



Balanced Budget Based on Projection of Federal Funds

As Congress continues wrangling over non-defense discretionary federal budget allocations, HACSC’s fiscal year began July 1 with the Board’s adoption of a balanced FY 2015 operating budget. Prepared with a wary eye on Capitol Hill, HACSC’s operating budget is based on the projection of federal funds we anticipate receiving from our Moving to Work (MTW) contract with the Department of Housing and Urban Development (HUD), other federal grants, and local funds that we anticipate earning from HACSC’s real estate development, preservation and asset management activities.

I am pleased to report that 90% of HACSC’s operating revenue directly assists our low-income clients with their rental payments. The remaining 10% of our revenue is spent on program operations, an enviable ratio for government and nonprofit organizations alike.

Despite uncertainty in future appropriations (*we expect Congress to continue budget discussions through the fall*), the agency’s Section 8 program changes in 2013 have us on track to maintain a sound fiscal condition and to respond to future funding challenges. Thank you for partnering with us in our mission to keep families housed.

Alex Sanchez, Executive Director

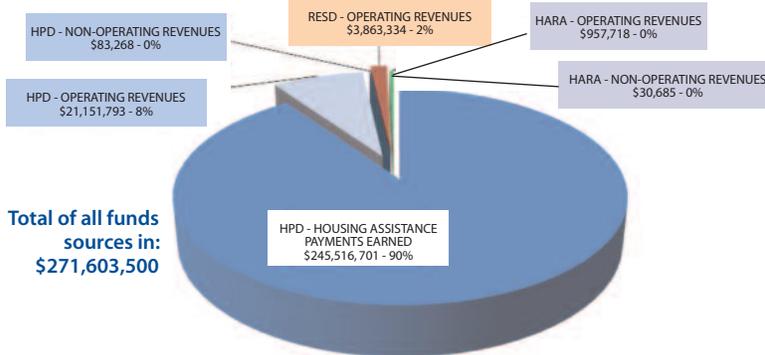
MTW Program Contract Extension

HACSC’s current 10-year MTW program agreement with HUD expires in 2018. HACSC has relied on its MTW authority to survive the 2013 sequester cuts and current trend in reduced administrative fee funding. Last year, HACSC used most of its remaining MTW reserve funds to maintain rental assistance to all 17,000 Section 8 program households until the changes to the rental assistance program took effect.

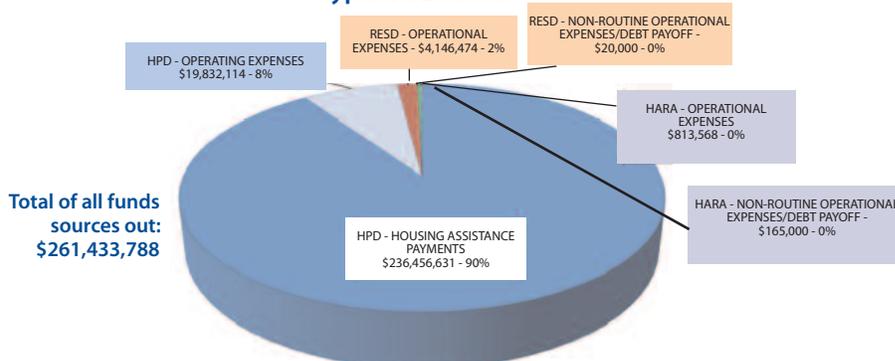
HACSC is fortunate to be counted among 39 MTW agencies nationwide with the flexibility to make strategic program and policy changes to meet the specific affordable housing needs in our community. We’ve used the MTW designation to help stretch the federal rental subsidy funding upon which thousands of low-income families rely to avoid homelessness.

We are urging our elected representatives to support the extension of HACSC’s current MTW program agreement with HUD. Not extending HACSC’s MTW agreement would jeopardize the financial stability of our operations, put those we house at risk and undermine important local housing initiatives currently underway. We’ll continue to keep our partners informed on our progress.

Total HACSC Sources in by Departments and Types
FYE 6.30.15



Total HACSC Sources out-- by Departments and Types FYE 6.30.15





\$6.5 Million Loan Helps Build 75-unit Affordable Rental Housing for Families

HACSC's \$6.5 million loan to Eden Housing, Inc., is helping in the construction of a \$31.8 million permanent, affordable rental housing development serving low-income families and individuals with special needs in San José's Silver Leaf neighborhood. Construction on the Ford and Monterey Family Housing development started in February 2013 and is slated for completion in late August 2014. HACSC's important role as the major soft (*below market rate*) lender has provided a preference at the initial leasing stage for families and individuals currently on HACSC's waiting list.



Ford and Monterey Family Housing development in San José

Section 8 Program Benefits Owners



Kim Nguyen,
owner & property
manager, San
José

More than 90 property owners and landlords learned about the benefits of partnering with HACSC and Section 8 program participants at the Section 8 owner's workshop conducted by HACSC on June 27. "Partnering with HACSC has minimized the stress of property management and helped protect my investment," says Kim Nguyen, an apartment owner and property manager in San José. Nguyen, who owns 60 rental units and manages 20 units for other owners, began renting to Section 8 tenants 30 years ago. 90% of her units house Section 8 tenants. "Most of my residents have lived in their units for more than

20 years," says Nguyen. "They are cooperative with my house rules so that we can pass the HUD inspections together. Our positive landlord-tenant relationship keeps my repair and correction costs down which improves my profit margin." Nguyen reports that she has had no history of problems with her tenants. In the few instances when her tenants failed to pay their rent, HACSC's tenant case workers immediately helped resolve the issues.

A benefit of being a Section 8 landlord is knowing the majority of your rent will be paid on time every month through HACSC's Housing Assistance Payment (HAP), and that your tenant's portion of the rent is more likely to be paid on time because their continued eligibility and participation in the Section 8 program requires it. For more information on being a Section 8 owner, read HACSC's newest brochure - **Section 8 Program and Property Owners: Partner with HACSC.**

www.hacsc.org/PDFs/VoucherProgForms/Partner_with_HACSC_Property_Owner_Brochure.pdf

Tenant Resource Fair August 2

HACSC and Santa Clara County Supervisor Dave Cortese are co-sponsoring a Tenant Resource Fair from 10am-3pm on Saturday, August 2, at the County of Santa Clara Building, 70 W. Hedding St., San José.

The fair will host agencies and nonprofits that provide resources and assistance to county low-income residents. These include educational and job training programs, legal agencies specializing in tenant/landlord issues, and programs that provide free or low-cost food, utilities and health care.

Since becoming a Moving to Work (MTW) agency in 2008, HACSC has sought innovative ways to advance the MTW objectives of reducing federal expenditures while increasing housing options and self-sufficiency for low-income residents of Santa Clara County. The tenant resource fair is part of HACSC's "MTW University," a training curriculum that strives to ensure that HACSC staff, Section 8 program applicants, participants, and community stakeholders are provided with opportunities to gain a better understanding of the Section 8 program, agency policies and processes.

For more information on the August 2 tenant fair, contact: Janine Burrier, 408-275-8770. www.hacsc.org/PDFs/Misc/Tenant_Resource_Faire_Flyer_7-1-14.pdf



HACSC is the largest provider of affordable housing assistance in Santa Clara County, helping make rental housing safe and affordable for low-income families through Section 8 voucher programs and below-market rental properties. Designated a Moving to Work agency, HACSC assists approximately 19,000 households.

Housing Authority of the County of Santa Clara • 505 West Julian Street, San José, California, 95110 • www.hacsc.org