



Housing Authority of the City of Annapolis

Report to Annapolis City Council

July 2019

# Agenda

- Finance
- Development
- HACA Update





# Financial Overview

- Financial Overview FY 2019 (July 1, 2018 – June 30, 2019)
  - Operating Fund
- FY 2020 (July 1, 2019 – June 30, 2020)
  - Approved Budget

# Financial Overview – Operating Fund

## OPERATING FUND ACTIVITY FY2019 (July 1, 2018 - June 30, 2019)

	INCOME	EXPENSE	NET INCOME
Jul 18	521,688	(636,274)	(114,586)
Aug 18	499,962	(518,263)	(18,302)
Sep 18	514,969	(537,935)	(22,967)
Oct 18	563,744	(507,510)	56,234
Nov 18	574,285	(464,437)	109,848
Dec 18	529,016	(647,902)	(118,886)
Jan 19	478,672	(527,562)	(48,890)
Feb 19	565,826	(442,610)	123,216
Mar 19	498,889	(432,012)	66,876
Apr 19	713,992	(432,545)	281,447
May 19	479,970	(537,950)	(57,980)
Jun 19	459,313	(422,897)	36,417
<b>FY 2019 YTD</b>	<b>\$ 6,400,326</b>	<b>\$ (6,107,897)</b>	<b>\$ 292,429</b>



# Financial Overview – Approved Budget



Housing Authority of the City of Annapolis  
Fiscal Year 2020 Summary Approved Operating Budget

	HCVP	Public Housing	Resident Services	COCC	Capital Funds & RHF	Eliminations	Total
<b>Operating Income</b>							
Rental	-	2,490,388	-	-	-		2,490,388
HUD & State Grants	4,711,795	3,244,061	272,920	-	2,815,878	(1,580,551)	9,464,103
Other	19,400	141,712	438,134	938,285	-		1,537,531
<b>Operating Expenses</b>							
Administration	429,576	1,973,540	97,308	809,147	117,069	(751,464)	2,675,176
Housing Assistance	4,438,497	-	-	-	-		4,438,497
Resident Services	-	757,854	556,733	5,400	-	(411,724)	908,263
Utilities	-	981,100	-	37,000	-		1,018,100
Maintenance Labor	-	-	-	-	-		-
Maintenance Supplies	-	-	-	-	-		-
Maintenance	29,500	1,268,370	-	8,500	-		1,306,370
Contractors	-	433,127	45,000	18,990	7,426	(7,425)	497,118
General Expenses	-	287,944	-	46,584	75,945		410,473
Non-Routine	-	-	-	-	2,615,438	(409,938)	2,205,500
<b>Total Income</b>	<b>\$ 4,731,195</b>	<b>\$ 5,876,161</b>	<b>\$ 711,054</b>	<b>\$ 938,285</b>	<b>\$ 2,815,878</b>	<b>\$ (1,580,551)</b>	<b>13,492,022</b>
<b>Total Expenses</b>	<b>\$ 4,897,573</b>	<b>\$ 5,701,935</b>	<b>\$ 699,041</b>	<b>\$ 925,621</b>	<b>\$ 2,815,878</b>	<b>\$ (1,580,551)</b>	<b>13,459,497</b>
<b>Net Income (Loss)</b>	<b>(166,378)</b>	<b>174,226</b>	<b>12,013</b>	<b>12,664</b>	<b>0</b>	<b>0</b>	<b>32,525</b>





# Redevelopment Summary

- Newtowne 20
- Morris H. Blum

# Redevelopment

## Newtowne 20

- ✓ 4% LIHTC application submitted February 2019
- ✓ Section 18 application submitted to HUD in June 2019
- ✓ Kick-off meeting with Maryland Community Development Administration (CDA) held June 2019
- ✓ Ongoing Relocation Meetings with residents
- ✓ Life Center for individual assistance opened in June 2019
- ✓ Onsite meeting and BBQ with Anne Arundel Public Schools Representatives, Parents and Students August 2019

## Morris H. Blum

- ✓ Selected Development Partner in May
- ✓ Development Partner, HACA and CDA met in June to discuss 4% LIHTC deal structure
- ✓ Kick-off meeting with Blum residents in July
- ✓ Received NAHRO 2019 Merit Award for Resident and Client Services - AAMC/HACA Clinic



# HACA Update

- Progress Report
- Next Steps

# Progress Report

## Achieved HUD Compliance

- ✓ Closed \$3 Million HUD OIG Procurement finding without repayment or other corrective action
- ✓ Fulfilled Requirements of Recovery Agreement with HUD and removed Agency from Troubled Agency status
- ✓ Received strong support from HUD on Recovery Efforts
  - However, REAC property inspection scores remain unacceptably low

## Improved Financial Position

- ✓ Moved from annual deficit to surplus
- ✓ Improved cost controls and accurate financial reporting
- ✓ Received unmodified audits in accordance with GAAP standards



# Progress Report

## **Stabilized the Agency**

- ✓ Hired Senior Leadership team for Agency including Directors of Finance, Development, Housing Programs and Resident Services.
- ✓ Provided steady, visible and strategic leadership for the Agency
- ✓ Finalizing selection of new Executive Director by the Board

## **One Third (1/3) of Older Public Housing Stock Scheduled for Redevelopment in 2020**

- ✓ Portfolio application for RAD conversion accepted by HUD
- ✓ Secured alternative financing for Newtowne 20 after Development was not awarded 9% LIHTC, without delaying redevelopment timeline
- ✓ Selected Developer for Blum, to use attainable 4% LIHTC financing strategy
- ✓ Finalizing \$1.00 Payment in Lieu of Taxes (PILOT) with County and City to enhance financial visibility of public housing redevelopments



# Progress Report

## Improved Relationships with Residents

- ✓ Worked with residents, Resident Council, Resident Advisory Board (RAB) and Resident Commissioners to help develop trust
- ✓ Provided training for Resident Councils, RAB and Resident Commissioners
- ✓ Re-established Resident Councils at all developments
- ✓ Awarded \$70,000 annual Family Self Sufficiency grant



# Next Steps

- ✓ Continue meeting all City and Federal property requirements, with focus on health and safety
- ✓ Begin redevelopment planning of Phase 2 of RAD portfolio conversion, including EPT, HH and Robinwood
- ✓ Continue to empower residents, Resident Councils, RAB and Resident Commissioners
- ✓ Work with Stakeholders to build consensus and confidence in HACA and public housing communities
- ✓ Provide stronger partnership with Annapolis Police Department to improve security



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