

STAFF REPORT
Lancaster Housing Authority

HA CC1
10/23/12
MVB

Date: October 23, 2012

To: Chair Szeto and Housing Authority Members

From: Barbara Boswell, Finance Director

Subject: **Increase to Lancaster Housing Authority Budget, FY 12/13**

Recommendation:

Increase Lancaster Housing Authority budget line 306-4542822, Property Preservation (Non-Bond), by \$250,000 for FY 12/13.

Fiscal Impact:

Previously approved FY 12/13 budget included an excess of \$309,760 in revenues over expenditures. This action would reduce that excess to \$59,760.

Background:

In August, the Department of Finance objected to Lancaster's Low-Moderate Income Housing Fund Asset Transfer Report, placing the sale of former Lancaster Redevelopment Agency-owned properties on hold until a Meet and Confer process is completed. This action has resulted in properties acquired under the former LRA Neighborhood Foreclosure Preservation Program to be held longer than expected.

As such, the cost to maintain and repair these vacant homes has been greater than previously anticipated. Additional funds are needed to cover costs until these homes can ultimately be sold to qualified buyers.

BB:ps