



DALY CITY HOUSING DEVELOPMENT FINANCE AGENCY

AGENDA

REGULAR MEETING

COUNCIL CHAMBERS – 333 90TH STREET

MONDAY, FEBRUARY 26, 2018 – 7:00 PM

For those wishing to address the Agency Board on any Item on the Agenda or under Public Appearances/Oral Communications, please complete a Speaker Card located at the entrance to the Council Chambers and submit to a Staff Member as early in the meeting as possible.

Persons with disabilities who require auxiliary aids or services in attending or participating in this meeting should call the office of the City Clerk at 991-8078 as soon as possible.

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

January 8, 2018

RESOLUTIONS

1. Adjustment to 2017-18 Daly City Housing Development Finance Agency Budget

PUBLIC APPEARANCE – ORAL COMMUNICATIONS

NOTE: Speakers are limited to two minutes, unless modified by the Chair. The Board cannot take action on any matter raised under this item.

ADJOURNMENT

DALY CITY HOUSING DEVELOPMENT FINANCE AGENCY
MEETING MINUTES
January 8, 2018

The meeting was called to order by Chairperson Manalo at 8:12 P.M.

ROLL CALL: Commissioners Present:

Juslyn C. Manalo, Chairperson
Ray Buenaventura, Vice-Chairperson
Judith Christensen
Michael Guingona
Glenn Sylvester

Staff Present:

Patricia Martel, Executive Secretary/Director
Rose Zimmerman, General Counsel
K. Annette Hipona, Assistant Secretary

MINUTES:

It was moved by Commissioner Sylvester, seconded by Commissioner Buenaventura and carried to approve the Special Meetings minutes August 14, 2017.

CHANGE OF OFFICERS:

Chairperson Manalo stated by operation of the bylaws of the Agency, Juslyn Manalo, Mayor of the City of Daly City is hereby designated as Chairperson and the Vice-Mayor Ray Buenaventura is hereby designated as Vice Chairperson.

ADJOURNMENT:

The meeting was adjourned at 8:12 P.M.

Assistant Secretary

Approved this 26th day
of February, 2018

Chairperson



Meeting Date: February 26, 2018

Subject: Adjustment to 2017-18 Daly City Housing Development Finance Agency Budget

Recommended Action

Appropriate \$35,534 in Housing Trust Fund dollars for staff costs associated with development and preservation of affordable housing for total funding of \$158,762.

Background

In June of 2016, the Daly City Council and Daly City Housing Development Finance Agency adopted two-year budgets for administration of Community Development Block Grant and Affordable Housing activities respectively during FY 2016-17 and FY 2017-18. The adopted budgets were based on estimated resources and allocation of staff time at the time of adoption. At this time, as final estimates of 2017-18 revenues are available and updated costs for housing and community development staff are available, adjustments to budgets is recommended in order to bring them into alignment with available funding.

Discussion

CDBG Administrative costs are expenses incurred by the City for administering the CDBG program in accordance with Federal Regulations. This includes, preparation of the Annual Action Plan, administration of public service contracts, management of financial and program outcome data and preparation of annual reports to the U.S. Department of Housing and Urban Development.

Daly City Housing Development Finance Agency administrative costs are expenses for affordable housing activities not necessarily assisted with Federal funds. For 2017-18, these costs include staff time associated with BMR home sales, compliance monitoring of affordable housing assets, negotiation of affordable housing requirements associated with new developments and development of new affordable housing.

HUD allows for administrative expenses not exceeding twenty percent (20%) of the current year entitlement grant and program income. The adopted 2017-18 Action Plan reflects total Administrative Expenses of \$204,929, an amount equivalent to the admin cap estimated in February of 2017. CDBG Administrative expenses reflected in the 2017-18 budget adopted by the City reflects CDBG administrative expenses of \$221,678. In addition, the adopted 2017-18 budget reflects a total of \$18,785 for staff time devoted to delivery of the microenterprise assistance program, an activity that was eliminated from the HUD Action Plan for FY 2017-18. In total, the 2017-18 budgeted expenditures for CDBG admin and microenterprise assistance exceed allocated funding by \$35,534.

Therefore, it is necessary to reduce budgeted 2016-17 CDBG Administrative and microenterprise assistance expenditures by \$35,534. Reduction of the 2017-18 CDBG budgets and reallocation of staff expenses to the Daly City Housing Development Finance Agency will result in staff funding that more accurately reflects the specific allocation of staff time to CDBG and non-CDBG assisted

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housing activities. During FY 2017-18 staff have spent significant time on activities such as Franciscan Mobile Home Park bond compliance, Below Market Rate sales administration, and negotiation of Affordable Housing Plans under the City's Affordable Housing Ordinance.

Summary/Conclusion

Adjustment of the 2017-18 DCHDFA Budget, to reflect HUD spending caps and updated costs for staff salaries and benefits, is recommended. The Agency Board's approval of budget adjustments as described will enable the City to carry out affordable housing development and preservation activities not funded under the CDBG Program.

In summary staff recommends adjustment of the 2017-18 DCHDFA budget to reflect an increase in staff costs for affordable housing activities by appropriating \$35,534 in Daly City Housing Trust Fund revenues to cover increased staff costs.

Staff is available to provide any additional information desired by the Mayor or City Council Members.

Respectfully submitted,



Betsy ZoBell
Housing and Community Development Supervisor



Tatum Mothershead
Economic & Community Development
Director