



**HOUSING AUTHORITY
OF THE
CITY OF SANTA BARBARA**

OPERATING BUDGET

**FISCAL YEAR ENDING
MARCH 31, 2026**

**HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA
CONSOLIDATED PROGRAMS
BUDGET FOR THE FISCAL YEAR ENDING MARCH 31, 2026**

	Local Non-HUD	FEDERAL PROGRAMS			Total Federal	Combined Total
		Central Office Cost Center	Section 8	Shelter Plus Care		
Revenue						
Operating revenue						
Tenant rent	\$ 4,302,000	\$ -	\$ -	\$ -	\$ -	\$ 4,302,000
Rent subsidy	3,085,000	-	-	-	-	3,085,000
Other tenant revenue	260,000	-	-	-	-	260,000
Government grants	-	-	\$ 45,989,280	148,800	46,138,080	46,138,080
Fees	911,000	1,064,000	-	-	1,064,000	1,975,000
Other	75,000	9,000	9,400	-	18,400	93,400
Total operating revenue	\$ 8,633,000	\$ 1,073,000	\$ 45,998,680	\$ 148,800	\$ 47,220,480	\$ 55,853,480
Non-operating revenue						
Investment income	800,000	43,000	155,100	500	198,600	\$ 998,600
Capital grants	510,000	-	-	-	-	510,000
Transfers in	10,000	-	-	-	-	10,000
Other non-operating	-	-	1,800	-	1,800	1,800
Total non-operating revenue	\$ 1,320,000	\$ 43,000	\$ 156,900	\$ 500	\$ 200,400	\$ 1,520,400
Total revenue	\$ 9,953,000	\$ 1,116,000	\$ 46,155,580	\$ 149,300	\$ 47,420,880	\$ 57,373,880
Expenses						
Operating expenses						
Administrative	\$ 3,763,900	\$ 810,000	\$ 3,360,000	\$ 10,800	\$ 4,180,800	\$ 7,944,700
Tenant services	226,300	-	983,000	5,500	988,500	1,214,800
Utilities	648,700	-	-	-	-	648,700
Maintenance and operations	1,855,500	-	-	-	-	1,855,500
Other supplies and services	633,600	-	94,000	-	94,000	727,600
Capital maintenance	970,500	-	-	-	-	970,500
Housing voucher payments	-	-	41,479,000	133,000	41,612,000	41,612,000
Total operating expenses	\$ 8,098,500	\$ 810,000	\$ 45,916,000	\$ 149,300	\$ 46,875,300	\$ 54,973,800
Non-operating expenses						
Debt service interest	903,000	-	-	-	-	903,000
Debt service principal	646,000	-	-	-	-	646,000
Other	-	-	-	-	-	-
Total non-operating expenses	\$ 1,549,000	\$ -	\$ -	\$ -	\$ -	\$ 1,549,000
Total expenses	\$ 9,647,500	\$ 810,000	\$ 45,916,000	\$ 149,300	\$ 46,875,300	\$ 56,522,800
Net Income	\$ 305,500	\$ 306,000	\$ 239,580	\$ -	\$ 545,580	\$ 851,080
Designated for residual receipt payments	(600,000)	-	-	-	-	(600,000)
Residual receipts from other programs	2,000,000	-	-	-	-	2,000,000
Addition to (use of) reserves	\$ 1,705,500	\$ 306,000	\$ 239,580	\$ -	\$ 545,580	\$ 2,251,080

**HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA
LOCAL NON-HUD PROGRAM
BUDGET FOR THE FISCAL YEAR ENDING MARCH 31, 2026**

	2024 Budget	2025 Budget	2026 Budget	2026 Budget Increase/(Decrease)	
				Dollar	Percent
Revenue					
Operating revenue					
Tenant rent	\$ 7,527,000	\$ 7,791,000	\$ 4,302,000	\$ (3,489,000)	-44.8%
Section 8 subsidy	-	-	3,085,000	3,085,000	n/a
Other tenant revenue	-	-	260,000	260,000	n/a
Fees	1,200,000	1,200,000	911,000	(289,000)	-24.1%
Other	100,000	75,000	75,000	-	0.0%
Total operating revenue	\$ 8,827,000	\$ 9,066,000	\$ 8,633,000	\$ (433,000)	
Non-operating revenue					
Investment income	\$ 300,000	\$ 301,000	\$ 800,000	\$ 499,000	165.8%
Capital Grant	-	-	510,000	510,000	n/a
Transfers in	-	-	\$ 10,000	10,000	n/a
Total non-operating revenue	\$ 300,000	\$ 301,000	\$ 1,320,000	\$ 1,019,000	338.5%
Total revenue	\$ 9,127,000	\$ 9,367,000	\$ 9,953,000	\$ 586,000	6.3%
Expenses					
Operating expenses					
Administrative	\$ 3,130,600	\$ 3,225,000	\$ 3,763,900	\$ 538,900	16.7%
Tenant services	210,000	217,000	226,300	9,300	4.3%
Utilities	675,000	696,000	648,700	(47,300)	-6.8%
Maintenance and operations	1,848,000	1,904,000	1,855,500	(48,500)	-2.5%
Other supplies and services	645,500	649,000	633,600	(15,400)	-2.4%
Capital maintenance	882,000	893,500	970,500	77,000	8.6%
Total operating expenses	\$ 7,391,100	\$ 7,584,500	\$ 8,098,500	\$ 514,000	6.8%
Non-operating expenses					
Debt service interest	\$ 600,000	\$ 600,000	\$ 903,000	\$ 303,000	50.5%
Debt service principal	700,000	725,000	646,000	(79,000)	-10.9%
Other	100,000	100,000	-	(100,000)	-100.0%
Total non-operating expenses	\$ 1,400,000	\$ 1,425,000	\$ 1,549,000	\$ 124,000	8.7%
Total expenses	\$ 8,791,100	\$ 9,009,500	\$ 9,647,500	\$ 638,000	7.1%
Net income	\$ 335,900	\$ 357,500	\$ 305,500	\$ (52,000)	-14.5%
Residual receipt payments	\$ (600,000)	\$ (570,000)	\$ (600,000)	\$ 30,000	-5.3%
Residual receipts revenue	1,800,000	1,800,000	2,000,000	200,000	11.1%
Addition to reserves	\$ 1,535,900	\$ 1,587,500	\$ 1,705,500	\$ 178,000	11.2%

**HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA
CENTRAL OFFICE COST CENTER
BUDGET FOR THE FISCAL YEAR ENDING MARCH 31, 2026**

	2024 Budget	2025 Budget	2026 Budget	2026 Budget Increase/(Decrease)	
				Dollar	Percent
Revenue					
Operating revenue					
Fees	1,041,000	1,039,000	1,064,000	25,000	2.4%
Other	6,600	5,000	9,000	4,000	80.0%
Total operating revenue	\$ 1,047,600	\$ 1,044,000	\$ 1,073,000	\$ 29,000	2.8%
Non-operating revenue					
Investment income	2,400	3,000	43,000	40,000	1333.3%
Total non-operating revenue	\$ 2,400	\$ 3,000	\$ 43,000	\$ 40,000	1333.3%
Total revenue	\$ 1,050,000	\$ 1,047,000	\$ 1,116,000	\$ 69,000	6.6%
Expenses					
Operating expenses					
Administrative	\$ 786,000	\$ 794,000	\$ 810,000	16,000	2.0%
Other supplies and services	18,000	19,000	-	(19,000)	-100.0%
Total operating expenses	\$ 804,000	\$ 813,000	\$ 810,000	\$ (3,000)	-0.4%
Total expenses	\$ 804,000	\$ 813,000	\$ 810,000	\$ (3,000)	-0.4%
Addition to (use of) reserves	\$ 246,000	\$ 234,000	\$ 306,000	\$ 72,000	30.8%

**HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA
SECTION 8 HOUSING CHOICE VOUCHER PROGRAM
BUDGET FOR THE FISCAL YEAR ENDING MARCH 31, 2026**

	2024 Budget	2025 Budget	2026 Budget	2026 Budget Increase/(Decrease)	
				Dollar	Percent
Revenue					
Operating revenue					
Government grants	\$ 43,905,000	\$ 44,125,000	\$ 45,989,280	\$ 1,864,280	4.2%
Other	36,000	27,000	9,400	(17,600)	-65.2%
Total operating revenue	\$ 43,941,000	\$ 44,152,000	\$ 45,998,680	\$ 1,846,680	4.2%
Non-operating revenue					
Investment income	\$ 6,000	\$ 7,000	\$ 155,100	\$ 148,100	2115.7%
Miscellaneous other income	-	-	\$ 1,800	1,800	
Total non-operating revenue	\$ 6,000	\$ 7,000	\$ 156,900	\$ 149,900	2141.4%
Total revenue	\$ 43,947,000	\$ 44,159,000	\$ 46,155,580	\$ 1,996,580	4.5%
Expenses					
Operating expenses					
Administrative	\$ 2,760,000	\$ 2,967,000	\$ 3,360,000	\$ 393,000	11.7%
Tenant services	846,000	931,000	983,000	52,000	5.3%
Other supplies and services	78,000	70,200	94,000	23,800	25.3%
Housing assistance payments	40,005,000	40,005,000	41,479,000	1,474,000	3.6%
Total operating expenses	\$ 43,689,000	\$ 43,973,200	\$ 45,916,000	\$ 1,942,800	4.2%
Total expenses	\$ 43,689,000	\$ 43,973,200	\$ 45,916,000	\$ 1,942,800	4.2%
Addition to (use of) reserves	\$ 258,000	\$ 185,800	\$ 239,580	\$ 53,780	22.4%

**HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA
SHELTER PLUS CARE
BUDGET FOR THE FISCAL YEAR ENDING MARCH 31, 2026**

	2024 Budget	2025 Budget	2026 Budget	2026 Budget	
				Increase/(Decrease) Dollar	Percent
Revenue					
Operating revenue					
Government grants	\$ 108,600	\$ 108,900	\$ 148,800	\$ 39,900	36.6%
Total operating revenue	\$ 108,600	\$ 108,900	\$ 148,800	\$ 39,900	36.6%
Non-operating revenue					
Investment Income			\$ 500	\$ 500	n/a
Total non-operating revenue	\$ -	\$ -	\$ 500	\$ 500	n/a
Total revenue	\$ 108,600	\$ 108,900	\$ 149,300	\$ 40,400	37.1%
Expenses					
Operating expenses					
Administrative	\$ 6,000	\$ 6,100	\$ 10,800	\$ 4,700	77.0%
Tenant services	3,600	3,700	5,500	1,800	48.6%
Housing assistance payments	99,000	99,100	133,000	33,900	34.2%
Total operating expenses	\$ 108,600	\$ 108,900	\$ 149,300	\$ 40,400	37.1%
Total expenses	\$ 108,600	\$ 108,900	\$ 149,300	\$ 40,400	37.1%
Addition to (use of) reserves	\$ -	\$ -	\$ -	\$ -	

Annual Strategic Operating Plan/FY 2025-2026 Agency Goals

1. CREATE AND PRESERVE QUALITY AFFORDABLE HOUSING OPPORTUNITIES FOR THE COMMUNITY

- Continue progress on development projects:
 - Jacaranda Court (400 West Carrillo/Castillo Commuter lot) - Complete construction documents, plan check review and obtain building permit by end of the year.
 - Bella Vista (200 N. La Cumbre) – Make progress and execute financing draws while project is under construction.
 - Grace Village II – On hold.
 - 3055 De La Vina – Obtain building permit for rehabilitation by summer and complete construction by year-end 2025.
 - 15 S. Hope Ave. – Obtain final building permit and apply for tax credits in March of 2025. If awarded in first round, close on financial transaction and commence construction by year end 2025. If not awarded in first round, apply again in second round.
 - Monteria Village – Project has preliminary Project Design Approval. Further the design development with goal of achieving permit approval by end of the fiscal year (stretch goal).
 - Presidio Springs - Continue to develop long term master plan for the redevelopment of Presidio Springs and adjacent Housing Authority properties. As a follow-up to resident meeting, hold community meeting with residents to share plans; broader neighborhood meeting to follow and submittal to City for the determined first phase of the project.
 - Parma site (915 E. Montecito Street) - Further conceptual plans and obtain planning approval for the development of School District employer sponsored housing to provide affordable housing for teachers and school district staff. Secure preliminary design approval and all entitlements by the end of calendar year 2025.
 - Santa Barbara Green Mobile Home Park – on behalf of 2nd Story Associates, continue to implement infrastructure improvements. Complete water, sewer and road improvements by the end of the fiscal year.
 - 657 San Felipe – Secure building permit and complete rehab of property to better serve existing and future tenants.
- Begin discussions regarding the purchase of Artisan Court under 15 Year repurchase agreement from the partnership. Repurchasing cannot occur until 2026; to begin discussions in summer of 2025.
- Complete necessary repairs/rehabilitations for all properties according to a prioritized list.

- Encourage the City to complete its adaptive reuse policy/program along the downtown corridor.
 - Maintain open dialogue with community-based organizations to potentially partner and create new affordable housing opportunities including transitional or bridge housing to serve the most vulnerable homeless (e.g. Housing First and master leasing models) and assist with stabilizing existing housing stock.
 - Advocate at federal, state, and local levels for additional funding to address the community's ongoing affordable housing crisis through participation with local and national organizations and agencies such as HUD, NAHRO, PHADA, NLIHC, CAHA and Housing California.
 - Support measures for increased voucher allocations at the federal level
 - Support measures for increased volume cap of Tax Credits at the federal level
 - Support revenue raising measures locally for increased ongoing funding into the local housing trust fund.
 - Continue to implement Moving to Work status, to provide greater flexibility in the delivery of housing policy and service to best meet the community's need.
 - Continue to provide real estate development, construction management and related services to other local non-profit organizations pursuing affordable housing projects for their clients.
2. MAINTAIN HACSB'S STRONG FINANCIAL POSITION AND ABILITY TO RESPOND TO ECONOMIC CONDITIONS
- Preserve HACSB's sound fiscal position by avoiding the need to use reserves to balance the operating budget through appropriate cost control measures and by continuing enhancements to its budgeting and accounting systems, including but not limited to:
 - Fully implement system changes to coordinate with the Moving To Work (MTW) processes that will be implemented during this fiscal year.
 - Seek out additional grants for both supportive services and housing programs through federal, state, local, and philanthropic opportunities.
 - Resident Services will continue actively seeking such grants through the Housing Authority, along with the Authority's two affiliate non-profits 2nd Story Associates and Garden Court Inc.
 - Be adaptable to adjust to changing funding constraints.
3. ENCOURAGE CLIENT STABILITY AND UPWARD MOBILITY THROUGH COMMUNITY BUILDING, ENGAGEMENT AND PARTNERSHIPS
- Review resident supportive services.
 - Track and collect data on all client services, progress, and efficacy/results
 - Continue administering the agency's Family Resource Center so that Housing Authority families can readily access critical resources and support in times of need.
 - Expand homeownership opportunities.
 - Work with organizations such as Habitat for Humanity and Peoples Self Help Housing.

- Increase FSS enrollment by 30 new families in 2025.
- Continue to secure foundation funding for the Authority's affiliate 501(c)(3) non-profit, 2nd Story Associates, which focuses on providing services to the Authority's residents in addition to other low-income households in Santa Barbara County.
- Secure donations for affiliate 501(c)(3) non-profit, Garden Court, Inc.
 - Continue in collaboration with Parsons Family to raise at least \$50,000 in donations per year.

4. FOSTER A CULTURE OF EXCELLENCE AND INNOVATION IN OUR WORK ENVIRONMENT

- Foster a positive work environment and culture that promotes diversity, equity and inclusiveness, encourages open, respectful and timely communication, values individual and team commitment to Housing Authority goals and objectives, promotes high employee morale and encourages employees to be engaged and find meaning in their work. Review staffing and business needs and reorganize as necessary to develop a solid succession plan, ensure appropriate staffing levels, reduce long-term costs and move agency forward in an effective manner.
 - Continue to develop and identify groups of high potential employees and talent pools to develop them to take on a variety of critical roles through leadership development training, mentoring and improved performance evaluation processes.
 - In light of likely federal housing policy changes due to change in presidential administration, stay nimble and adapt quickly to circumstances that are encountered.
- Continue to enhance training to ensure employees are appropriately trained and promote employee growth and development.
 - Assess current training needs, establish more comprehensive and formal training program and implement Aspire Program to ensure efficient and effective tracking of training tracking process:
- Maintain the Section 8 Housing Choice Voucher Program utilization to maximize capacity within the HUD established funding through monthly status monitoring meetings.
- Continue enhancements to HACSB's Information Technology (IT) systems and increase employee proficiency with IT systems; expand external access to Authority's programs with full implementation of the Yardi software system. Specifically:
 - Continue to assess possibilities to maximize security and efficiency of our IT systems by moving selected servers to the cloud.
 - Complete various IT projects according to a prioritized list.
- Review and refine all operational systems and procedures throughout the agency with an emphasis on promoting a safe work environment as well as creating greater efficiencies by utilizing secure on-line systems. Specifically:
 - Ensure safety committee inspections are done at least every six months.
 - IT staff are constantly evaluating security protocols and best practices.
- Maintain minimal vacancy rates in locally owned and managed properties through policy, regulatory relief and enhanced marketing efforts.
 - Maintain average unit turnover time at below 14 calendar days.

5. PROMOTE SUSTAINABLE PRACTICES

- Seek and/or participate in funding opportunities for energy efficiency upgrades or rehabilitation at existing housing developments.
 - Review the feasibility of solar panel installation for existing inventory
 - Assess HA green areas for conversion to drip irrigation and lawn replacement with drought tolerant planting
 - Ongoing review of HA's current sustainable practices through establishment of a staff subcommittee to implement and track sustainable practices
6. CONTINUE TO STRENGTHEN RELATIONSHIP WITH THE CITY AND COUNTY TO FURTHER HACSB'S ROLE AS THE CITY'S AFFORDABLE HOUSING PROVIDER
- Enhance the communication and partnership HACSB staff has developed with City and County Staff.
 - Transparency regarding funding availability and target housing need
 - Consider policy opportunities with elected officials and staff for leadership to make a positive difference in community
 - More frequent check-ins with City and County
 - Work with City to "fast track" approvals for affordable housing projects
 - Continue work with City on revenue raising ballot measure for affordable housing.
 - Maintain HACSB staff and Commissioner service and representation on non-profit boards, regional planning groups, local task forces and similar organizations.
 - Education on HA programs/services: Open houses at HA properties to raise community awareness and other marketing/outreach.
 - Continue to work with City on crafting adaptive reuse policy to encourage and support affordable housing development