

# Goals & Budget Fiscal Year 2023-2024

June 7, 2023



# Agenda

## BACKGROUND

- Significant Accomplishments in FY 2022-2023
- Mission Statement and Strategic Plan Outcomes
- What We Do
- Who We Serve

## FUNDING ENVIRONMENT

- Federal Funding Trend
- Federal Funding Update

## OPPORTUNITY HOME FY 2023-2024 BUDGET

- FY 2023-2024 Consolidated Budget - Revenues and Expenses
- MTW Proposed Uses
- Staffing Count and Organizational Chart
- Agency Goals and Priorities

# FY22-23 Opportunity Home and Partner Accomplishments

- Awarded 41 **Stability Housing Vouchers**
- Awarded \$17.4M in **City Bond Funds** for Alazan, WRI, Cottage Creek, Woodhill, and Pecan Hill
- Received \$4.1M in **federal earmark funding** for Fair Ave, Alazan, and Cassiano
- Completed Victoria Plaza **renovations**; 50 individuals returned home
- Completed **beautification** projects at our Public Housing Communities
- Collaborated with multiple organizations to host a **Landlord Symposium**
- Increased 1,724 of affordable homes in our community through **expansion of Local Non Traditional units**
- Board approval of **anti-bullying policy** for Public Housing communities

# Mission

Improve the lives of our residents by providing quality affordable housing and building sustainable, thriving communities

## Strategic Plan Outcomes

### Employee Outcomes

- Employees thrive at work
- Employees manage data effectively and ensure quality and security of data
- Employees develop, review and implement the organization's strategic priorities

### Resident Outcomes

- Residents have meaningful housing choices
- Residents live in quality homes
- Residents feel safe

### Community Outcomes

- Enhance organizational image and relationships with the community

### Value Outcomes

- **Equity:** Residents' race or ethnicity does not determine or predict any housing assistance outcomes
- **Compassion:** Residents experience compassionate housing assistance that relieves suffering and improves their quality of life
- **Excellence:** Residents experience a high standard of housing assistance that improves continuously



## The Need in San Antonio

# 1 in 15

San Antonians are on an Opportunity Home waiting list.

# 98,534

households as of April 1, 2023.

**The number has continued to grow since the beginning of the pandemic.**

# What We Do

Opportunity Home improves the lives of our residents by providing quality affordable housing and building sustainable, thriving communities. We manage public housing and voucher programs under the Moving to Work Designation. Other portfolios and special voucher programs offer mixed affordability through programs like the low-income housing tax credit.

**61,700**

San Antonians  
served

**11%**

of the local  
rental market

**6,070**

Public Housing Homes

**4,270**

Beacon Homes

**7,333**

enrolled in Community  
Development Initiatives  
core programs

**7,197**

Partnership Homes

**13,789**

Assisted Housing  
Vouchers

*Source: Opportunity Home San Antonio Monitoring Dashboard, as of Fiscal Year 2022-2023 Quarter 3 (March 31, 2023)*

# Who We Serve

Public Housing and Voucher Programs serve **41,700 individuals**.

**16,700**  
households

**94%**

with one head  
of household

**46%**

with children

**2.5**

household size

**\$10,800**

Median income

**52%**

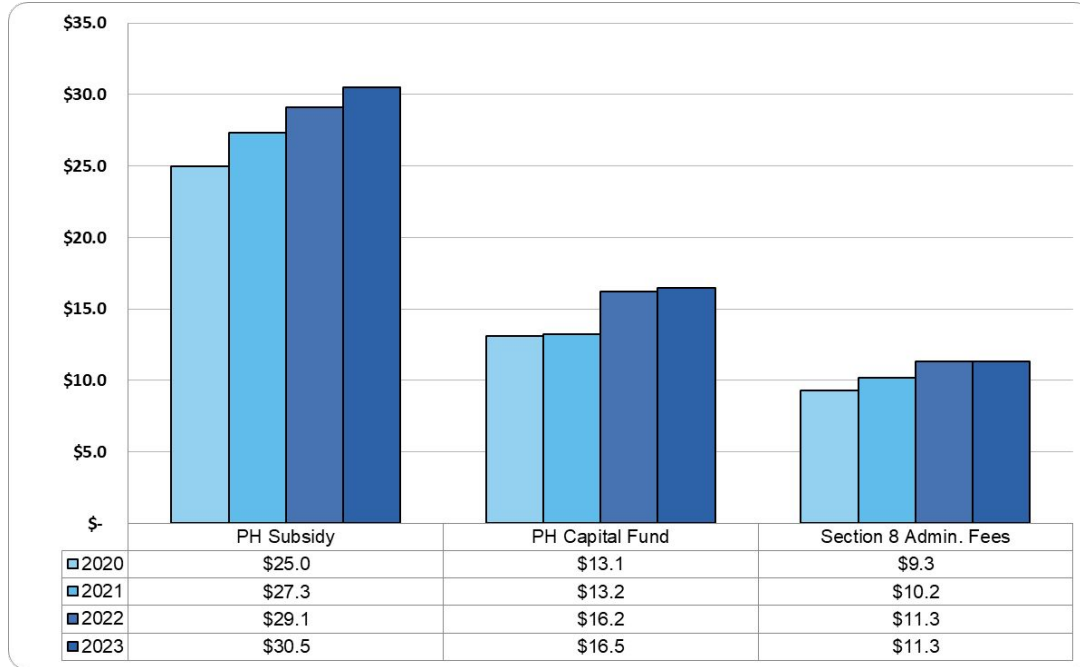
with fixed income  
(SS, SSI, Pension)

**32%**

with earned  
income  
(Wages)

**Source:** Opportunity Home San Antonio Demographic Tracker,  
as of Fiscal Year 2022-2023 Quarter 3 (March 31, 2023)

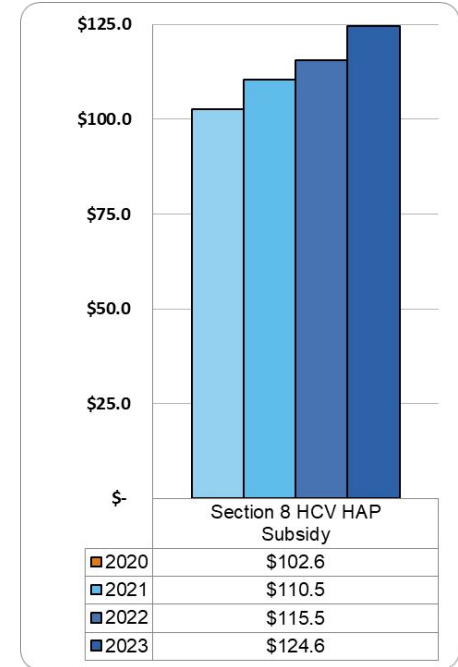
# Federal Funding Trend



**4.81%**

**1.85%**

**-%**



**7.88%**

**Percentage Change  
2023 vs 2022**

- Section 8 Housing Choice Voucher information indicated above does not include any Section 8 special programs
- Section 8 Choice Voucher HAP proration was 99.4% in 2020, 100.29% in 2021, 100% in 2022 and 100% in 2023
- Section 8 Admin Fee proration was 81.05% in 2020, 85.80% in 2021, 89.39% in 2022 and is projected to be 89.00% in 2023
- PH Operating Fund proration was 97.16% in 2020, 96.74% in 2021, 104.94% in 2022 and 95.51% in 2023



# Federal Funding Update

- On **December 23, 2022**, President Biden signed into law the **2023 Consolidated Appropriations Act**. In general, the bill's funding levels represent a compromise between the House and Senate bills, providing most HUD programs with modest increases from for 2022 enacted levels. It proposes:
- **\$30.2 billion for Tenant-based rental assistance**, a \$2.8 billion increase over the 2022 enacted level. Of this amount, \$26.4 billion is for Section 8 Housing Choice Voucher contract renewals, which is \$2.3 billion more from FY 2022 and should be sufficient to fund all renewals.
- **\$3.3 billion for the Public Housing Capital Fund**, an decrease of \$8 million over the 2022 enacted level.
- **\$5.1 billion for Public Housing operating subsidies**, an increase of \$70 million over the 2022 enacted level.
- **\$14.9 billion for Project-Based Rental Assistance**, an increase of \$967 million over the 2022 enacted level, which should be sufficient to renew all expiring contracts.
- **\$350 million for the Choice Neighborhoods Initiative**, level funding compared to the 2022 enacted level.
- **\$1.5 billion for the HOME Investment Partnership Programs**, level funding compared to the 2022 enacted level.
- **\$3.6 billion for Homeless Assistance Grants**, an increase of \$332 million over the 2022 enacted level.

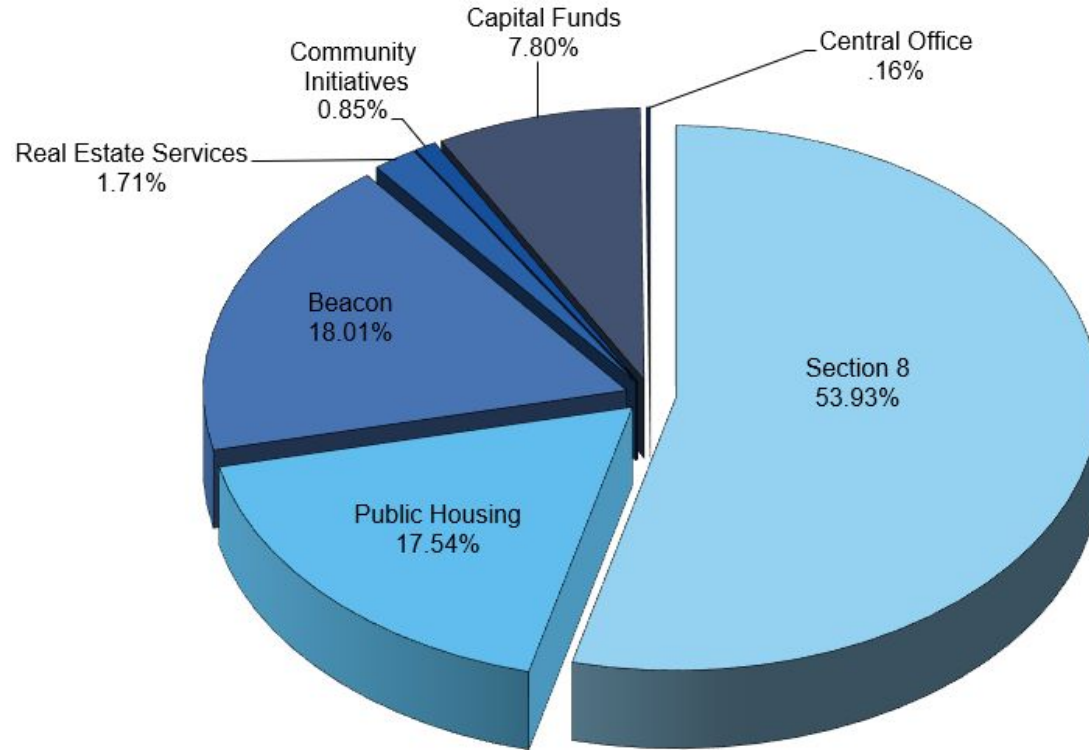
# Average HAP By Calendar Year

YEAR	HAP COST PER UNIT	\$ INCREASE	% INCREASE
2018	\$618.65		
2019	\$631.23	\$12.58	2.03%
2020	\$647.68	\$16.45	2.61%
2021	\$642.16	-\$5.52	-.85%
2022	\$666.67	\$24.51	3.82%
2023	\$699.85	\$33.18	4.98%
2024*	\$767.81	\$67.96	9.71%

\* *Projected*

# FYE 2024 Consolidated Revenue

**\$258.0 Million**

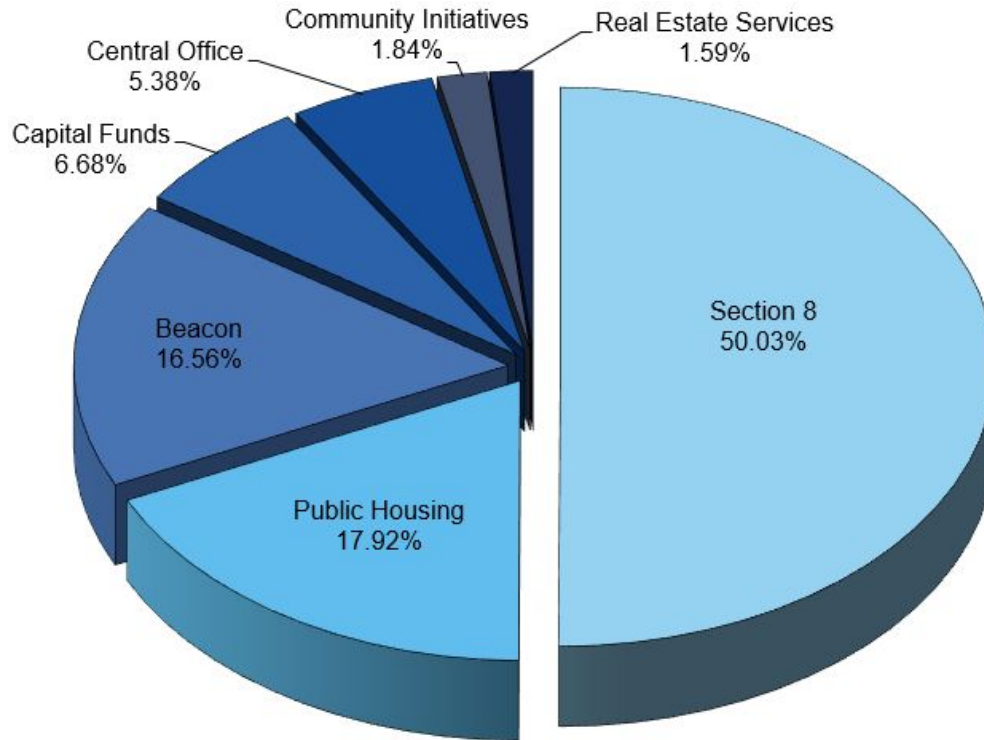


LINE OF BUSINESS	PROJECTED Revenue (MIL)
Section 8	\$139.1
Public Housing	\$ 45.3
Beacon	\$ 46.5
Real Estate Services	\$ 4.4
Community Initiatives	\$ 2.2
Capital Funds	\$20.1
Central Office	\$ 0.4

- Revenue above reflects Fiscal Year funding as opposed to Slide 7, which reflects HUD Calendar Year funding
- Section 8 Revenue includes all special programs

# FYE 2024 Consolidated Expenses

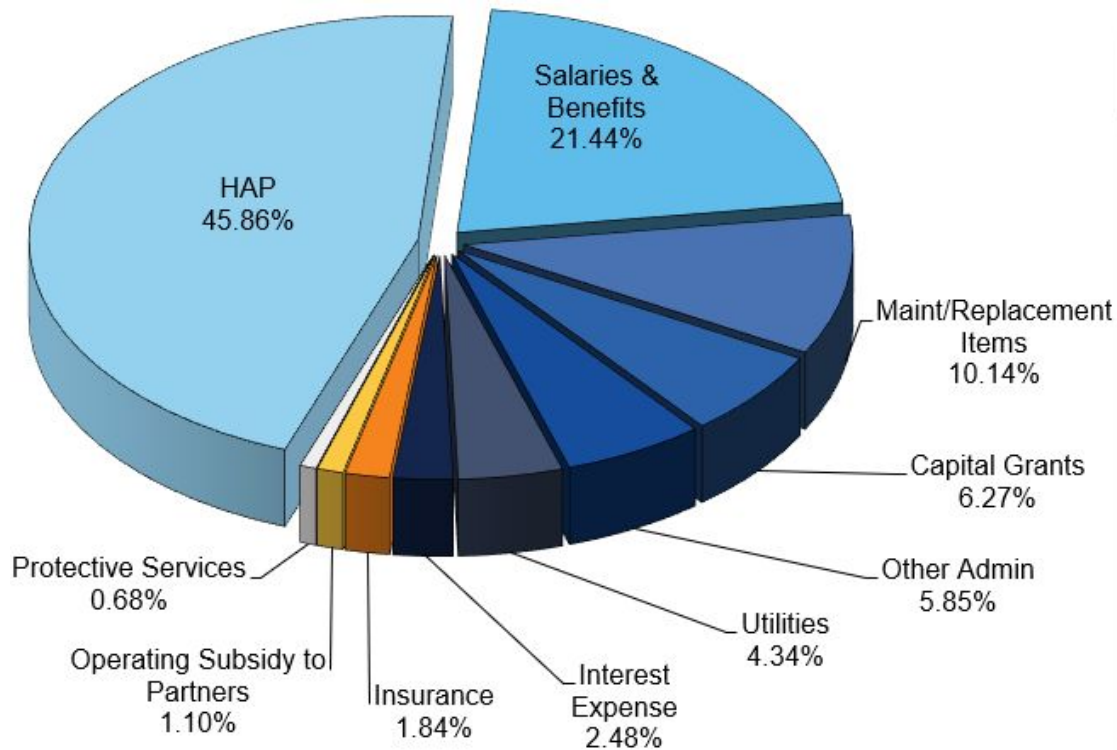
\$253.1 Million



LINE OF BUSINESS	PROJECTED EXPENSES (MIL)
Section 8	\$126.8
Public Housing	\$45.3
Beacon	\$41.9
Capital Funds	\$16.9
Central Office	\$ 13.6
Community Initiatives	\$4.6
Real Estate Services	\$4.0

# FYE 2024 Consolidated Expenses

\$253.1 Million



BUDGET LINE ITEM	PROJECTED EXPENSES (MIL)
HAP	\$116.0
Salaries & Benefits	\$54.2
Maint/Replacement Items	\$25.7
Capital Grants Transfer (PH)	\$15.9
Admin. & Other	\$14.8
Utilities	\$11.0
Interest Expense	\$6.3
Insurance	\$4.7
Operating Subsidy to Partners	\$2.8
Protective Services	\$1.7

# Operating Budget by Line of Business

## (Millions)

DESCRIPTION	PUBLIC HOUSING	SECTION 8	BEACON	CENTRAL OFFICE	CDI/ RESIDENT SERVICES	SUBTOTAL OPERATIONS	REAL ESTATE	CAPITAL	ELIM	TOTAL
<b>Operating Revenue<sup>1</sup></b>	\$44.2	\$139.1	\$46.8	\$1.6	\$2.2	<b>\$233.9</b>	\$4.2	\$20.1	-\$1.6	<b>\$256.6</b>
<b>Operating Expenses</b>										
Salaries and Benefits	15.9	7.3	11.0	13.7	3.4	<b>51.3</b>	2.9	-	-	<b>54.2</b>
Repairs and Maintenance	12.9	-	8.5	0.5	-	<b>21.9</b>	0.1	0.2	-	<b>22.2</b>
Utilities	6.2	-	4.6	0.2	-	<b>11.0</b>	-	-	-	<b>11.0</b>
Protective Services	0.9	-	0.7	0.1	-	<b>1.7</b>	-	-	-	<b>1.7</b>
Insurance	1.8	0.1	2.6	0.1	-	<b>4.6</b>	0.1	-	-	<b>4.7</b>
HAP Expense	-	116.0	-	-	-	<b>116.0</b>	-	-	-	<b>116.0</b>
Other Expenses	3.9	3.5	3.2	3.0	1.2	<b>14.8</b>	1.0	-	-1.5	<b>14.3</b>
<b>Total Operating Expenses</b>	<b>41.6</b>	<b>126.9</b>	<b>30.6</b>	<b>17.6</b>	<b>4.6</b>	<b>221.3</b>	<b>4.1</b>	<b>0.2</b>	<b>-1.5</b>	<b>224.1</b>
<b>Net Operating Income</b>	<b>\$2.6</b>	<b>\$12.2</b>	<b>\$16.2</b>	<b>-\$16.0</b>	<b>-\$2.4</b>	<b>\$12.6</b>	<b>\$0.1</b>	<b>\$19.9</b>	<b>-\$0.1</b>	<b>\$32.5</b>
<b>Non-Operating Income (Expense)</b>										
Interest Income	1.4	-	0.2	-	-	<b>1.6</b>	0.3	-	-0.5	<b>1.4</b>
Non-Operating <sup>2</sup>	-9.0	-3.8	-11.9	15.0	0.0	<b>-9.7</b>	-	-4.0	0.6	<b>-13.1</b>
Capital Grants Transfer	-	-	-	-	-	<b>-</b>	-	-15.9	-	<b>-15.9</b>
<b>Total Non-Operating Income (Expense):</b>	<b>-7.6</b>	<b>-3.8</b>	<b>-11.7</b>	<b>15.0</b>	<b>0.0</b>	<b>-8.1</b>	<b>0.3</b>	<b>-19.9</b>	<b>0.1</b>	<b>-27.6</b>
<b>Surplus or (Deficit)<sup>3</sup></b>	<b>-\$5.0</b>	<b>\$8.4</b>	<b>\$4.5</b>	<b>-\$1.0</b>	<b>-\$2.4</b>	<b>\$4.5</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$4.9</b>
<b>MTW Transfers</b>	5.0	-8.4	0.0	1.0	2.4	<b>0.0</b>	-	-	-	<b>-</b>
<b>Net Surplus or (Deficit) after MTW Transfer</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$4.5</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$4.5</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$4.9</b>

<sup>1</sup> Section 8 Revenue reflects a \$9.4 million increase to account for MTW transfers which generate from Section 8.

<sup>2</sup> Management Fee and Interest Expense are the primary sources of the listed Non-Operating Expenses, but also includes Replacement/Extraordinary items.

<sup>3</sup> Beacon net surplus of \$4.5 million does not include \$3 million in principal payments on loans or any bank required debt service coverage ratio which averages 1.19%.

# Public Housing Five-Year Capital Plan

SOURCE OF FUNDS	ESTIMATED AMOUNTS				
	2023	2024	2025	2026	2027
CFP Grant	\$16,484,164	\$16,000,000	\$16,000,000	\$16,000,000	\$16,000,000
FY23 EDI Community Project Funding (CPF)	\$4,160,000	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$20,644,164</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>

PLANNED PROJECT	ESTIMATED COSTS				
	2023	2024	2025	2026	2027
Public Housing Operating Support	\$1,648,416	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
Administration	\$1,648,416	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
CFFP Loan Payment	\$2,192,650	\$1,365,000	\$0	\$0	\$0
CFP Project Manager-Inspector Salaries	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Fees and Costs: A/E; Permits; Studies; etc.	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Emergency/Unscheduled repairs	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000
Priority items 5-6 from PNA / backlog capital needs	\$13,904,681	\$10,185,000	\$11,550,000	\$11,550,000	\$11,550,000
<b>Total</b>	<b>\$20,644,164</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>

<sup>1</sup>Details for this amount are provided by project and property separately in the budget packet

# Beacon Five-Year Capital Plan

SOURCE OF FUNDS	ESTIMATED AMOUNTS				
	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28
Loan Funds	\$1,000,000	\$2,561,569	\$0	\$0	\$0
Grant Funds	\$8,973,212	\$0	\$0	\$0	\$0
Operations	\$9,000	\$20,000	\$15,000	\$25,000	\$0
Reserves	\$2,233,000	\$500,000	\$70,000	\$110,000	\$2,835,000
Unfunded	\$1,521,000	\$2,300,000	\$15,000	\$1,750,000	\$0
<b>Total</b>	<b>\$13,736,212</b>	<b>\$5,381,569</b>	<b>\$100,000</b>	<b>\$1,885,000</b>	<b>\$2,835,000</b>

PLANNED PROJECT	ESTIMATED COSTS				
	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28
Replacement/Repairs/Upgrades - Loan Funds	\$1,000,000	\$2,561,569	\$0	\$0	\$0
Replacement/Repairs/Upgrades - Grant Funds	\$8,973,212	\$0	\$0	\$0	\$0
Replacement/Repairs/Upgrades - Operations	\$9,000	\$20,000	\$0	\$25,000	\$0
Replacement/Repairs/Upgrades - Reserves	\$2,233,000	\$500,000	\$70,000	\$110,000	\$2,835,000
Replacement/Repairs/Upgrades - Unfunded	\$1,521,000	\$2,300,000	\$30,000	\$1,750,000	\$0
<b>Total</b>	<b>\$13,736,212</b>	<b>\$5,381,569</b>	<b>\$100,000</b>	<b>\$1,885,000</b>	<b>\$2,835,000</b>
<b>Unfunded Total</b>	<b>\$1,521,000</b>	<b>\$2,300,000</b>	<b>\$15,000</b>	<b>\$1,750,000</b>	<b>\$0</b>

<sup>1</sup> Details for this amount are provided by project and property separately in the budget packet



# Sources and Uses of MTW Funds

SOURCE OF FUNDS	AMOUNT (In Mil)
MTW Funds	\$68.00
<b>Total Sources</b>	<b>\$68.00</b>

PROPOSED USES	AMOUNT (In Mil)
<b>Section 8</b> - To enable Section 8 to continue to serve residents in spite of increased costs due to the effects of inflation	\$1.00
<b>Public Housing</b> - To enable the Public Housing Program to continue to serve residents in spite of increased costs due to the effects of inflation	\$5.00
<b>Resident Services (CDI)</b> - In collaboration with Policy and Planning, CDI will complete its strategic plan and focus department efforts to align with the established strategic goals. CDI will conduct community meetings to gather input from residents, community advocates, and partners to redesign Opportunity Home's role in supporting resident goals.	\$2.40
<b>Central Office</b> - To allow for continued support of our housing and resident support programs	\$1.00
<b>Other Uses:</b>	
Alazan Phase I and Predevelopment Costs	\$17.00
Investment in MTW units at Tax Credit/Beacon Properties	\$9.50
Balance of Snowden Development Funding Gap	\$6.50
Investment in Midcrowne and Ravello Properties	\$5.00
Acquisition of a Tax Credit investment	\$5.00
Additional Impact of Compensation Study	\$2.40
Alazan Future Phases	\$5.70
Building Readiness for Childcare Centers	\$3.00
Additional Investment in the 100 Labor Street Project	\$2.50
Preservation of Affordable Housing	\$2.00
<b>Total Proposed Uses</b>	<b>\$68.00</b>

# Personnel Count

DEPARTMENT	2023 BUDGETED POSITIONS	2024 BUDGETED POSITIONS	INCREASE OR (DECREASE) IN POSITION COUNT	PERSONNEL DISTRIBUTION BY DEPARTMENT
Public Housing	217	227	10	33%
Assisted Housing Programs	90	70	(20)	10%
Community Development Initiatives	58	53 <sup>1</sup>	(5)	8%
Beacon	129	116	(13)	17%
Real Estate Services	9	9	-	1%
Operations Support	-	58	58	8%
Property Management	43	24	(19)	3%
Central Office	124	133	9	19%
<b>Total</b>	<b>670</b>	<b>690</b>	<b>20<sup>2</sup></b>	<b>100%</b>

<sup>1</sup> Includes 26 grant-funded positions for the ROSS, Family Self Sufficiency, Jobs Plus, and Endowment

<sup>2</sup> Details for these increases/decreases are provided separately in the budget packet

