

2023 HRA Draft Budget

HRA Meeting

September 27, 2022

Melissa Hanson, Housing Coordinator

City Council Strategic Planning - Housing Availability

HOUSING AVAILABILITY A Community Where Everyone Can Afford to Live	Increased availability of housing at all levels	- # of units added above need	From 2021-2024: - Vacancy rate for rentals increased to 6% - Meet or exceed housing supply needs from 2021 housing study	a) Implement rental housing strategy b) Implement housing stabilization program c) Implement a housing expansion strategy
	Increased affordability for cost burdened households	- % decrease in cost burdened HH	From 2021-2024: - Reduce by 5% renters that are cost burdened - Reduce by 5% of owners that are cost burdened	
	Improved housing quality across the city	- % of non-compliant rental properties - # properties stabilized	From 2021-2024: - establish baseline of compliance for all licensed rental properties - =>90% compliance rental properties - Assist 12 senior households to facilitate aging in place	

- a) Implement rental housing strategy
- b) Implement housing stabilization program
- c) Implement a housing expansion strategy

City Council Strategic Planning

Housing Availability

- ▶ Down Payment Assistance loans
- ▶ Home Rehab- Manufactured Home rehab forgivable loans, Single Family Home Rehab loans, Aging in Place Grants
- ▶ Manufactured Home Parks- support existing residents and landlords
- ▶ Rental Assistance- increase opportunities for rental assistance through existing programs
- ▶ Homelessness Prevention

City Council Strategic Planning Service Excellence

- ▶ Deploy Board & Commission Effectiveness Program
 - ▶ Alignment with strategic plan
 - ▶ Evaluation of governance structure for more uniformity and alignment across the organization on duties, roles, responsibilities
 - ▶ Enhanced onboarding new members
 - ▶ Ongoing Training: Boards and Staff
- ▶ Annual Department Analysis

HRA Budget Forecast

- ▶ 2023 HRA Budget
 - ▶ Total budget increase of 4.63%
 - ▶ Levy funds \$325,417 (6% increase)
 - ▶ Other Revenue \$51,100 (Investments, Rent, Reimbursements) (32.51% decrease)
 - ▶ Total budget \$376,517 (1.55% decrease from 2022)
- ▶ FY 2022-2023 Community Development Block Grant (CDBG)
 - ▶ Total budget \$65,301
 - ▶ Total remaining to spend down from prior years \$87,582
 - ▶ All of these funds have been allocated to existing applicants

Personnel & Charges for Service

- ▶ Personnel Services
 - ▶ Defined by HR and Finance Departments
 - ▶ Cover Housing Coordinator and portions of CD Director
- ▶ Charges for Service
 - ▶ An increase has been determined for 2023 Budget
 - ▶ Increase was made to Professional Services in anticipation of development of HRA owned land
- ▶ Other Charges
 - ▶ Administrative Charges
 - ▶ Defined by HR and Finance Departments
 - ▶ Cover portion of CD admin position

Rental Properties/LMI Programs

- ▶ Rental Properties
 - ▶ 3 properties- 3 rental units.
 - ▶ Rent approximately \$26,100
 - ▶ Utilities, repairs, operating expenses are estimated to be \$24,957 for 2023
- ▶ Low- to Moderate Income Programs- Potential Local Housing Trust Fund- \$139,009
 - ▶ Northfield Union of Youth (NUY) Homeless Prevention
 - ▶ \$20,000, used to leverage for FTE Social Worker
 - ▶ Viking Terrace Rehab Pilot
 - ▶ \$20,000- 3 year pilot program, last year is 2023. Mirrored after CDBG program
 - ▶ OTHER IMPROVEMENTS- PROJECTS
 - ▶ Mobile Home Weatherization efforts- Heat Tape, weatherization kits
 - ▶ Unassigned fund balance estimated to be \$84,009

2023 Programs or Projects and Emphasis for October's Work Session

- ▶ Sell existing HRA rental properties?
 - ▶ HRA can offer 3 units of affordable housing for purchase.
 - ▶ HRA will need to determine the price to sell at.
 - ▶ Criteria for who to sell to will need to be established. Mechanisms will need to be determined to ensure that the buyers do not “flip” the home for profit.
- ▶ Explore Developing Southbridge Land- 7.27 Acres?
- ▶ Do we continue to offer individual rehab loans?
 - ▶ Duplicative programming- Habitat, MHFA
- ▶ Manufactured Home Parks?
 - ▶ How to support residents and landlords alike?



Discussion

- ▶ What questions do you have for staff?
- ▶ Budget Approval