well as Secretary Carson's finding that these waivers and alternative requirements are necessary for the safe and effective administration of the HCV programs, consistent with the purposes described under the CARES Act, to prevent, prepare for, and respond to COVID-19; and

**WHEREAS**, the use of these waivers is at the discretion of the individual PHA. A PHA may choose to apply all, some, or none of the waivers to their HCV programs; and

**WHEREAS**, PHAs are required to keep written documentation that record which waivers the PHA applied to their programs(s) and the effective dates. A summary of the available waivers/alternative requirements and a suggested format for such documentation is included as an attachment to the notice; and

**WHEREAS**, HASLO has reviewed the waivers being offered by HUD, and has elected the waivers as identified on the attached chart; and

**WHEREAS**, additional changes may be made to the adoption of waivers as the situation and circumstances with respect, and

**WHEREAS**, the HASLO Commission received and discussed these proposed changes at its May 21, 2020 public meeting,

**NOW THEREFORE BE IT RESOLVED**, that the Board of Commissioners approves the adoption of these waivers.

On motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and on the following roll call votes:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

The foregoing Resolution was duly adopted and passed this 21<sup>st</sup> day of May, 2020,

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**JAY BECK, CHAIRMAN**

**SEAL:**

**ATTEST:**

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**SCOTT SMITH, SECRETARY**

# ***HOUSING AUTHORITY SAN LUIS OBISPO***

*Second Quarter Financial Update  
October 1st, 2019– March 31st, 2020*





**Housing Authority City of San Luis Obispo**  
**House Choice Voucher Program**  
**October 2019 – March 2020**

Summary

The Housing Choice Voucher (HCV) program administers 2,469 vouchers, including 225 Veterans vouchers, 38 Family Unification Vouchers (FUP), and 60 Mainstream vouchers, in the county of San Luis Obispo. The program receives HAP funds that are used to pay a portion of participants' rents in the open market. HASLO receives an administrative fee for each assisted participant, which funds program operations.

The Voucher Program generated a surplus throughout the first half of the year, significantly outperforming the budget. We anticipate strong operational results for the remainder of the year. Increased funding in 2019 helped us lease up more aggressively. We recently received official notice of our 2020 HAP funding. With additional vouchers coming online for RAD and Judson Terrace, plus a cost of living increase, we netted a 10% increase in funding. Due to this increase in funding we expect to be able to open the wait list soon. It is very possible that a large increase in our average HAP payment per voucher due to so many people losing employment. This would require more of our funding to serve the same number of vouchers and may hinder us from reaching our leasing goal in order to keep our funding increasing each year. We are closely monitoring the average HAP of our vouchers. It appears very likely that we will receive additional HAP funding from HUD to cover some of the increased HAP as a result of the pandemic. This would help us hit our goal for the number of vouchers leased this year without dipping too far into reserves. We began the year with strong HAP reserves, which puts us in a great position to manage the uncertainties that face us.

Below are selected highlights from the mid-year financial statements:

Income Statement - Unrestricted

- Administrative fee revenue has been higher than budgeted because of strong leasing numbers.
- Salaries are below budget as we've had some staff turnover in the first half of the year and some staff salaries are being allocated to the RAD project. We expect salaries to increase during the 2<sup>nd</sup> half of the year as we hire staff for vacant positions.

Income Statement - Restricted

- Restricted income has been higher than expenses partially due to the funding on FUP and Mainstream vouchers. We've received full funding in spite of not yet leasing up all the vouchers. We are working hard to increase leasing and will more fully utilize funding in the second half of the year.

Balance Sheet

- Unrestricted cash & investments are approximately \$2.2 million, up from \$2 million in the previous year.
- Restricted reserves, including HUD held reserves, are strong at over \$1.4 million dollars. This strong position will allow us to manage our program effectively during this turbulent season.
- Current liabilities are very low compared to cash and investment balances.
- Liabilities are consistent with the prior year, with the exception of a lower balance in the FSS Escrow balances.

# Housing Choice Voucher - Unrestricted

## Budget Comparison

### Period = Mar 2020

Book = Accrual ; Tree = vo\_unrestricted

	YTD Actual	YTD Budget	Variance	% Var	Annual
<b>INCOME</b>					
<b>GRANT INCOME-UNRESTRICTED</b>					
ROSS Grant Income	42,098.94	55,490.52	-13,391.58	-24.13	110,981.04
<b>TOTAL GRANT INCOME</b>	<b>42,098.94</b>	<b>55,490.52</b>	<b>-13,391.58</b>	<b>-24.13</b>	<b>110,981.04</b>
<b>ADMIN FEE &amp; OTHER INCOME-UNRESTRICTED</b>					
Section 8 Port-In Admin Fees	11,769.34	0.00	11,769.34	N/A	0.00
Section 8 Admin. Fee Income	1,118,178.00	1,096,065.00	22,113.00	2.02	2,222,832.00
<b>TOTAL ADMIN FEE &amp; OTHER INCOME</b>	<b>1,129,947.34</b>	<b>1,096,065.00</b>	<b>33,882.34</b>	<b>3.09</b>	<b>2,222,832.00</b>
<b>OTHER INCOME</b>					
Fraud Recover Income-Unrestricted	7,458.00	18,147.48	-10,689.48	-58.90	36,294.96
Investment Income - Unrestricted	6,847.07	9,492.48	-2,645.41	-27.87	18,984.96
Miscellaneous Other Income	7.00	192.48	-185.48	-96.36	384.96
<b>TOTAL OTHER INCOME</b>	<b>14,312.07</b>	<b>27,832.44</b>	<b>-13,520.37</b>	<b>-48.58</b>	<b>55,664.88</b>
<b>TOTAL INCOME</b>	<b>1,186,358.35</b>	<b>1,179,387.96</b>	<b>6,970.39</b>	<b>0.59</b>	<b>2,389,477.92</b>
<b>EXPENSES</b>					
<b>ADMINISTRATIVE</b>					
Administrative Salaries					
Administrative Salaries	583,334.12	649,058.66	65,724.54	10.13	1,298,117.26
Employee Benefit Contribution-Admin	247,986.54	260,977.48	12,990.94	4.98	521,954.72
Workers Comp - Admin	8,197.38	10,466.30	2,268.92	21.68	20,932.56
<b>Total Administrative Salaries</b>	<b>839,518.04</b>	<b>920,502.44</b>	<b>80,984.40</b>	<b>8.80</b>	<b>1,841,004.54</b>
Other Admin Expenses					
Staff Training	3,126.96	9,454.98	6,328.02	66.93	18,909.96
Travel	1,000.36	2.52	-997.84	-39,596.83	5.04
Auditing Fees	10,359.97	6,499.98	-3,859.99	-59.38	12,999.96
Legal Expense	3,296.57	1,630.02	-1,666.55	-102.24	3,260.04
Port Out Admin Fee Paid	5,430.60	3,077.52	-2,353.08	-76.46	6,155.04
Marketing	961.67	0.00	-961.67	N/A	0.00
Office Rent	2,136.00	2,138.40	2.40	0.11	4,276.80
Consultants	1,138.42	619.98	-518.44	-83.62	1,239.96
<b>Total Other Admin Expenses</b>	<b>27,450.55</b>	<b>23,423.40</b>	<b>-4,027.15</b>	<b>-17.19</b>	<b>46,846.80</b>
Miscellaneous Admin Expenses					
<b>Total Miscellaneous Admin Expenses</b>	<b>121,126.88</b>	<b>100,680.00</b>	<b>-20,446.88</b>	<b>-20.31</b>	<b>201,360.00</b>
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>988,095.47</b>	<b>1,044,605.84</b>	<b>56,510.37</b>	<b>5.41</b>	<b>2,089,211.34</b>
<b>TENANT SERVICES</b>					
<b>TOTAL TENANT SERVICES EXPENSES</b>	<b>67,172.00</b>	<b>76,109.57</b>	<b>8,937.57</b>	<b>11.74</b>	<b>152,219.18</b>

# Housing Choice Voucher - Unrestricted

## Budget Comparison

Period = Mar 2020

Book = Accrual ; Tree = vo\_unrestricted

	YTD Actual	YTD Budget	Variance	% Var	Annual
<b>UTILITIES</b>					
TOTAL UTILITY EXPENSES	4,654.42	0.00	-4,654.42	N/A	0.00
<b>MAINTENANCE AND OPERATIONS</b>					
General Maint Expense					
Vehicle Gas, Oil, Grease	3,759.97	3,167.52	-592.45	-18.70	6,335.04
TOTAL General Maint Expense	3,759.97	3,167.52	-592.45	-18.70	6,335.04
Materials					
Supplies-Janitorial/Cleaning	232.16	0.00	-232.16	N/A	0.00
Supplies-Maint/Repairs	58.97	267.48	208.51	77.95	534.96
TOTAL Materials	291.13	267.48	-23.65	-8.84	534.96
Contract Costs					
Total Contract Costs	9,837.61	12,099.96	2,262.35	18.70	24,199.92
TOTAL MAINTENANCE EXPENSES	13,888.71	15,534.96	1,646.25	10.60	31,069.92
<b>GENERAL EXPENSES</b>					
Liability Insurance	5,983.02	3,670.02	-2,313.00	-63.02	7,340.04
Auto Insurance Expense	478.74	737.52	258.78	35.09	1,475.04
OPEB (GASB 45)	0.00	1,677.48	1,677.48	100.00	3,354.96
Bad Debt-Other	0.00	2,050.02	2,050.02	100.00	4,100.04
TOTAL GENERAL EXPENSES	6,461.76	8,135.04	1,673.28	20.57	16,270.08
TOTAL OPERATING EXPENSES	1,080,272.36	1,144,385.41	64,113.05	5.60	2,288,770.52
<b>NON-OPERATING ITEMS</b>					
Depreciation -Buildings	0.00	2,972.52	2,972.52	100.00	5,945.04
TOTAL NON-OPERATING ITEMS	0.00	2,972.52	2,972.52	100.00	5,945.04
NET INCOME	106,085.99	32,030.03	74,055.96	231.21	94,762.36

# Housing Choice Voucher - Restricted Budget Comparison Period = Mar 2020

Book = Accrual ; Tree = vo\_restricted

		YTD Actual	YTD Budget	Variance	% Var	Annual
3000-00-000	INCOME					
3400-01-000	GRANT INCOME-RESTRICTED					
3402-00-000	Section 8 HAP Received	11,177,086.00	10,654,851.00	522,235.00	4.90	21,797,337.00
3404-00-000	FUP Section 8 HAP Received	116,383.00	0.00	116,383.00	N/A	0.00
3405-00-000	Mainstream HAP Received	143,568.00	0.00	143,568.00	N/A	0.00
3413-00-000	Port In HAP Earned	178,766.00	0.00	178,766.00	N/A	0.00
3499-99-000	TOTAL GRANT INCOME	11,615,803.00	10,654,851.00	960,952.00	9.02	21,797,337.00
3999-99-000	TOTAL INCOME	11,615,803.00	10,654,851.00	960,952.00	9.02	21,797,337.00
4000-01-000	EXPENSES					
4700-01-000	HOUSING ASSISTANCE PAYMENTS-RESTRICTED					
4715-00-000	Housing Assistance Payments	10,040,218.94	10,873,171.00	832,952.06	7.66	22,017,887.00
4716-00-000	VASH Housing Assistance Payments	687,641.00	0.00	-687,641.00	N/A	0.00
4717-00-000	Port-In HAP Paid	178,766.00	0.00	-178,766.00	N/A	0.00
4718-00-000	Mainstream HAP	60,325.00	0.00	-60,325.00	N/A	0.00
4725-00-000	Tenant Utility Payments	9,116.00	0.00	-9,116.00	N/A	0.00
4730-00-000	Portable Out HAP Payments	105,194.00	0.00	-105,194.00	N/A	0.00
4735-00-000	FSS Escrow Payments	78,033.94	0.00	-78,033.94	N/A	0.00
4797-99-000	TOTAL HOUSING ASSISTANCE PAYMENTS	11,159,294.88	10,873,171.00	-286,123.88	-2.63	22,017,887.00
4798-99-000	TOTAL OPERATING EXPENSES	11,159,294.88	10,873,171.00	-286,123.88	-2.63	22,017,887.00
9000-99-000	NET INCOME	456,508.12	-218,320.00	674,828.12	309.10	-220,550.00

**Housing Choice Voucher  
Balance Sheet (With Period Change)  
Period = Oct 2019-Mar 2020**

5/12/2020 3:23 PM

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
<b>ASSETS</b>			
CURRENT ASSETS:			
CASH			
Unrestricted Cash			
Cash - Checking	1,160,049.40	969,158.55	190,890.85
Total Unrestricted Cash	1,160,049.40	969,158.55	190,890.85
Restricted Cash			
Rest. Cash - Vouchers PWB	579,761.92	194,171.92	385,590.00
Total Restricted Cash	579,761.92	194,171.92	385,590.00
TOTAL CASH	1,739,811.32	1,163,330.47	576,480.85
ACCOUNTS AND NOTES RECEIVABLE			
A/R - Fraud Recovery	943,868.59	887,090.65	56,777.94
Allowance for Doubtful A/R - Vouch	-943,868.59	-887,090.65	-56,777.94
A/R - Security Deposit loans	900.00	0.00	900.00
A/R - Other Government	5,885.36	9,032.84	-3,147.48
A/R - Ross Grants	0.00	17,061.59	-17,061.59
Accrued Interest Receivable	0.00	2,523.96	-2,523.96
TOTAL ACCOUNTS AND NOTES RECEIVAB	6,785.36	28,618.39	-21,833.03
OTHER CURRENT ASSETS			
Investments-Unrestricted	1,116,334.26	1,081,417.88	34,916.38
Investments - FSS Escrow	318,859.98	264,721.28	54,138.70
Prepaid Insurance	6,461.24	12,923.00	-6,461.76
Other Prepayments/Def Charges	42,932.54	0.00	42,932.54
TOTAL OTHER CURRENT ASSETS	1,484,588.02	1,359,062.16	125,525.86
TOTAL CURRENT ASSETS	3,231,184.70	2,551,011.02	680,173.68
NONCURRENT ASSETS:			
FIXED ASSETS			
FIXED ASSETS (NET)			
Furn & Equip - Admin	23,910.50	23,910.50	0.00
Automotive Equipment	91,122.90	91,122.90	0.00
TOTAL Fixed Assets	115,033.40	115,033.40	0.00
ACCUMULATED DEPRECIATION			
Accum Depreciation	-110,530.36	-110,530.36	0.00
TOTAL Accum Depn	-110,530.36	-110,530.36	0.00
NET FIXED ASSETS	4,503.04	4,503.04	0.00
Deferred Outflows	519,202.00	519,202.00	0.00
Deferred Outflows - OPEB	9,795.00	9,795.00	0.00
TOTAL NONCURRENT ASSETS	533,500.04	533,500.04	0.00
TOTAL ASSETS	3,764,684.74	3,084,511.06	680,173.68

**Housing Choice Voucher  
Balance Sheet (With Period Change)  
Period = Oct 2019-Mar 2020**

5/12/2020 3:23 PM

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
<b>LIABILITIES &amp; EQUITY</b>			
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES:</b>			
A/P Vendors and Contractors	-66,575.06	4,306.00	-70,881.06
Payables to LHA	146,993.21	13,184.59	133,808.62
A/P to SLONP	4,390.37	0.00	4,390.37
A/P-HUD	13,488.80	13,488.80	0.00
Accrued Expenses	3,781.00	4,082.00	-301.00
Accrued OPEB (GASB)	91,341.00	91,341.00	0.00
Accrued Compensated Absences-Currei	37,953.00	37,953.00	0.00
Accrued Payroll & Payroll Taxes	44,860.00	48,436.00	-3,576.00
<b>TOTAL CURRENT LIABILITIES</b>	<b>276,232.32</b>	<b>212,791.39</b>	<b>63,440.93</b>
<b>NONCURRENT LIABILITIES:</b>			
Accrued Compensated Absences-LT	20,860.00	20,860.00	0.00
FSS Escrow Payable	318,859.92	264,721.28	54,138.64
Deferred Inflows	187,743.00	187,743.00	0.00
Net Pension Liability	1,727,628.00	1,727,628.00	0.00
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>2,255,090.92</b>	<b>2,200,952.28</b>	<b>54,138.64</b>
<b>TOTAL LIABILITIES</b>	<b>2,531,323.24</b>	<b>2,413,743.67</b>	<b>117,579.57</b>
<b>EQUITY</b>			
<b>CONTRIBUTED CAPITAL:</b>			
Invested in Capital Assets-Net of Debt	4,503.04	10,446.60	-5,943.56
<b>TOTAL CONTRIBUTED CAPITAL</b>	<b>4,503.04</b>	<b>10,446.60</b>	<b>-5,943.56</b>
<b>RESERVED FUNDS BALANCE:</b>			
Restricted Net Assets	189,865.92	0.00	189,865.92
<b>TOTAL RESERVED FUND BALANCE</b>	<b>189,865.92</b>	<b>0.00</b>	<b>189,865.92</b>
<b>RETAINED EARNINGS:</b>			
Retained Earnings-Unrestricted Net Ass	1,038,992.54	660,320.79	378,671.75
<b>TOTAL RETAINED EARNINGS:</b>	<b>1,038,992.54</b>	<b>660,320.79</b>	<b>378,671.75</b>
<b>TOTAL EQUITY</b>	<b>1,233,361.50</b>	<b>670,767.39</b>	<b>562,594.11</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,764,684.74</b>	<b>3,084,511.06</b>	<b>680,173.68</b>

**Housing Authority City of San Luis Obispo**  
**Local Authority**  
**October 2019 – March 2020**

Summary

Local Authority (LHA) is the non-HUD/unrestricted arm of the Housing Authority. Local Authority has three core lines of business: owned rental property, property management services, and project development. Rental property consists of 34 owned apartment units and 1 rental home. LHA provides management and maintenance services for all of our affiliated non-profits, tax credit, and HUD Multifamily properties. LHA also serves as the development arm of the Housing Authority. LHA has a number of development projects currently in process. LHA also administers a number of other programs and grants.

Local Authority completed the first half of the year with over \$3 million in gross revenues, and net income of over \$1.7 million, which is slightly higher than budget. Developer fee revenues accounted for approximately \$1.2 million of the gross revenues. Total expenses were higher than budgeted, primarily due to higher maintenance costs, and higher grant expenses.

Selected highlights for lines of business are presented below:

Income Statement

Rental Property

This segment's main source of income is Parkwood. Turnover has been low at Parkwood resulting in limited vacancy loss and less maintenance expenses than budgeted. Salaries are also under budget as the staffing assignments have changed, allowing less manager time to be allocated to Parkwood. Overall, the net income is strong at \$206,000.

Property Management

Net income is very close to budget for this segment. The main source of income for this segment is property management fees. The segment has benefited as we've put more units under our management. While this segment doesn't generate the levels of cash flow that rental property and development do, it is still a very solid financial component and has become more profitable over time.

Development

Net income for this segment is \$1.4 million, which is higher than budgeted. The major sources of revenues are developer fees earned of \$1.3 million, and interest earned on investments and notes receivables of \$583,000. The developer fee revenues earned are typically not received until certain project milestones are met, and only if the project has sufficient proceeds. The earned but not yet received developer fees provide a future stream of cash flow as projects pay on these obligations. Of the interest earned, \$366,000 has been received in cash, with the remaining amounts being deferred until the projects have the cash flow to pay. Development has a very strong cash position, so the unpaid developer fee and interest do not present a financial hardship.

Balance Sheet

The cash balance has increased considerably as significant cash proceeds have been received related to the RAD project. A portion of that cash will be loaned go back into the project to fund construction. The balance sheet also now shows a long-term receivable from the RAD project, which was seller financing related to the sale of the former public housing units to the RAD LP, and will generate annual cash payments. Overall, the balance sheet is very healthy and we should be able to weather any downturn related to the recent pandemic.

**Local Authority Financial (.1-1aa)  
Budget Comparison  
Period = Mar 2020**

5/12/2020 3:15 PM

Book = Accrual

	YTD Actual	YTD Budget	Variance	% Var	Annual Budget
<b>INCOME</b>					
TENANT INCOME					
Rental Income					
Tenant Rent	245,523.00	227,164.98	18,358.02	8.08	454,329.96
Tenant Assistance Payments	82,625.00	86,074.98	-3,449.98	-4.01	172,149.96
Less: Vacancies	-4,652.00	-7,886.52	3,234.52	41.01	-15,773.04
Commercial Rental Income	6,300.00	8,700.00	-2,400.00	-27.59	17,400.00
Rent Income - Community Garden	245.00	0.00	245.00	N/A	0.00
Ground Lease Income	12,612.25	28,041.36	-15,429.11	-55.02	56,082.72
<b>Total Rental Income</b>	<b>342,653.25</b>	<b>342,094.80</b>	<b>558.45</b>	<b>0.16</b>	<b>684,189.60</b>
Other Tenant Income					
Tenant Charges	496.00	100.02	395.98	395.90	200.04
NSF & Late Fees	675.00	267.48	407.52	152.36	534.96
Legal Fees - Tenant	0.00	250.02	-250.02	-100.00	500.04
Tenant Owed Utilities	149.39	0.00	149.39	N/A	0.00
Application Fee Income	150.00	0.00	150.00	N/A	0.00
<b>Total Other Tenant Income</b>	<b>1,470.39</b>	<b>617.52</b>	<b>852.87</b>	<b>138.11</b>	<b>1,235.04</b>
OTHER PROGRAM INCOME					
Program Income	10,198.00	3,107.52	7,090.48	228.17	6,215.04
<b>NET TENANT INCOME</b>	<b>354,321.64</b>	<b>345,819.84</b>	<b>8,501.80</b>	<b>2.46</b>	<b>691,639.68</b>
GRANT INCOME					
HUD PHA Operating Grants/Subsidy	-58,981.00	0.00	-58,981.00	N/A	0.00
TBRAP/RAPSS Grant Income	94,859.30	63,892.50	30,966.80	48.47	127,785.00
HTF Grant Income	30,491.50	17,500.02	12,991.48	74.24	35,000.04
<b>TOTAL GRANT INCOME</b>	<b>66,369.80</b>	<b>81,392.52</b>	<b>-15,022.72</b>	<b>-18.46</b>	<b>162,785.04</b>
OTHER INCOME					
Investment Income - Unrestricted	379,043.33	383,625.00	-4,581.67	-1.19	767,250.00
Investment Income - N/R	174,229.70	136,882.98	37,346.72	27.28	273,765.96
Investment Income - Help Notes	13,374.84	13,375.02	-0.18	0.00	26,750.04
Investment Income - N/R Brizzolara	23,028.81	23,310.00	-281.19	-1.21	46,620.00
Investment Income - 860	7,020.72	6,888.48	132.24	1.92	13,776.96
Management Fee Income	344,664.65	332,227.50	12,437.15	3.74	664,455.00
PBV Waiting List Mgt Fee Inc	30,684.00	26,665.02	4,018.98	15.07	53,330.04
Resident Services Income	18,043.50	18,043.50	0.00	0.00	36,087.00
Maint Workorder Fee Income	344,183.21	272,899.98	71,283.23	26.12	545,799.96
Developer Fee Income	1,208,523.50	1,112,135.64	96,387.86	0.09	2,224,271.28
Bond Fee Income	8,000.00	0.00	8,000.00	N/A	0.00
Miscellaneous Other Income	32,715.45	18,750.00	13,965.45	74.48	37,500.00
Income - FTHB	2,625.68	1,600.02	1,025.66	64.10	3,200.04
Office Rental income	2,136.00	2,138.40	-2.40	-0.11	4,276.80



**Local Authority Financial (.1-1aa)  
Budget Comparison  
Period = Mar 2020**

5/12/2020 3:15 PM

Book = Accrual

	YTD Actual	YTD Budget	Variance	% Var	Annual Budget
TOTAL OTHER INCOME	2,588,273.39	2,348,541.54	239,731.85	0.10	4,697,083.08
TOTAL INCOME	3,008,964.83	2,775,753.90	233,210.93	0.08	5,551,507.80
<b>EXPENSES</b>					
<b>ADMINISTRATIVE</b>					
Administrative Salaries					
Administrative Salaries	365,648.02	373,083.66	7,435.64	1.99	746,167.20
Employee Benefit Contribution-Admin	151,814.26	168,083.19	16,268.93	9.68	336,166.47
Workers Comp - Admin	3,590.60	5,104.63	1,514.03	29.66	10,209.21
On-Site Manager Comp	41,745.38	44,942.55	3,197.17	7.11	89,885.03
Total Administrative Salaries	562,798.26	591,214.03	28,415.77	4.81	1,182,427.91
Other Admin Expenses					
Staff Training	296.57	4,147.50	3,850.93	92.85	8,295.00
Travel	2,964.18	3,460.02	495.84	14.33	6,920.04
Auditing & Tax Fees	5,537.57	1,375.02	-4,162.55	-302.73	2,750.04
Legal Expense	9,839.75	28,000.02	18,160.27	64.86	56,000.04
Management Fee	0.00	0.00	0.00	N/A	0.00
Administrative Fees	7,777.06	7,500.00	-277.06	-3.69	15,000.00
Processing Costs	10,200.00	5,599.98	-4,600.02	-82.14	11,199.96
Marketing	14.96	3,332.52	3,317.56	99.55	6,665.04
Consultants	321.47	1,470.00	1,148.53	78.13	2,940.00
Total Other Admin Expenses	36,951.56	54,885.06	17,933.50	32.67	109,770.12
Miscellaneous Admin Expenses					
Total Miscellaneous Admin Expenses	21,970.92	21,650.04	-320.88	-1.48	43,300.08
TOTAL ADMINISTRATIVE EXPENSES	621,720.74	667,749.13	46,028.39	6.89	1,335,498.11
<b>TENANT SERVICES</b>					
TOTAL TENANT SERVICES EXPENSES	21,049.97	24,592.65	3,542.68	14.41	49,185.03
<b>UTILITIES</b>					
TOTAL UTILITY EXPENSES	11,912.80	5,834.10	-6,078.70	-104.19	11,668.16
<b>MAINTENANCE AND OPERATIONS</b>					
General Maint Expense					
Maintenance Salaries	171,001.38	95,870.01	-75,131.37	-78.37	191,740.11
Grounds Salaries	64,924.70	72,859.94	7,935.24	10.89	145,719.98
Employee Benefit Contribution-Maint.	66,398.25	67,842.45	1,444.20	2.13	135,684.96
Workers Comp - Maintenance	27,062.23	21,752.46	-5,309.77	-24.41	43,505.03
Maintenance Uniforms	203.73	274.98	71.25	25.91	549.96
Maintenance Travel/Training	25.52	4.98	-20.54	-412.45	9.96
Vehicle Gas, Oil, Grease	766.02	552.48	-213.54	-38.65	1,104.96
TOTAL General Maint Expense	330,381.83	259,157.30	-71,224.53	-27.48	518,314.96

**Local Authority Financial (.1-1aa)**

**Budget Comparison**

5/12/2020 3:15 PM

**Period = Mar 2020**

Book = Accrual

	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>% Var</b>	<b>Annual Budget</b>
Materials					
TOTAL Materials	4,788.53	11,479.98	6,691.45	58.29	22,959.96
Contract Costs					
Total Contract Costs	7,916.22	15,272.58	7,356.36	48.17	30,545.16
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>343,086.58</b>	<b>285,909.86</b>	<b>-57,176.72</b>	<b>-20.00</b>	<b>571,820.08</b>
<b>GENERAL EXPENSES</b>					
Employee Benefits					
Unallocated Benefits	34,371.77	0.00	-34,371.77	N/A	0.00
Property Insurance	1,570.86	1,547.52	-23.34	-1.51	3,095.04
Liability Insurance	3,443.76	4,365.00	921.24	21.11	8,730.00
Auto Insurance Expense	3,032.28	2,742.48	-289.80	-10.57	5,484.96
OPEB (GASB 75)	0.00	49.98	49.98	100.00	99.96
OPEB Maintenance (GASB 75)	0.00	49.98	49.98	100.00	99.96
Payments in Lieu of Taxes (PILOT)	2,628.60	2,740.02	111.42	4.07	5,480.04
Misc Taxes/Lic/Ins	80.00	129.96	49.96	38.44	259.92
Property Tax: Fire	21.18	15.00	-6.18	-41.20	30.00
Bad Debt-Tenant Rents	-2,840.32	0.00	2,840.32	N/A	0.00
HOA Dues	54,711.00	51,768.00	-2,943.00	-5.68	103,536.00
<b>TOTAL GENERAL EXPENSES</b>	<b>97,019.13</b>	<b>63,407.94</b>	<b>-33,611.19</b>	<b>-53.01</b>	<b>126,815.88</b>
<b>HOUSING ASSISTANCE PAYMENTS</b>					
Housing Assistance Payments	1,607.26	0.00	-1,607.26	N/A	0.00
Security Deposit Assistance	49,100.00	38,057.52	-11,042.48	-29.02	76,115.04
Eviction Prevention	8,107.64	11,569.98	3,462.34	29.93	23,139.96
Rental Assistance	64,244.74	18,664.98	-45,579.76	-244.20	37,329.96
<b>TOTAL HOUSING ASSISTANCE PAYMENTS</b>	<b>123,059.64</b>	<b>68,292.48</b>	<b>-54,767.16</b>	<b>-80.19</b>	<b>136,584.96</b>
<b>OTHER DISTRIBUTIONS</b>					
<b>FINANCING EXPENSE</b>					
<b>OTHER DISTRIBUTIONS</b>					
Interest Expense - Courtland	0.00	6,412.50	6,412.50	100.00	12,825.00
Interest Expense - HELP	6,757.86	6,648.48	-109.38	-1.65	13,296.96
Interest Expense-Mortgage	0.00	23,625.00	23,625.00	100.00	47,250.00
Property Appraisals	0.00	6,000.00	6,000.00	100.00	12,000.00
<b>TOTAL FINANCING EXPENSES</b>	<b>6,757.86</b>	<b>42,685.98</b>	<b>35,928.12</b>	<b>84.17</b>	<b>85,371.96</b>
<b>NON-OPERATING ITEMS</b>					
Depreciation -Buildings	0.00	35,524.98	35,524.98	100.00	71,049.96
<b>TOTAL NON-OPERATING ITEMS</b>	<b>0.00</b>	<b>35,524.98</b>	<b>35,524.98</b>	<b>100.00</b>	<b>71,049.96</b>
<b>LP &amp; TAX CREDIT EXPENSES</b>					
<b>TOTAL EXPENSES</b>	<b>1,224,606.72</b>	<b>1,193,997.12</b>	<b>-30,609.60</b>	<b>-2.56</b>	<b>2,387,994.14</b>

**Local Authority Financial (.1-1aa)**  
**Budget Comparison**  
**Period = Mar 2020**

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Book = Accrual

	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>% Var</b>	<b>Annual Budget</b>
NET INCOME	1,784,358.11	1,581,756.78	202,601.33	0.13	3,163,513.66

**Local Authority Financial (.1-1aa)  
Balance Sheet (With Period Change)  
Period = Oct 2019-Mar 2020**

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
<b>ASSETS</b>			
CURRENT ASSETS:			
CASH			
Unrestricted Cash			
Cash - Checking	1,530,934.59	3,699,246.38	-2,168,311.79
Cash - Checking	5,655.21	5.14	5,650.07
Cash - Checking	54,801.34	37,778.00	17,023.34
Cash on Hand	250.00	250.00	0.00
Total Unrestricted Cash	1,591,641.14	3,737,279.52	-2,145,638.38
Restricted Cash			
Cash - Security Deposits	42,022.00	42,022.00	0.00
Total Restricted Cash	42,022.00	42,022.00	0.00
TOTAL CASH	1,633,663.14	3,779,301.52	-2,145,638.38
ACCOUNTS AND NOTES RECEIVABLE			
TOTAL ACCOUNTS AND NOTES RECEIVABLE	56,110,774.21	55,052,444.04	1,058,330.17
OTHER CURRENT ASSETS			
Investments-Unrestricted	2,117,474.40	1,152,740.61	964,733.79
Investment - CD	6,874.08	6,873.96	0.12
Investment-Unrest-HELP Loan	7,202.21	7,160.19	42.02
Investments-Restricted	32,177,857.23	31,812,266.25	365,590.98
Investment Rest - Office Building	70.19	69.78	0.41
Investment Rest - Anderson	97,315.05	86,998.29	10,316.76
Prepaid Insurance	5,267.10	38,493.00	-33,225.90
Other Prepayments/Def Charges	29,764.48	362,885.91	-333,121.43
Grant Funds Available	100,052.02	150,037.32	-49,985.30
Inventories-Materials	15,317.06	15,296.06	21.00
Inventories-Equipment	1,000.00	1,000.00	0.00
Assets Held for Sale - Courtland	343,474.00	343,474.00	0.00
TOTAL OTHER CURRENT ASSETS	34,926,667.82	33,977,295.37	949,372.45
TOTAL CURRENT ASSETS	92,671,105.17	92,809,040.93	-137,935.76
NONCURRENT ASSETS:			
FIXED ASSETS			
FIXED ASSETS (NET)			
Land	8,777,338.65	8,777,338.65	0.00
Land - Homeless Shelter	451,000.00	451,000.00	0.00
Land - Ahearn	750,724.50	750,724.50	0.00

**Local Authority Financial (.1-1aa)  
Balance Sheet (With Period Change)  
Period = Oct 2019-Mar 2020**

Book = Accrual

	Balance	Beginning	Net
Land - The Wedge	107,000.00	107,000.00	0.00
Buildings	2,922,878.53	2,922,878.53	0.00
Furn & Equip - Admin	20,202.79	20,202.79	0.00
Automotive Equipment	315,281.27	315,281.27	0.00
<b>TOTAL Fixed Assets</b>	<b>13,344,425.74</b>	<b>13,344,425.74</b>	<b>0.00</b>
<b>ACCUMULATED DEPRECIATION</b>			
Accum Depreciation	-1,230,954.54	-1,230,954.54	0.00
<b>TOTAL Accum Depn</b>	<b>-1,230,954.54</b>	<b>-1,230,954.54</b>	<b>0.00</b>
<b>NET FIXED ASSETS</b>	<b>12,113,471.20</b>	<b>12,113,471.20</b>	<b>0.00</b>
<b>CIP</b>			
<b>TOTAL CIP</b>	<b>573,850.07</b>	<b>353,046.62</b>	<b>220,803.45</b>
Deferred Outflows	983,824.00	983,824.00	0.00
Deferred Outflows - OPEB	16,816.00	16,816.00	0.00
<b>TOTAL NONCURRENT ASSETS</b>	<b>13,687,961.27</b>	<b>13,467,157.82</b>	<b>220,803.45</b>
<b>TOTAL ASSETS</b>	<b>106,359,066.44</b>	<b>106,276,198.75</b>	<b>82,867.69</b>

**LIABILITIES & EQUITY**

LIABILITIES:

CURRENT LIABILITIES:

Payables to LHA	1,406,343.68	1,322,749.89	83,593.79
A/P to SLONP	9,640.57	0.00	9,640.57
Tenant Security Deposits	42,000.00	41,422.00	578.00
Security Deposit-Pet	900.00	600.00	300.00
A/P Other	12,446.07	0.00	12,446.07

PAYROLL PAYABLES

<b>TOTAL Payroll Payables</b>	<b>-33,519.25</b>	<b>0.00</b>	<b>-33,519.25</b>
Accrued Expenses	2,906.00	2,906.00	0.00
Accrued OPEB (GASB)	154,546.00	154,546.00	0.00
Accrued Compensated Absences-Current	28,617.00	28,617.00	0.00
Accrued Payroll & Payroll Taxes	33,716.00	33,716.00	0.00
Accrued PILOT	21,558.55	18,929.95	2,628.60
Tenant Prepaid Rents	2,318.35	1,496.68	821.67
Tenant Recreation Fund Payable	12,602.60	12,602.60	0.00
Unearned Grant Funds	100,052.02	180,528.82	-80,476.80
Undistributed Credits	34,134.00	21,282.00	12,852.00
Advance Payable	622,616.00	0.00	622,616.00
Adv Payable - SLONP (Performance Deposit)	100,000.00	100,000.00	0.00
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,550,877.59</b>	<b>1,919,396.94</b>	<b>631,480.65</b>

**Local Authority Financial (.1-1aa)**  
**Balance Sheet (With Period Change)**  
**Period = Oct 2019-Mar 2020**

Book = Accrual

	Balance	Beginning	Net
<b>NONCURRENT LIABILITIES:</b>			
Accrued Compensated Absences-LT	15,728.00	15,728.00	0.00
Mortgage Payable	0.00	1,050,000.00	-1,050,000.00
N/P - Help Loan - SRO/HOME	442,066.32	456,535.14	-14,468.82
N/P-City of AG - Courtland	55,500.00	55,500.00	0.00
Deferred Inflows	502,046.00	502,046.00	0.00
Net Pension Liability	3,415,541.00	3,415,541.00	0.00
Prepaid Land Lease	11,589,850.40	11,602,462.65	-12,612.25
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>16,020,731.72</b>	<b>5,495,350.14</b>	<b>10,525,382</b>
<b>TOTAL LIABILITIES</b>	<b>18,571,609.31</b>	<b>19,017,209.73</b>	<b>-445,600.42</b>
<b>EQUITY</b>			
<b>RETAINED EARNINGS:</b>			
Invested in Capital Assets-Net of Debt	12,113,468.11	6,010,008.77	6,103,459.34
Retained Earnings-Unrestricted Net Assets	75,673,989.02	81,248,980.25	-5,574,991.23
<b>TOTAL RETAINED EARNINGS:</b>	<b>87,787,457.13</b>	<b>87,258,989.02</b>	<b>528,468.11</b>
<b>TOTAL EQUITY</b>	<b>87,787,457.13</b>	<b>87,258,989.02</b>	<b>528,468.11</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>106,359,066.44</b>	<b>106,276,198.75</b>	<b>82,867.69</b>

**Housing Authority City of San Luis Obispo**  
**Law Apartments**  
**October 2019 – March 2020**

Summary

Law Apartments consists of a 9-unit family project, which was acquired using a HUD backed mortgage. This project is subsidized by HUD as a Multifamily complex. Law Apartments is in a very desirable location, and historically there has been very little turnover or vacancies. During the 2013 fiscal year, the HUD backed mortgage was paid off in full. However, the regulatory agreement on the property extends for many years to come.

Law Apartments is generating a net loss, which was anticipated in the budget. We planned to spend down some of the excess cash from prior years for repairs this year. HUD has been hesitant to grant any further rent increases until some of that cash is spent down. We used some of the cash to make repairs to a unit that turned over after a very long-term tenant vacated. We also had higher than normal vacancy loss as the unit had to be held vacant for some time while we got approval from HUD to use reserves and all the work was completed.

Operating cash is limited, but reserves are strong. The use of reserves does require HUD approval on this project.

## Budget Comparison

Period = Mar 2020

Book = Accrual

	YTD Actual	YTD Budget	Variance	% Var	Annual
<b>INCOME</b>					
TENANT INCOME					
Rental Income					
Tenant Rent	34,725.00	9,532.36	25,192.64	264.29	9,532.36
Tenant Assistance Payments	16,176.00	7,477.64	8,698.36	116.32	7,477.64
Less: Vacancies	-4,096.00	-773.66	-3,322.34	-429.43	-773.66
Laundry and Vending	549.53	286.00	263.53	92.14	286.00
Total Rental Income	47,354.53	16,522.34	30,832.19	186.61	16,522.34
Other Tenant Income					
Tenant Charges	248.00	330.00	-82.00	-24.85	330.00
NSF & Late Fees	50.00	8.00	42.00	525.00	8.00
Total Other Tenant Income	298.00	338.00	-40.00	-11.83	338.00
NET TENANT INCOME	47,652.53	16,860.34	30,792.19	182.63	16,860.34
OTHER INCOME					
Investment Income - Unrestricted	17.84	116.00	-98.16	-84.62	116.00
Investment Income - Restricted	198.48	0.00	198.48	N/A	0.00
TOTAL OTHER INCOME	216.32	116.00	100.32	86.48	116.00
TOTAL INCOME	47,868.85	16,976.34	30,892.51	181.97	16,976.34
<b>EXPENSES</b>					
ADMINISTRATIVE					
Administrative Salaries					
Administrative Salaries	4,673.02	1,487.92	-3,185.10	-214.06	1,487.79
Employee Benefit Contribution-Admin	5,990.07	1,804.19	-4,185.88	-232.01	1,804.18
Workers Comp - Admin	121.89	73.06	-48.83	-66.84	72.89
On-Site Manager Comp	4,988.76	2,052.82	-2,935.94	-143.02	2,052.79
Monitor Allowance	0.00	50.00	50.00	100.00	50.00
Total Administrative Salaries	15,773.74	5,467.99	-10,305.75	-188.47	5,467.65
Other Admin Expenses					
Staff Training	30.90	40.50	9.60	23.70	40.50
Accounting Fees	1,863.61	621.06	-1,242.55	-200.07	621.06
Auditing & Tax Fees	404.70	108.00	-296.70	-274.72	108.00
Legal Expense	23.17	6.00	-17.17	-286.17	6.00
Management Fee	3,959.48	1,422.04	-2,537.44	-178.44	1,422.04
Marketing	3.96	0.00	-3.96	N/A	0.00
Consultants	4.68	0.00	-4.68	N/A	0.00
Total Other Admin Expenses	6,290.50	2,197.60	-4,092.90	-186.24	2,197.60
Miscellaneous Admin Expenses					
Total Miscellaneous Admin Expenses	1,609.06	512.00	-1,097.06	-214.27	512.00
TOTAL ADMINISTRATIVE EXPENSES	23,673.30	8,177.59	-15,495.71	-189.49	8,177.25



## Budget Comparison

Period = Mar 2020

Book = Accrual

	YTD Actual	YTD Budget	Variance	% Var	Annual
TENANT SERVICES					
Tenant Services Salaries	119.50	52.02	-67.48	-129.72	52.01
Employee Benefit Contributions-Tenant Svcs.	40.28	22.76	-17.52	-76.98	22.79
Tenant Services-Workers Comp	2.02	1.14	-0.88	-77.19	1.14
<b>TOTAL TENANT SERVICES EXPENSES</b>	<b>161.80</b>	<b>75.92</b>	<b>-85.88</b>	<b>-113.12</b>	<b>75.94</b>
UTILITIES					
<b>TOTAL UTILITY EXPENSES</b>	<b>9,719.29</b>	<b>3,502.00</b>	<b>-6,217.29</b>	<b>-177.54</b>	<b>3,502.00</b>
MAINTENANCE AND OPERATIONS					
General Maint Expense					
Maintenance Salaries	5,092.25	3,086.39	-2,005.86	-64.99	3,086.41
Grounds Salaries	195.11	18.00	-177.11	-983.94	18.00
Employee Benefit Contribution-Maint.	1,603.34	1,359.66	-243.68	-17.92	1,359.63
Workers Comp - Maintenance	470.17	386.12	-84.05	-21.77	386.11
Maintenance Uniforms	53.92	28.00	-25.92	-92.57	28.00
Maintenance Travel/Training	19.14	0.00	-19.14	N/A	0.00
Vehicle Gas, Oil, Grease	120.47	44.00	-76.47	-173.80	44.00
<b>TOTAL General Maint Expense</b>	<b>7,554.40</b>	<b>4,922.17</b>	<b>-2,632.23</b>	<b>-53.48</b>	<b>4,922.15</b>
Materials					
Supplies-Appliance	0.00	230.00	230.00	100.00	230.00
Supplies-Janitorial/Cleaning	0.30	0.00	-0.30	N/A	0.00
Supplies-Maint/Repairs	1,066.24	400.00	-666.24	-166.56	400.00
Supplies-Inventory	5.00	2.00	-3.00	-150.00	2.00
Supplies-Work Order	0.00	318.00	318.00	100.00	318.00
<b>TOTAL Materials</b>	<b>1,071.54</b>	<b>950.00</b>	<b>-121.54</b>	<b>-12.79</b>	<b>950.00</b>
Contract Costs					
<b>Total Contract Costs</b>	<b>11,496.07</b>	<b>6,861.34</b>	<b>-4,634.73</b>	<b>-67.55</b>	<b>6,861.34</b>
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>20,122.01</b>	<b>12,733.51</b>	<b>-7,388.50</b>	<b>-58.02</b>	<b>12,733.49</b>
GENERAL EXPENSES					
Property Insurance	276.66	96.60	-180.06	-186.40	96.60
Liability Insurance	96.18	58.80	-37.38	-63.57	58.80
Property Taxes	0.00	90.66	90.66	100.00	90.66
<b>TOTAL GENERAL EXPENSES</b>	<b>372.84</b>	<b>246.06</b>	<b>-126.78</b>	<b>-51.52</b>	<b>246.06</b>
OTHER DISTRIBUTIONS					
FINANCING EXPENSE					
NON-OPERATING ITEMS					
Depreciation -Buildings	0.00	-4,029.96	-4,029.96	-100.00	2,014.98
<b>TOTAL NON-OPERATING ITEMS</b>	<b>0.00</b>	<b>-4,029.96</b>	<b>-4,029.96</b>	<b>-100.00</b>	<b>2,014.98</b>
LP & TAX CREDIT EXPENSES					

**Dan Law Apartments (1-law)**  
**Budget Comparison**  
**Period = Mar 2020**

5/12/2020 3:33 PM

Book = Accrual

	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>% Var</b>	<b>Annual</b>
TOTAL EXPENSES	54,049.24	20,705.12	-33,344.12	-161.04	26,749.72
NET INCOME	-6,180.39	-3,728.78	-2,451.61	-65.75	-9,773.38

**Dan Law Apartments (1-law)**  
**Balance Sheet (With Period Change)**  
**Period = Oct 2019-Mar 2020**

5/12/2020 3:33 PM

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
<b>ASSETS</b>			
CURRENT ASSETS:			
CASH			
Unrestricted Cash			
Cash - Checking	5,914.33	13,949.87	-8,035.54
Total Unrestricted Cash	5,914.33	13,949.87	-8,035.54
Restricted Cash			
Cash - Security Deposits	4,279.00	4,279.00	0.00
Cash - Replacement Reserves	71,048.48	79,168.24	-8,119.76
Cash - Painting Reserve	14,810.76	14,796.22	14.54
Cash - Residual Receipts Reserve	106,751.22	102,549.50	4,201.72
Total Restricted Cash	196,889.46	200,792.96	-3,903.50
TOTAL CASH	202,803.79	214,742.83	-11,939.04
ACCOUNTS AND NOTES RECEIVABLE			
A/R - Tenants	114.00	67.17	46.83
A/R - Collections	963.00	963.00	0.00
Allowance for Doubtful Accts - Colle	-963.00	-963.00	0.00
A/R - Affordable Housing Subsidies	-4.00	795.00	-799.00
Accrued Interest Receivable	0.00	16.29	-16.29
TOTAL ACCOUNTS AND NOTES RECEIVAB	110.00	878.46	-768.46
OTHER CURRENT ASSETS			
Investments-Unrestricted	1,002.81	968.68	34.13
Prepaid Insurance	373.16	746.00	-372.84
Other Prepayments/Def Charges	1,343.51	0.00	1,343.51
TOTAL OTHER CURRENT ASSETS	2,719.48	1,714.68	1,004.80
TOTAL CURRENT ASSETS	205,633.27	217,335.97	-11,702.70
NONCURRENT ASSETS:			
FIXED ASSETS			
FIXED ASSETS (NET)			
Land	456,000.00	456,000.00	0.00
Buildings	147,042.33	147,042.33	0.00
Buildings Improvement Costs	93,700.10	88,645.10	5,055.00
Furn & Equip - Dwelling	18,349.81	12,767.09	5,582.72
Capital Improve.(Mio): Law Apts	133,339.08	133,339.08	0.00
Capital Improve. Landscaping	15,031.90	15,031.90	0.00
TOTAL Fixed Assets	863,463.22	852,825.50	10,637.72
ACCUMULATED DEPRECIATION			
Accum Depreciation	-234,112.29	-234,112.29	0.00
TOTAL Accum Depn	-234,112.29	-234,112.29	0.00
NET FIXED ASSETS	629,350.93	618,713.21	10,637.72

**Dan Law Apartments (1-law)**  
**Balance Sheet (With Period Change)**  
**Period = Oct 2019-Mar 2020**

5/12/2020 3:33 PM

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
Deferred Outflows	20,821.00	20,821.00	0.00
Deferred Outflows - OPEB	276.00	276.00	0.00
<b>TOTAL NONCURRENT ASSETS</b>	<b>650,447.93</b>	<b>639,810.21</b>	<b>10,637.72</b>
<b>TOTAL ASSETS</b>	<b>856,081.20</b>	<b>857,146.18</b>	<b>-1,064.98</b>
<b>LIABILITIES &amp; EQUITY</b>			
LIABILITIES:			
CURRENT LIABILITIES:			
Payables to LHA	4,635.32	0.00	4,635.32
A/P to SLONP	328.26	0.00	328.26
Tenant Security Deposits	3,829.00	3,979.00	-150.00
Security Deposit-Pet	300.00	300.00	0.00
Accrued Expenses	100.00	100.00	0.00
Accrued OPEB (GASB)	2,617.00	2,617.00	0.00
Accrued Compensated Absences-Curren	885.00	885.00	0.00
Accrued Payroll & Payroll Taxes	1,023.00	1,023.00	0.00
Accrued PILOT	460.11	460.11	0.00
Tenant Prepaid Rents	603.67	301.84	301.83
<b>TOTAL CURRENT LIABILITIES</b>	<b>14,781.36</b>	<b>9,665.95</b>	<b>5,115.41</b>
NONCURRENT LIABILITIES:			
Accrued Compensated Absences-LT	486.00	486.00	0.00
Deferred Inflows	9,239.00	9,239.00	0.00
Net Pension Liability	71,472.00	71,472.00	0.00
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>81,197.00</b>	<b>81,197.00</b>	<b>0.00</b>
OTHER LIABILITIES			
HUD Capital Grant	581,937.00	581,937.00	0.00
HUD Project Imp Grant	123,008.00	123,008.00	0.00
<b>TOTAL OTHER LIABILITIES</b>	<b>704,945.00</b>	<b>704,945.00</b>	<b>0.00</b>
<b>TOTAL LIABILITIES</b>	<b>800,923.36</b>	<b>795,807.95</b>	<b>5,115.41</b>
EQUITY			
RETAINED EARNINGS:			
Retained Earnings-Unrestricted Net Ass	55,157.84	61,338.23	-6,180.39
<b>TOTAL RETAINED EARNINGS:</b>	<b>55,157.84</b>	<b>61,338.23</b>	<b>-6,180.39</b>
<b>TOTAL EQUITY</b>	<b>55,157.84</b>	<b>61,338.23</b>	<b>-6,180.39</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>856,081.20</b>	<b>857,146.18</b>	<b>-1,064.98</b>

**Housing Authority City of San Luis Obispo**  
**Anderson Hotel**  
**October 2019 – March 2020**

Summary

The Anderson Hotel is a 68 unit project that serves elderly and disabled tenants. The Anderson is located downtown in a prime location, and meets a critical housing need in our community. This project is subsidized by an annual contract under the HUD Multifamily program. There is one year left on the property lease. Our attempts at negotiating a reasonable buyout or lease renewal with the owner have so far been unsuccessful, as our goals for the property are conflicting (profit vs maintaining affordable housing units). We've applied for tenant protection vouchers for all the current residents to protect them in the event an agreement cannot be reached.

The Anderson is showing a small net income in the first six months, which is less than the budgeted income. Unfortunately, we've had to defer several large maintenance items in order to achieve positive cash flow until our lease expires. Without being the owner of the property, we haven't been able to participate in any funding programs which could generate enough cash for these repairs.

The property has \$182,000 in cash reserves. This is not a comfortable margin, considering the age and major capital needs at this property, however it should take us through the end of the lease term.

**Anderson Hotel Apartments (1-aha)**  
**Budget Comparison**  
**Period = Mar 2020**

Book = Accrual

	YTD Actual	YTD Budget	Variance	% Var	Annual
<b>INCOME</b>					
TENANT INCOME					
Rental Income					
Tenant Rent	139,833.00	158,613.66	-18,780.66	-11.84	317,227.32
Tenant Assistance Payments	356,996.00	330,842.34	26,153.66	7.91	661,684.68
Less: Vacancies	-18,921.00	-15,627.06	-3,293.94	-21.08	-31,254.12
Less: Concessions	-1,071.00	0.00	-1,071.00	N/A	0.00
Laundry and Vending	2,007.79	2,046.00	-38.21	-1.87	4,092.00
Commercial Rental Income	113,578.40	120,116.40	-6,538.00	-5.44	240,232.80
Antenna Rental Income	25,375.86	25,498.14	-122.28	-0.48	50,996.28
Total Rental Income	617,799.05	621,489.48	-3,690.43	-0.59	1,242,978.96
Other Tenant Income					
Tenant Charges	1,794.74	156.00	1,638.74	1,050.47	312.00
NSF & Late Fees	6.00	0.00	6.00	N/A	0.00
Misc Tenant Income	-77.00	0.00	-77.00	N/A	0.00
Total Other Tenant Income	1,723.74	156.00	1,567.74	1,004.96	312.00
NET TENANT INCOME	619,522.79	621,645.48	-2,122.69	-0.34	1,243,290.96
GRANT INCOME					
Other Government Grants	0.00	499.98	-499.98	-100.00	999.96
TOTAL GRANT INCOME	0.00	499.98	-499.98	-100.00	999.96
OTHER INCOME					
Investment Income - Unrestricted	175.73	90.00	85.73	95.26	180.00
TOTAL OTHER INCOME	175.73	90.00	85.73	95.26	180.00
TOTAL INCOME	619,698.52	622,235.46	-2,536.94	-0.41	1,244,470.92
<b>EXPENSES</b>					
ADMINISTRATIVE					
Administrative Salaries					
Administrative Salaries	2,682.17	24,155.95	21,473.78	88.90	48,311.88
Employee Benefit Contribution-Admin	21,995.67	6,844.37	-15,151.30	-221.37	13,688.76
Workers Comp - Admin	370.50	662.87	292.37	44.11	1,325.76
On-Site Manager Comp	31,790.07	9,567.54	-22,222.53	-232.27	19,135.07
Monitor Allowance	1,426.00	900.00	-526.00	-58.44	1,800.00
Total Administrative Salaries	58,264.41	42,130.73	-16,133.68	-38.29	84,261.47
Other Admin Expenses					
Staff Training	233.04	919.74	686.70	74.66	1,839.48
Travel	0.73	0.00	-0.73	N/A	0.00
Auditing & Tax Fees	374.38	444.00	69.62	15.68	888.00

**Anderson Hotel Apartments (1-aha)**  
**Budget Comparison**  
**Period = Mar 2020**

Book = Accrual

	YTD Actual	YTD Budget	Variance	% Var	Annual
Legal Expense	397.19	1,218.00	820.81	67.39	2,436.00
Management Fee	32,111.85	30,930.66	-1,181.19	-3.82	61,861.32
Marketing	29.96	0.00	-29.96	N/A	0.00
Lease Expense	316,855.70	321,035.76	4,180.06	1.30	642,071.52
Consultants	4,435.43	0.00	-4,435.43	N/A	0.00
Total Other Admin Expenses	354,438.28	354,548.16	109.88	0.03	709,096.32
Miscellaneous Admin Expenses					
Total Miscellaneous Admin Expenses	10,251.71	9,313.98	-937.73	-10.07	18,627.96
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>422,954.40</b>	<b>405,992.87</b>	<b>-16,961.53</b>	<b>-4.18</b>	<b>811,985.75</b>
<b>TENANT SERVICES</b>					
<b>TOTAL TENANT SERVICES EXPENSES</b>	<b>2,760.56</b>	<b>4,093.57</b>	<b>1,333.01</b>	<b>32.56</b>	<b>8,187.22</b>
<b>UTILITIES</b>					
<b>TOTAL UTILITY EXPENSES</b>	<b>75,705.92</b>	<b>78,190.02</b>	<b>2,484.10</b>	<b>3.18</b>	<b>156,380.04</b>
<b>MAINTENANCE AND OPERATIONS</b>					
General Maint Expense					
Maintenance Salaries	30,815.49	23,996.11	-6,819.38	-28.42	47,992.19
Grounds Salaries	564.07	0.00	-564.07	N/A	0.00
Employee Benefit Contribution-Maint.	7,864.07	10,509.59	2,645.52	25.17	21,019.20
Workers Comp - Maintenance	3,720.93	3,100.24	-620.69	-20.02	6,200.52
Maintenance Uniforms	407.44	618.00	210.56	34.07	1,236.00
Maintenance Travel/Training	46.20	282.48	236.28	83.64	564.96
Vehicle Gas, Oil, Grease	910.34	1,002.00	91.66	9.15	2,004.00
TOTAL General Maint Expense	44,328.54	39,508.42	-4,820.12	-12.20	79,016.87
Materials					
TOTAL Materials	6,568.23	7,156.02	587.79	8.21	14,312.04
Contract Costs					
Total Contract Costs	18,268.37	27,708.42	9,440.05	34.07	55,416.84
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>69,165.14</b>	<b>74,372.86</b>	<b>5,207.72</b>	<b>7.00</b>	<b>148,745.75</b>
<b>GENERAL EXPENSES</b>					
Property Insurance	-2,891.96	13,261.50	16,153.46	121.81	26,523.00
Liability Insurance	6,000.48	7,226.10	1,225.62	16.96	14,452.20
Property Taxes	39,049.12	19,524.36	-19,524.76	-100.00	39,048.72
<b>TOTAL GENERAL EXPENSES</b>	<b>42,157.64</b>	<b>40,011.96</b>	<b>-2,145.68</b>	<b>-5.36</b>	<b>80,023.92</b>
<b>OTHER DISTRIBUTIONS</b>					
<b>FINANCING EXPENSE</b>					
<b>NON-OPERATING ITEMS</b>					
Depreciation -Buildings	0.00	-1,050.00	-1,050.00	-100.00	525.00
<b>TOTAL NON-OPERATING ITEMS</b>	<b>0.00</b>	<b>-1,050.00</b>	<b>-1,050.00</b>	<b>-100.00</b>	<b>525.00</b>

**Anderson Hotel Apartments (1-aha)**  
**Budget Comparison**  
**Period = Mar 2020**

Book = Accrual

	YTD Actual	YTD Budget	Variance	% Var	Annual
LP & TAX CREDIT EXPENSES					
TOTAL EXPENSES	612,743.66	601,611.28	-11,132.38	-1.85	1,205,847.68
NET INCOME	6,954.86	20,624.18	-13,669.32	-66.28	38,623.24



**Anderson Hotel Apartments (1-aha)**  
**Balance Sheet (With Period Change)**  
**Period = Oct 2019-Mar 2020**

5/12/2020 3:43 PM

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
<b>ASSETS</b>			
CURRENT ASSETS:			
CASH			
Unrestricted Cash			
Cash - Checking	182,886.73	180,965.07	1,921.66
Total Unrestricted Cash	<u>182,886.73</u>	<u>180,965.07</u>	<u>1,921.66</u>
Restricted Cash			
Cash - Security Deposits	25,315.99	25,315.99	0.00
Total Restricted Cash	<u>25,315.99</u>	<u>25,315.99</u>	<u>0.00</u>
TOTAL CASH	208,202.72	206,281.06	1,921.66
ACCOUNTS AND NOTES RECEIVABLE			
A/R - Tenants	4,204.49	3,750.42	454.07
A/R - Collections	5,111.22	5,111.22	0.00
Allowance for Doubtful Accts - Colle	-5,111.22	-5,111.22	0.00
A/R - Affordable Housing Subsidies	-3,899.00	603.00	-4,502.00
Accrued Interest Receivable	0.00	0.06	-0.06
TOTAL ACCOUNTS AND NOTES RECEIVAB	<u>305.49</u>	<u>4,353.48</u>	<u>-4,047.99</u>
OTHER CURRENT ASSETS			
Investments-Unrestricted	5,049.88	4,874.09	175.79
Prepaid Insurance	30,712.98	13,588.75	17,124.23
Other Prepayments/Def Charges	5,182.12	0.00	5,182.12
TOTAL OTHER CURRENT ASSETS	<u>40,944.98</u>	<u>18,462.84</u>	<u>22,482.14</u>
TOTAL CURRENT ASSETS	249,453.19	229,097.38	20,355.81
NONCURRENT ASSETS:			
FIXED ASSETS			
FIXED ASSETS (NET)			
Buildings Improvement Costs	38,882.59	38,882.59	0.00
TOTAL Fixed Assets	<u>38,882.59</u>	<u>38,882.59</u>	<u>0.00</u>
ACCUMULATED DEPRECIATION			
Accum Depreciation	-22,416.92	-22,416.92	0.00
TOTAL Accum Depn	<u>-22,416.92</u>	<u>-22,416.92</u>	<u>0.00</u>
NET FIXED ASSETS	16,465.67	16,465.67	0.00
Deferred Outflows	55,097.00	55,097.00	0.00
Deferred Outflows - OPEB	938.00	938.00	0.00
TOTAL NONCURRENT ASSETS	<u>72,500.67</u>	<u>72,500.67</u>	<u>0.00</u>
TOTAL ASSETS	<u>321,953.86</u>	<u>301,598.05</u>	<u>20,355.81</u>

**Anderson Hotel Apartments (1-aha)**  
**Balance Sheet (With Period Change)**  
**Period = Oct 2019-Mar 2020**

5/12/2020 3:43 PM

Book = Accrual

	Balance	Beginning	Net
	Current Period	Balance	Change
<b>LIABILITIES &amp; EQUITY</b>			
LIABILITIES:			
CURRENT LIABILITIES:			
Payables to LHA	14,163.40	0.00	14,163.40
A/P to SLONP	90.26	0.00	90.26
Tenant Security Deposits	16,527.00	17,835.99	-1,308.99
Security Deposit-Pet	900.00	900.00	0.00
Security Deposits - Commercial Tenant	6,580.00	6,580.00	0.00
Accrued Expenses	670.00	670.00	0.00
Accrued OPEB (GASB)	8,546.00	8,546.00	0.00
Accrued Compensated Absences-Currei	4,570.00	4,570.00	0.00
Accrued Payroll & Payroll Taxes	4,962.00	4,962.00	0.00
Tenant Prepaid Rents	6,149.94	5,693.66	456.28
<b>TOTAL CURRENT LIABILITIES</b>	<b>63,158.60</b>	<b>49,757.65</b>	<b>13,400.95</b>
NONCURRENT LIABILITIES:			
Accrued Compensated Absences-LT	2,512.00	2,512.00	0.00
Deferred Inflows	22,234.00	22,234.00	0.00
Net Pension Liability	185,680.00	185,680.00	0.00
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>210,426.00</b>	<b>210,426.00</b>	<b>0.00</b>
<b>TOTAL LIABILITIES</b>	<b>273,584.60</b>	<b>260,183.65</b>	<b>13,400.95</b>
EQUITY			
RETAINED EARNINGS:			
Invested in Capital Assets-Net of Debt	16,466.00	12,598.63	3,867.37
Retained Earnings-Unrestricted Net Ass	31,903.26	28,815.77	3,087.49
<b>TOTAL RETAINED EARNINGS:</b>	<b>48,369.26</b>	<b>41,414.40</b>	<b>6,954.86</b>
<b>TOTAL EQUITY</b>	<b>48,369.26</b>	<b>41,414.40</b>	<b>6,954.86</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>321,953.86</b>	<b>301,598.05</b>	<b>20,355.81</b>

**RESOLUTION NO. 7 (2020 SERIES)**

**RESOLUTION APPROVING  
NEW LIMITED PARTNER AND AUTHORIZING LOAN(S) TO EDNA  
ISLAY HOUSING CORPORATION**

**WHEREAS**, San Luis Obispo Non-Profit Housing Corporation and WNC are Managing General Partner and Limited Partner respectively in two Low Income Housing Tax Credit Partnerships, Atascadero Senior Housing and Del Rio Terrace Senior Housing; and

**WHEREAS**, construction of both properties was completed over 10 years ago and the Low-Income Housing Tax Credit benefits delivered to WNC; and

**WHEREAS**, WNC has now expressed interest in exiting both Low-Income Housing Tax Credit Partnerships; and

**WHEREAS**, Edna Islay Housing Corporation, a HASLO affiliate, is interested in purchasing WNC's limited partner interest, and WNC and Edna Islay have tentatively agreed upon a price, which has subsequently been approved by WNC's Investment Committee; and

**WHEREAS**, HASLO is a lender and the property manager for both Atascadero and Del Rio Terrace Senior Housing, and has an active interest in their successful continuation as affordable senior housing; and

**NOW THEREFORE BE IT RESOLVED**, that the Board of Commissioners approves the purchase of WNC's interest and substitution of EIHC as new limited partner in both Atascadero Senior Housing and Del Rio Terrace Senior Housing; and

**BE IT FURTHER RESOLVED**, that the Board of Commissioners approves loans to EIHC not to exceed \$40,000 for Atascadero Senior and \$400,000 for Del Rio Terrace respectively to be repaid through project cash flow at 3% simple interest.

On motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and on the following roll call votes:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

The foregoing Resolution was duly adopted and passed this 21<sup>st</sup> day of May, 2020,

\_\_\_\_\_  
**JAY C. BECK, CHAIRMAN**

**SEAL:**

**ATTEST:**

\_\_\_\_\_  
**SCOTT SMITH, SECRETARY**