Office of Management and Finance / Housing Investment Fund (209)

Fiscal Year 2001-02

Exhibit 8

Fall Major Supplemental Budget

	Adopted Budget FY 2001-02	Authorized Revisions	Revised Budget (AP-3)	Supplemental Action	Total Budget
RESOURCES					
Service Charges and Fees	\$150,000	\$0	\$150,000	\$0	\$150,000
Debt Sales	3,000,000	0	3,000,000	7,716,000	10,716,000
Miscellaneous	4,081,304	0	4,081,304	3,545,561	7,626,865
Interfund Cash Transfers (Other)	493,000	0	493,000	0	493,000
Beginning Fund Balance	2,025,170	0	2,025,170	2,968,485	4,993,655
TOTAL RESOURCES	\$9,749,474	\$0	\$9,749,474	\$14,230,046	\$23,979,520
REQUIREMENTS					
Personal Services	\$0	\$0	\$0	\$0	\$0
Materials and Services	·	•	·	·	·
External	493,000	4,500,000	4,993,000	7,994,485	12,987,485
Internal	0	0	0	0	0
Capital Outlay	3,000,000	(3,000,000)	0	3,000,000	3,000,000
Contingency	2,175,170	0	2,175,170	(1,683,135)	492,035
Debt Service		0	0	1,000,000	1,000,000
Interfund Cash Transfer	4,081,304	(1,500,000)	2,581,304	3,918,696	6,500,000
TOTAL REQUIREMENTS	\$9,749,474	\$0	\$9,749,474	\$14,230,046	\$23,979,520

The Housing Investment Fund is a collection of programs related to affordable housing. This major supplemental request includes two types of adjustments: (1) corrections of a temporary transfer of appropriation made in July 2001 to cover unanticipated property acquisition activity; and (2) increases to appropriation primarily to meet the revised projection of sales of properties purchased from program inception through FY 2001-02.

The Preservation Line of Credit program acquires housing properties at risk of losing their affordability and resells them to agencies who guarantee the properties' long-term affordability. The primary program resource is a \$10.5 million line of credit while most expenses are payments to PDC to purchase properties. Additional resources derive from property sales proceeds and are used to pay off line of credit draws. Council has also committed General Fund resources to supplement pay off of the line of credit, if necessary.

The Preservation Line of Credit program request is to increase line of credit revenues (debt) by \$5,716,000 and to increase property sales (misc. revenues) by \$2,545,561. These revenues will fund a \$3,026,000 increase in external M&S for transfer to PDC for additional property acquisitions, a \$3,918,696 increase in transfers to the Governmental Bond Redemption Fund, and a transfer of \$1,683,135 from contingency. Changes in resources are \$3 million higher than changes in requirements to correct a temporary imbalance from previous administrative transfers.

The Smart Growth program acquires and resells properties for the purpose of developing affordable housing. Revenues come from loan proceeds (Enterprise Foundation) and property sales. Expenses are property purchases and loan re-payments. This program requests \$1 million increase in property sales (miscellaneous revenues) matched by a \$1 million increase in debt service and a \$2 million increase in Enterprise Foundation loans (debt) tied to an equal amount of property acquisition (external M&S). The program also requests a \$3 million increase in capital outlay to restore appropriation previously reduced administratively.

The General Fund HIF allocation funds services and activities in support of affordable housing. In FY 2000-01, Council assigned allocation authority for these funds to the Bureau of Housing and Community Development. This request is to increase beginning fund balance by \$2,968,485 to reflect the carryover of unspent FY 2000-01 allocation and to correspondingly increase external M&S by \$2,968,485.