

HOUSING AUTHORITY



Operating Budget
Fiscal Year 2013-14

HOUSING AUTHORITY OPERATING BUDGET FISCAL YEAR 2013-14

Board Directors

Scott Voigts, Chair
Kathryn McCullough, Vice Chair
Peter Herzog, Board Member
Adam Nick, Board Member
Dwight Robinson, Board Member

Staff Members

Robert C. Dunek, Executive Director
David E. Belmer, Deputy Executive Director
Keith D. Neves, Authority Finance Director
Stephanie D. Smith, Authority Secretary
Scott C. Smith, Authority Attorney

HOUSING AUTHORITY BUDGET

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June 18, 2013

Honorable Chairman and Members of the Authority:

I am pleased to present the Lake Forest Housing Authority's ("Authority") Budget for Fiscal Year 2013-2014 for your review and approval. The Authority's work program reflects the goals and objectives of the City's Housing Element and the Consolidated Plan for use of the City's Community Development Block Grant (CDBG). In addition, the work plan includes the continuation and potential completion of affordable housing programs and projects initiated by the Lake Forest Redevelopment Agency ("Agency") prior to its dissolution pursuant to AB1X 26 and AB 1484. The activities proposed are consistent with all applicable laws and sound management practices.

Fiscal Year 2012-13 in Review

The Authority was activated for the purpose of consolidating affordable housing activities of the City and former Agency. The most significant accomplishment this year was completing the transfer of assets from the former Agency to the Authority. The Lake Forest Successor Agency and Lake Forest Successor Agency Oversight Board approved a Housing Asset Transfer Form ("Transfer Form") required by AB 1484 allowing for the transfer of the Madrid Condominiums, the Authority Parcel (former OCTA parcel), and the Saguaro Apartments from the former Agency to the Authority. The Transfer Form was subsequently approved by the State. The transfer allows the Authority, without oversight from the State, to retain or sell these assets in a manner that maximizes the Authority's goals and objectives.

As a result of the transfer, the Authority Board resumed negotiations with Families Forward to evaluate the feasibility of pursuing the affordable housing project envisioned for the Saguaro Apartments before dissolution of the Agency. In addition, the Authority monitored affordable housing programs at the following properties not owned by the Authority: eight condominiums for transitional housing, and six apartments and one condominium for affordable housing.

Using the annual Community Development Block Grant (CDBG), the Authority, in collaboration with the City, continued the on-going successes

Mayor
Scott Voigts

Mayor Pro Tem
Kathryn McCullough

Council Members
Peter Herzog
Adam Nick
Dwight Robinson

City Manager
Robert C. Dunek



of the Housing Rehabilitation Loan and Neighborhood Pride Paint Programs.

Fiscal Year 2013-14 Overview

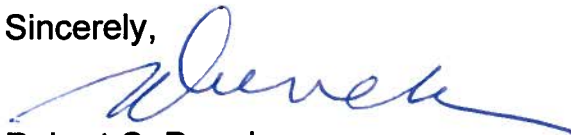
The primary mission of the Authority is to advance the goals and objectives of the City's Housing Element and the Consolidated Plan. To this end, the Authority will continue implementing the Transitional Housing Program at the Madrid Condominiums with its non-profit partner, Families Forward. Additionally, the Authority will finalize its evaluation of the feasibility of completing the affordable housing program originally envisioned for the Saguaro Apartments. If the Authority Board elects to continue the project, an Affordable Housing/Purchase and Sale Agreement will be finalized with Families Forward. The Authority will resume its evaluation of the purchase and development proposals submitted for the Authority Parcel (former OCTA parcel) and adjacent City-owned "paper streets." Pending the Authority Board's determination, a disposition and development agreement will be prepared with the selected purchaser/developer.

The Authority will be an active participant in the update of the City's Housing Element and work cooperatively with the City to help achieve the City's housing goals, including continuation of the Housing Rehabilitation Loan and Neighborhood Pride Paint Programs. In addition, the Authority will work cooperatively with developers in the Opportunities Study Area to facilitate implementation of their respective Affordable Housing Implementation Plans.

During the upcoming year, the Authority's primary sources of funding will be rental revenue from the Saguaro Property, developer "in-lieu" fees generated by construction activity in the Opportunities Study Area, and CDBG. These sources will be used to fund ongoing programs and projects and to pursue affordable housing and neighborhood stabilization programs and projects.

Authority staff looks forward to working with the community and Authority Board in furthering the accomplishments of the past fiscal year.

Sincerely,



Robert C. Dunek
Executive Director

MAJOR ACCOMPLISHMENTS AND INITIATIVES

FISCAL YEAR 2012-13 MAJOR ACCOMPLISHMENTS

1. Worked with the Lake Forest Successor Agency Oversight Board to successfully retain the housing assets of the former Lake Forest Redevelopment Agency by the Authority.
2. Advanced the goals and objectives of the City's Housing Element.
3. In partnership with Families Forward, maintained and monitored two condominiums owned by the Authority for a Transitional Housing program. Additionally, monitored affordable housing programs at the following properties not owned by the Authority: 8 condominiums for transitional housing, and 6 apartments plus 1 condominium for affordable housing
4. Maintained an Authority-owned four-unit apartment building including management of tenants, repairs and landscape improvements. Initiated the evaluation of options for the Authority Board's ultimate retention or disposition of the property.

FISCAL YEAR 2013-14 MAJOR INITIATIVES

1. Advance the goals and objectives of the City's Housing Element.
2. Continue responsibilities for monitoring all condominium units and apartments at which Transitional and Affordable Housing programs are implemented.
3. Finalize plans and begin implementation of the sale/development/rehabilitation of Authority-owned properties, including the "Authority Parcel" (former Orange County Transportation Authority parcel), the Saguaro apartment property, and the Mamie Thomas parcel.
4. Work cooperatively with developers in the Opportunities Study Area to facilitate implementation of their respective Affordable Housing Implementation Plans.

SUMMARY of REVENUES, EXPENDITURES, TRANSFERS, and FUND BALANCES

	Available Fund Balances July 1, 2013	Revenues	Total Funds Available	Expenditures		Total Expenditures	Transfers In/(Out)	Available Fund Balances June 30, 2014
				Operating	Capital Projects			
Housing Authority Fund	\$0	\$75,600	\$75,600	\$75,600		\$75,600	\$0	\$0
Totals	\$0	\$75,600	\$75,600	\$75,600	\$0	\$75,600	\$0	\$0

HOUSING AUTHORITY BUDGET DETAIL
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Expense Classification	Actual 2011-12	Adopted Budget 2012-13¹	Proposed Budget 2013-14	Adopted Budget 2013-14
<u>Personnel:</u>				
Full-Time Personnel	\$41,351			
Retirement	5,833			
Health Insurance	5,310			
Subtotal	52,494	0	0	0
<u>Operation and Maintenance:</u>				
Auto Allowance	1,835			
Operating Supplies	187			
Printing and Duplicating	37			
Telephone and Other	74			
City Hall Rent	7,565			
Equipment Rentals/Leases	229			
Equipment Maintenance	6			
Subtotal	9,933	0	0	0
<u>Contract Services:</u>				
Real Property Maintenance	53,604	\$79,800	\$65,100	\$65,100
Auditing	2,270	7,500	5,000	5,000
Housing		51,000		
Rehabilitation Loan Fees	405	13,200	3,500	3,500
Rehabilitation Loan Services	195	12,000	2,000	2,000
Saguaro Relocation		224,000		
Subtotal	56,474	387,500	75,600	75,600
Activity Total	\$118,901	\$387,500	\$75,600	\$75,600
<u>Funding Source:</u>				
Housing Authority Fund	\$118,901	\$387,500	\$75,600	\$75,600

¹ Personnel and operating costs were transferred to the City's General Fund in Fiscal Year 2012-13.

HOUSING AUTHORITY FISCAL YEAR 2013-14 ORGANIZATIONAL CHART

