

## Community Development and Housing

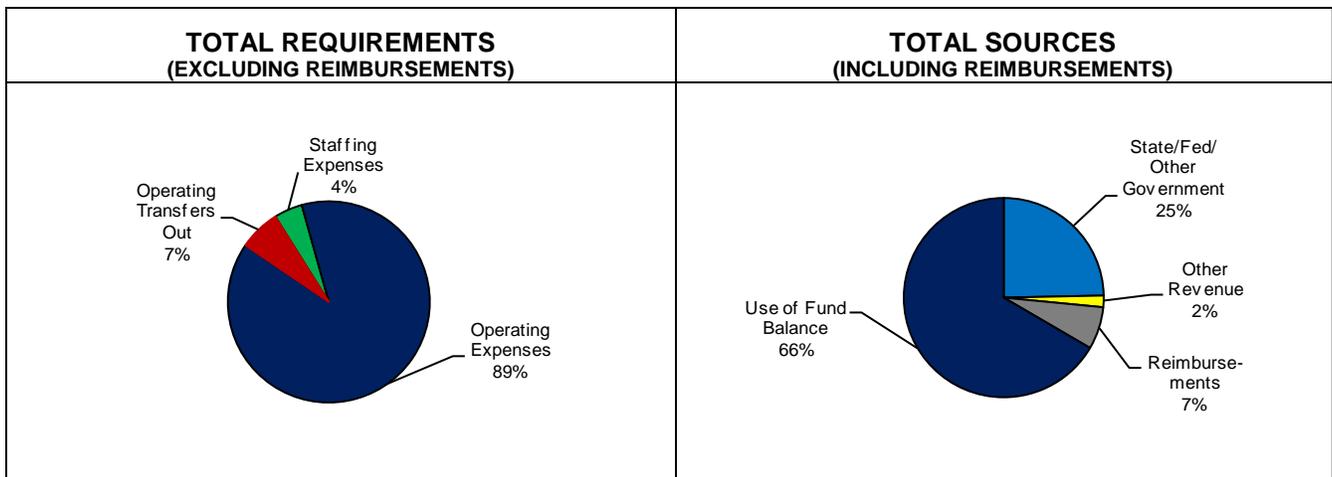
### DESCRIPTION OF MAJOR SERVICES

Community Development and Housing (CDH) seeks to better the quality of life for the residents of San Bernardino County by providing community and housing development resources for low and moderate income families, individuals and communities. CDH invests several Federal Department of Housing and Urban Development (HUD) grants to undertake needed infrastructure projects and services for targeted communities. Housing grant funds are leveraged to develop vision-based affordable housing communities.

Budget at a Glance	
Total Requirements (Excl. Reimb.)	\$59,528,242
Total Sources (Incl. Reimb.)	\$20,144,606
Use of/ (Contribution to) Fund Balance	\$39,383,636
Total Staff	24

Additionally, CDH is responsible to complete the County’s remaining redevelopment activities under the auspices of the County of San Bernardino’s Successor Agency, Oversight Board, and Housing Successor. This includes ensuring the enforceable financial obligations are retired, selling the Successor Agency’s assets, and completing all remaining capital projects. CDH also manages the Countywide Redevelopment Dissolution process for all 26 successor agencies operating in the County.

### 2016-17 RECOMMENDED BUDGET



**ANALYSIS OF 2016-17 RECOMMENDED BUDGET**

GROUP: Economic Development  
 DEPARTMENT: Community Development and Housing  
 FUND: Community Development and Housing

BUDGET UNIT: Various  
 FUNCTION: Public Assistance  
 ACTIVITY: Other Assistance

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	(A) <u>2015-16</u>	<u>2015-16</u>	(B) <u>2016-17</u>	(B-A) Change From Prior Year Modified Budget
	Actual	Actual	Actual	Modified Budget	Estimate	Recommended Budget	
<b>Requirements</b>							
Staffing Expenses	1,796,203	2,132,778	2,379,797	2,659,788	2,454,620	2,719,155	59,367
Operating Expenses	25,151,669	14,791,082	19,421,997	56,738,113	17,862,218	52,887,483	(3,850,630)
Capital Expenditures	362,157	1,389,791	0	0	0	0	0
Total Exp Authority	27,310,029	18,313,651	21,801,794	59,397,901	20,316,838	55,606,638	(3,791,263)
Reimbursements	(5,683,921)	(3,019,955)	(4,269,191)	(4,024,346)	(3,292,324)	(4,069,698)	(45,352)
Total Appropriation	21,626,108	15,293,696	17,532,603	55,373,555	17,024,514	51,536,940	(3,836,615)
Operating Transfers Out	3,997,373	1,327,983	7,354,766	4,837,278	2,750,000	3,921,604	(915,674)
Total Requirements	25,623,481	16,621,679	24,887,369	60,210,833	19,774,514	55,458,544	(4,752,289)
<b>Sources</b>							
Taxes	0	23,410	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State/Fed/Other Government	18,371,307	11,947,976	11,149,295	13,607,859	9,953,953	14,591,231	983,372
Fee/Rate	2,048	32,482	39,385	0	6,792	352,705	352,705
Other Revenue	16,327,544	1,820,052	26,361,274	2,134,020	1,552,856	1,110,972	(1,023,048)
Total Revenue	34,700,899	13,823,920	37,549,954	15,741,879	11,513,601	16,054,908	313,029
Operating Transfers In	650,425	824,276	0	150,000	162,000	20,000	(130,000)
Total Financing Sources	35,351,324	14,648,196	37,549,954	15,891,879	11,675,601	16,074,908	183,029
<b>Fund Balance</b>							
Use of / (Contribution to) Fund Balance	(9,727,843)	1,973,483	(12,662,585)	44,318,954	8,098,913	39,383,636	(4,935,318)
Available Reserves				3,163,595	39,383,636	0	(3,163,595)
Total Fund Balance				47,482,549	47,482,549	39,383,636	(8,098,913)
Budgeted Staffing*	18	21	24	26	26	24	(2)

\*Data represents modified budgeted staffing

**MAJOR REQUIREMENTS AND SOURCES IN 2016-17 RECOMMENDED BUDGET**

Federal and state grant revenues are anticipated to be \$14.6 million and will fund Community Development Block Grant (CDBG), HOME and Emergency Solutions Grant (ESG) activities. Principal and interest from the department's loan portfolio and interest earned on monies held in the County treasury contribute \$1.1 million to the above activities and operating expenses. In Operating Expenses, the department has budgeted \$17.7 million for infrastructure improvements in the areas surrounding San Sevaire and Cedar Glen communities and \$29.4 million for low-moderate income housing assistance.

**DETAIL OF 2016-17 RECOMMENDED BUDGET**

	2016-17				
	Requirements	Sources	Use of / (Contribution to) Fund Balance	Available Reserves	Staffing
Total Special Revenue Funds	36,258,817	16,022,308	20,236,509	0	24
Total Capital Project Funds	19,199,727	52,600	19,147,127	0	0
<b>Total - All Funds</b>	<b>55,458,544</b>	<b>16,074,908</b>	<b>39,383,636</b>	<b>0</b>	<b>24</b>



### BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are decreasing by \$4.8 million as the department continued to draw down Successor Agency bond funds for projects completed in 2015-16. Additionally, \$8.1 million in Fund Balance was used towards one-time expenditures for the Bloomington project.

Sources are increasing by \$183,029 as federal funding is expected to have an increase of \$983,372 over the prior year. That increase helps offset the continued reduction of Other Revenue due to the one-time nature of Successor Agency bond funds.

### ANALYSIS OF FUND BALANCE

The budget reflects a \$39.4 million use of Fund Balance for one-time expenditures, including infrastructure improvements and housing assistance. The majority of departmental Fund Balance represents monies received in the last three years from the dissolution of redevelopment, representing bond and housing funds. The Fund Balance also includes revenues from sales of property and repayment of HUD loans.

### 2016-17 POSITION SUMMARY\*

Division	2015-16				2016-17		
	Modified Staffing	Adds	Deletes	Re-Orgs	Recommended	Limited	Regular
Administration	9	0	0	0	9	0	9
Projects & Successor Agency	6	1	0	0	7	1	6
Operations	11	0	-3	0	8	1	7
<b>Total</b>	<b>26</b>	<b>1</b>	<b>-3</b>	<b>0</b>	<b>24</b>	<b>2</b>	<b>22</b>

\*Detailed classification listing available in Appendix D.

### STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$2.7 million fund 24 budgeted positions of which 22 are regular positions and two are limited term positions. The department deleted one Deputy Director position as the result of a retirement. Corresponding responsibilities have been realigned across existing staff. Additionally, in 2015-16, the department added two Contract CDH Manager II positions to handle an anticipated influx of additional workload. Anticipated workload for two full-time positions did not materialize so the department has decided to delete the two contract positions and add one classified Housing Project Manager II position for which there is sufficient workload.

