

place to manage the current leasing status. Staff expects to begin issuing new vouchers in January 2020.

County HCV

Similar to the City program, the County program was recently awarded \$900,000 of shortfall set-aside funds. Should the County program have an additional shortfall at year-end, HUD will increase the program's funding to cover the shortfall. At this time, staff is projecting an additional potential year-end shortfall of \$200,000.

HAP expenditures for the month of October totaled \$3,296,693 with a HAP utilization rate for the month of October of 109.2%. The overall projected HAP utilization rate is 109.5%. The County HCV program did not have any reserves offset in 2019.

Current voucher utilization for the month of October is 100.7% with an overall projected voucher utilization for CY 2019 of 102.1%, which would earn the Agency maximum points for leasing under SEMAP. This would potentially place the program in overleased status; however, strategies have been set in place to mitigate that risk. The potential overleasing could require that the agency use unrestricted funds, which is expected not to exceed \$50,000. County voucher issuances for new applicants have been placed on hold. The team continues to monitor attrition and the impact of strategies put in place to manage the current leasing status. Staff expects to begin issuing new vouchers in January 2020.

Leasing Update

Since current projections indicate low-to-insufficient reserves by end of the year, staff will continue to monitor HAP expenses and work with the HUD SPT to request additional shortfall funds, if needed. At this time, staff expects both programs to be out of the shortfall protocol by January 2020. In anticipation of this relief, staff are developing stable leasing schedules that will allow us to better balance voucher and HAP utilization rates for 2020.

