

**Overview and Initial Issues Identification
Office of Housing**

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Expenditures/Revenues

	2009 Actuals	2010 Adopted Budget	2011 Proposed Budget	% Change 2010 to 2011	2012 Proposed Budget	% Change 2011 to 2012
Expenditures by BCL						
Low Income Housing Fund BCL	\$23,287,000	\$40,227,000	\$35,151,000	-12.6%	\$34,129,000	-2.9%
Operating Fund BCL	\$4,148,000	\$4,659,000	\$4,718,000	1.3%	\$4,842,000	2.6%
CDBG – Office of Housing BCL	\$1,817,000	\$2,762,000	\$2,762,000	0.0%	\$2,762,000	0.0%
Total Expenditures	\$29,252,000	\$47,648,000	\$42,631,000	-10.5%	\$41,733,000	-2.1%
Total FTEs	41	40.5	39.5	-2.47%	39.5	0%
Revenues						
General Subfund	\$2,831,000	\$672,000	\$650,000	-3.3%	\$759,000	16.8%
Other Revenue Sources	\$26,420,000	\$46,976,000	\$41,981,000	-10.6%	\$40,974,000	-2.4%
Total Revenues	\$29,251,000	\$47,648,000	\$42,631,000	-10.5%	\$41,733,000	-2.1%

Introduction:

The 2011 Proposed Budget for the Office of Housing is 10.5% or just over \$5 million lower than the 2010 Adopted Budget. The 2012 Proposed Budget is 2.1% or \$898,000 lower than the 2011 Proposed Budget. The \$5 million reduction in 2011 and over \$6 million reduction in 2012 (compared to 2010 Adopted) reflect the one time receipt and expenditure in 2010 of TDR/Bonus funds received by OH during the real estate development building boom that has now subsided.

In terms of reductions, OH made cuts of \$224,659 in 2011 and \$229,573 in 2012. These cuts include: eliminating one vacant Information Technology Specialist position; reclassifying a Manager 3 position to a Sr. Community Development Specialist; and reducing miscellaneous administrative costs (travel, training, consultant services, etc.).

There are 39.5 FTEs in the Office of Housing involved in operating the following programs or services: Multi-family Production and Preservation; HomeWise Weatherization program; Asset Management Program; Strategic Planning & Resource Development Program; Homeownership Program; Finance & Information Technology; and Communications. Five Managers and two Strategic Advisors oversee these program or service areas. These individuals are involved in actual program work, as well as performing management functions. The span of control for the OH Managers ranges from 3.5 to 7 staff or an average of 4.75. A Director and Deputy Director provide overall management of the office, as well as other functions related to policy and program development, program implementation, external relations, Mayoral and Council relations, etc. (See Attachment 1 for 2011 proposed organization chart).

Identified Issues:

- **Two vacant, funded positions – A Deputy Director position (\$160,625 2011, \$165,613 2012) and a Sr. Community Development Specialist (\$111,678 2011, \$115,377 2012) position.** Early in the Executive’s budget process, OH offered the Deputy Director position as a proposed cut. The Executive did not accept this cut and OH was able to identify other reductions to meet the required budget target. The Deputy Director position has been vacant since January. The Sr. Community Development Specialist position (previously Manager 3 position) has been vacant since March. One or both of these positions and the funding for these positions could be cut to provide additional resources to fund other Council priorities. Alternatively, the position authority for the Sr. Community Development position could be retained and OH could fund this position if other resources became available. For example, the City has applied for a federal Sustainable Communities Challenge grant of \$3 million. The application indicated that .75 FTE’s in OH would be funded by this grant for three years. It was anticipated that this grant would be used to fund existing staff costs – and not to hire a new position. The City may be notified late this Fall about whether they will receive the grant or not. Elimination of one or both of these positions would require OH to prioritize staffing of new and/or existing program or policy work.

Attachment 1

Office of Housing
2010 Adopted Budget

2011 Proposed Crosswalk

