

HOUSING AUTHORITY



On January 17, 2012, the City Council established the Costa Mesa Housing Authority in accordance with California Housing Authorities Law, Health, and Safety Code Section 34200, et seq. Also on that date by resolution, the City Council selected the Housing Authority to serve as the housing successor and to assume the housing assets, duties, functions and obligations of the former Costa Mesa Redevelopment Agency (Former Agency) as of February 1, 2012. These actions occurred due to the mandatory dissolution of all California redevelopment agencies under the requirements of Division 24, Parts 1.8 and 1.85 of the California Health and Safety Code (Dissolution Law). The Dissolution Law sets forth the processes and obligations of all successor agencies. These entities are separate from the city (or county) that formed the former agency and charged with winding down the affairs of former redevelopment agencies. Further, the Dissolution Law sets forth the functions, obligations and requirements of housing successors.

Section 34176.1 of the California Health and Safety Code establishes certain limitations on expenditures by housing successors. Thus, each fiscal year the Housing Authority's funding is limited in two categories: (1) administrative costs, and (2) homelessness prevention and rapid rehousing.

The Behavioral Health Bridge Housing (BHBH) Program was created by Assembly Bill 179 (AB179), which allocated \$1.5 billion to the Department of Health Care Services (DHCS) for allocation to counties to support planning, implementation, and infrastructure costs for the CARE Act.

Covenant Monitoring and Administration - 11500

Rental Rehabilitation – 20425

Offers deferred loans to owner of multi-family properties to make improvements and repair code violations. Loans were originated in the 90s and deferred unless the owner sells transfers or defaults on the property.

Housing Authority Administration – 20600

Provides administration support such as conducting required board meetings, maintaining financial records and preparing annual reports, etc.

Costa Mesa Family Village – 20620

Costa Mesa Family Village is a three-parcel, 72-unit multi-family rental project, to which the Housing Authority holds the ground lease. The 55-year ground lease expires in year 2038. Annual lease payment is the greater of 8 percent of gross receipts or \$108,000.

First Time Homebuyer Program – 20625

Offers deferred loans to first time homebuyers for home purchase in the City. Loans were extended prior to year 2009 under various terms.

Habitat For Humanity – 20630

The Housing Authority holds interest to the land used for the development of five single-family homes by Habitat for Humanity in year 2004. The Housing Authority maintains enforceable covenants on the properties. No loan repayment is required unless the owner defaults.

Single Family Rehabilitation Program – 20640

Offers deferred loans to homeowners to make home improvements and fix code violations. The loans were extended in year 2009 and deferred until the property is sold or refinanced.

St. John Manor – 20650

St. Johns Manor is a 36-unit senior rental project. The Housing Authority's loan to this project was paid off in fiscal year 2018-19.

Costa Mesa Village – 20655

Costa Mesa Village is a 96-unit single room occupancy (SRO) project jointly funded by the Costa Mesa Housing Authority, Orange County Housing Authority and the developer. The Housing Authority's loan to this project was paid off in fiscal year 2014-15.

Housing Development And Preservation Of Affordable Housing - 11500

James/West 18th Street Property – 20635

The James/West 18th Property is four affordable housing projects with 30 rental units, owned and operated by the Housing Authority. The Authority acquired the projects through a foreclosure process in fiscal year 2015-16.

Homeless Outreach And Bridge Shelter Operation - 14300

Homeless Outreach – 20605

Homeless Outreach's primary activities are community outreach and working with various organizations and governmental agencies to identify housing solutions for Costa Mesas homeless population. The General Fund will provide funding for program expenses in excess of the Low and Moderate Income Housing Asset Funds (LMIHAFs) \$250,000 allowance for this category.

Bridge Shelter Operation – 20606

Another new component to the Housing Authority is the operation of the City's permanent bridge shelter program, which is located at 3175 Airway Avenue. This program provides transitional housing and support services for up to 72 homeless adults. Beginning in fiscal year 2023-24, the cities of Costa Mesa and Newport Beach enter into a Memorandum of Understanding (MOU) to allocate 20 of the 72 shelter beds to Newport Beach's use.

Behavioral Health Bridge Housing Program- 20670

The primary focus of the BHBH Program is to assist individuals experiencing homelessness who have serious behavioral health conditions that prevent them from accessing resources and securing permanent housing. A Memorandum of Understanding between the Orange County Health Care Agency (OCHCA) and the City of Costa Mesa was entered to establish BHBH services.

Budget Narrative

The Fiscal Year 2024-25 budget for the Housing Authority is approximately \$4.6 million, an increase of \$600,000, or 15 percent, compared to the adopted budget for Fiscal Year 2023-24. With the expansion of permanent homeless shelter facility, the City continues to grow its partnerships with the City of Newport Beach, and homeless services contractor Mercy House and Bracken's Kitchen, to increase the number of beds and meals to better serve the people experiencing homelessness year round.

	FY 21-22 Actuals	FY 22-23 Adopted Budget	FY 23-24 Adopted Budget	FY 24-25 Proposed Budget
REVENUES BY FUNDING SOURCE				
Beahavirol Health Services				\$ 972,051
Costa Mesa Family Village Ground Lease	\$ 131,989	\$ 120,000	\$ 120,000	\$ 150,000
James Street	273,391	264,000	250,000	\$ 250,000
Investment Income	102,263	38,000	23,400	31,550
Loan Repayments	5,111	7,000	6,000	200,000
RDA Loan Repayment from DOF (Annual ROPS)	258,209	258,209	381,141	-
State SB 2 Grant		528,581	821,579	324,000
General Fund Contribution	2,438,345	1,713,827	1,264,993	1,264,993
Other Governmental Agencies			1,000,000	1,326,000
Donations	5,290			-
CDBG CV Funds		668,000		-
Use of Fund Balance		68,116	301,364	1,549,646
Transfers in from ARPA			231,839	222,469
Total Housing Authority Revenues	\$ 3,214,598	\$ 3,665,733	\$ 4,400,316	\$ 6,290,709

	FY 21-22 Actuals	FY 22-23 Adopted Budget	FY 23-24 Adopted Budget	FY 24-25 Proposed Budget
EXPENSE CATEGORY BY PROGRAM				
COVENANT MONITORING AND ADMINISTRATION - 11500				
Rental Rehabilitation - 20450				
Maintenance and Operations	\$ 366	\$ -	\$ -	\$ -
Rental Rehabilitation	\$ 366	\$ -	\$ -	\$ -
Housing Authority Administration - 20600				
Salaries and Benefits	\$ 63,383	\$ 67,645	\$ 75,060	\$ 106,347
Maintenance and Operations	16,910	14,862	60,000	60,000
Subtotal Housing Authority Administration	\$ 80,293	\$ 82,507	\$ 135,060	\$ 166,347
Costa Mesa Family Village - 20620				
Maintenance and Operations	\$ -	\$ -	\$ 5,000	\$ 5,000
Subtotal Costa Mesa Family Village	\$ -	\$ -	\$ 5,000	\$ 5,000
First Time Homebuyer Program - 20625				
Maintenance and Operations	\$ 151	\$ -	\$ 11,000	\$ 11,000
Subtotal First Time Homebuyer Program	\$ 151	\$ -	\$ 11,000	\$ 11,000

	FY 21-22 Actuals	FY 22-23 Adopted Budget	FY 23-24 Adopted Budget	FY 24-25 Proposed Budget
Habitat for Humanity - 20630				
Maintenance and Operations	\$ 640	\$ 645	\$ 7,000	\$ 7,000
Fixed Assets	42,379	46,231	-	-
Subtotal Habitat for Humanity	\$ 43,019	\$ 46,876	\$ 7,000	\$ 7,000
COVENANT MONITORING AND ADMINISTRATION - 11500 (Continued)				
Single Family Rehabilitation Program - 20640				
Maintenance and Operations	\$ -	\$ 1,333	\$ 20,000	\$ 20,000
Subtotal Single Family Rehabilitation Prog.	\$ -	\$ 1,333	\$ 20,000	\$ 20,000
St. John Manor - 20650				
Maintenance and Operations	\$ 7,793	\$ -	\$ 5,000	\$ 5,000
Subtotal St. John Manor	\$ 7,793	\$ -	\$ 5,000	\$ 5,000
Costa Mesa Village - 20655				
Maintenance and Operations	\$ 6,658	\$ -	\$ 3,100	\$ 3,100
Subtotal Costa Mesa Village	\$ 6,658	\$ -	\$ 3,100	\$ 3,100
Subtotal Covenant Monitoring and Admin.	\$ 137,913	\$ 130,716	\$ 186,160	\$ 217,447
HOUSING DEVELOPMENT AND PRESERVATION OF AFFORDABLE HOUSING - 11500				
James/West 18th Street Property - 20635				
Salaries and Benefits	\$ 35,719	\$ 34,727	\$ 32,654	\$ 62,930
Maintenance and Operations	149,289	164,440	202,500	342,500
Fixed Assets	-	-	27,600	27,600
Subtotal James/West 18th Street Property	\$ 185,007	\$ 199,167	\$ 262,754	\$ 433,030
HOMELESS OUTREACH AND BRIDGE SHELTER OPERATION - 11310 11500 14300 11100				
CDBG-CV - 20435				
Salaries and Benefits	\$ 15,703	\$ 7,529	\$ -	\$ -
Maintenance and Operations	\$ 746,195	\$ 497,324	\$ -	\$ -
Subtotal Homeless Outreach	\$ 761,899	\$ 504,852	\$ -	\$ -
Tenant Based Rental Assistance - 20448				
Salaries and Benefits	\$ -	\$ -	\$ -	\$ 292,978
Subtotal Homeless Outreach	\$ -	\$ -	\$ -	\$ 292,978
Homeless Outreach - 20605 *				
Salaries and Benefits	\$ 810,764	\$ 866,756	\$ 1,039,901	\$ 1,588,407
Maintenance and Operations	36,530	50,036	108,243	108,243
Fixed Assets	-	300	-	-
Subtotal Homeless Outreach	\$ 847,294	\$ 917,093	\$ 1,148,144	\$ 1,696,650

Bridge Shelter Operation - 20606

	FY 21-22 Actuals	FY 22-23 Adopted Budget	FY 23-24 Adopted Budget	FY 24-25 Proposed Budget
Maintenance and Operations	\$ 2,031,270	\$ 2,064,021	\$ 2,420,267	\$ 2,678,553
Subtotal Bridget Shelter Operation	\$ 2,031,270	\$ 2,064,021	\$ 2,420,267	\$ 2,678,553
Behavioral Health Services - 20670				
Salaries and Benefits	\$ -	\$ -	\$ -	\$ 284,050
Maintenance and Operations	\$ -	\$ -	\$ -	\$ 688,001
Subtotal Behavioral Health Services	\$ -	\$ -	\$ -	\$ 972,051
TOTAL HOUSING AUTHORITY				
Salaries and Benefits	\$ 925,569	\$ 976,657	\$ 1,147,615	\$ 2,334,712
Maintenance and Operations	2,995,801	2,792,661	2,842,110	3,928,397
Fixed Assets	42,379	46,531	27,600	27,600
Total Housing Authority	\$ 3,963,748	\$ 3,815,849	\$ 4,017,325	\$ 6,290,709