

Arizona Department of Housing

	FY 2021 ACTUAL	FY 2022 ESTIMATE	FY 2023 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	3.0	3.0	3.0
Personal Services	203,300	203,300	203,300
Employee Related Expenditures	75,600	79,300	79,300
Professional and Outside Services	1,700	1,700	1,700
Travel - In State	1,800	7,900	7,900
Other Operating Expenditures	49,600	30,000	30,000
Equipment	500	500	500
AGENCY TOTAL	332,500	322,700	322,700^{1/}
FUND SOURCES			
<u>Other Appropriated Funds</u>			
Housing Trust Fund	332,500	322,700	322,700
SUBTOTAL - Other Appropriated Funds	332,500	322,700	322,700
SUBTOTAL - Appropriated Funds	332,500	322,700	322,700
Other Non-Appropriated Funds	32,698,300	45,606,900	45,606,900
Federal Funds	93,639,800	228,958,100	228,958,100
TOTAL - ALL SOURCES	126,670,600	274,887,700	274,887,700

AGENCY DESCRIPTION — The department annually administers approximately \$137.9 million in federal and non-appropriated state housing and community development funds. The appropriated budget reflects a portion of the agency's administration expenses. The department provides affordable housing opportunities in conjunction with the Arizona Industrial Development Authority. The department's responsibilities include the Office of Manufactured Housing.

FOOTNOTES

^{1/} General Appropriation Act funds are appropriated as a Lump Sum by Agency.

Operating Budget

The Baseline includes \$322,700 and 3 FTE Positions from the Housing Trust Fund in FY 2023 for the operating budget. These amounts are unchanged from FY 2022.

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
CDBG-CV CARES Act Fund (HDA2976/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Monies received by the state from the Federal COVID-19 response legislation for the Community Development Block Grant program.		
Purpose of Fund: To provide housing, permanent jobs, public services, or new or improved infrastructure to prevent, prepare for and respond to the COVID-19 pandemic.		
Funds Expended	33,000	0
Year-End Fund Balance	0	33,000

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
Consumer Recovery Fund (HDA3090/A.R.S. § 41-4041)		Non-Appropriated
Source of Revenue: Fees charged to dealers and brokers of manufactured homes, mobile homes, or factory-built buildings designed for residential use.		
Purpose of Fund: To provide consumer and license education in connection with the manufactured housing and factory-built building industry and to make payments on damage claims filed by consumers of these types of residential buildings.		
Funds Expended	0	0
Year-End Fund Balance	658,500	723,400
Crisis Contingency and Safety Net Fund (HDA3240/A.R.S. § 41-110)		Non-Appropriated
Source of Revenue: Legislative appropriations, public or private gifts, grants and donations.		
Purpose of Fund: Monies in the fund may only be distributed by the Governor for the following forms of economic assistance during a state of emergency: 1) housing assistance; 2) services for homeless persons; 3) economic assistance to small businesses with less than 50 employees, non-profit organizations, and health care providers; and 4) monies for food bank operations. Expenditures are not displayed to avoid double counting the General Fund.		
Funds Expended	0	0
Year-End Fund Balance	82,600	2,807,800
DPS-FBI Fingerprint Fund (HDA2159/A.R.S. § 41-1750)		Non-Appropriated
Source of Revenue: Revenues include fees collected from fingerprint clearance cards.		
Purpose of Fund: Revenues are transferred to the Department of Public Safety (DPS) to process fingerprint clearance cards.		
Funds Expended	5,700	5,700
Year-End Fund Balance	1,900	2,300
Federal Funds (HDA2000/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Federal Funds for affordable housing programs.		
Purpose of Fund: To be expended as stipulated by federal statutes authorizing the federal grants.		
Funds Expended	93,606,800	129,655,100
Year-End Fund Balance	10,498,700	13,935,900
Federal Grant - American Recovery and Reinvestment Act (ARRA) (HDA2999/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: One-time Federal Funds allocated by the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).		
Purpose of Fund: One-time Federal Funds to be used by the department for the weatherization of homes, energy efficiency and usage reduction, and appliance rebates.		
Funds Expended	0	0
Year-End Fund Balance	1,101,300	1,223,700
Homeowner's Assistance Fund (HDA2986/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Federal Funds appropriated in the American Rescue Plan Act.		
Purpose of Fund: To assist homeowners experiencing financial hardship due to the Coronavirus. Funds may be used for assisted payments for mortgages, utilities, insurance and other specified purposes.		
Funds Expended	0	99,210,000
Year-End Fund Balance	19,698,400	10,488,400
Housing Choice Voucher Emergency Housing Fund (HDA3202/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Federal Funds for housing assistance.		
Purpose of Fund: To provide rental assistance to individuals and families who are experiencing homelessness or are at risk of experiencing homelessness.		
Funds Expended	0	93,000
Year-End Fund Balance	98,900	110,900

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
Housing Program Fund (HDA2200/A.R.S. § 41-3957)		Non-Appropriated
Source of Revenue: Fees received from the following programs: private activity bond (underwriting and hearings), low-income tax credit (application, monitoring and reservation fees), fees charged from conferences and workshops, fees from the Section 8 project-based contract administration program, administrative reimbursements from Federal Hardest Hit Funds, utility grants from Southwest Gas for the state's Weatherization Program, and services fees related to the Office of Manufactured Housing.		
Purpose of Fund: To pay the costs of administering the programs from which the deposits are received and for other department programs.		
Funds Expended	10,420,700	16,275,000
Year-End Fund Balance	19,709,700	13,621,600
Housing Trust Fund (HDA2235/A.R.S. § 41-3955)		Appropriated
Source of Revenue: The Housing Trust Fund receives its \$2,500,000 annual unclaimed property deposit after the first \$2,000,000 in unclaimed property revenues are distributed to the Department of Health Services Seriously Mentally Ill Housing Trust Fund. The fund also receives monies from loan repayments and interest from the State Treasurer. A.R.S. § 33-751 redirects fees from the Arizona Industrial Development Authority's single-family mortgage program from the department's ISA and IGA Fund to the Housing Trust Fund.		
Purpose of Fund: The appropriated portion pays for administration expenses and may not exceed 10% of the Housing Trust monies. Please see the Non-Appropriated portion of the fund for additional information.		
Funds Expended	332,500	322,700
Year-End Fund Balance	44,650,200	44,650,200
Housing Trust Fund (HDA2235/A.R.S. § 41-3955)		Non-Appropriated
Source of Revenue: The Housing Trust Fund receives its \$2,500,000 annual unclaimed property deposit after the first \$2,000,000 in unclaimed property revenues are distributed to the Department of Health Services Seriously Mentally Ill Housing Trust Fund. The fund also receives monies from loan repayments and interest from the State Treasurer. A.R.S. § 33-751 redirects fees from the Arizona Industrial Development Authority's single-family mortgage program from the department's ISA and IGA Fund to the Housing Trust Fund.		
Purpose of Fund: The non-appropriated portion of the fund is used for the operation, construction, or renovation of housing facilities for low-income households. The Legislature may transfer monies from the fund to the Housing Development Fund for use on housing projects around state prisons. Please see the Appropriated portion of the fund for additional information.		
Funds Expended	18,213,800	21,735,200
Year-End Fund Balance	44,650,200	34,706,900
IGA and ISA Fund (HDA2500/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Reimbursements to the department from the Arizona Department of Economic Security for the administration of the Federal Low-Income Housing Energy Assistance Program (LIHEAP).		
Purpose of Fund: To enable the department to administer a portion of the LIHEAP which provides direct weatherization and energy improvements to homes owned by low-income homeowners.		
Funds Expended	3,980,300	7,516,000
Year-End Fund Balance	610,000	1,213,500
Manufactured Housing Cash Bond Fund (HDA3722/A.R.S. § 41-4029)		Non-Appropriated
Source of Revenue: Cash deposits made by housing manufacturers and installers prior to the granting of an original license. Applicants must make a cash deposit for each branch location of their operation.		
Purpose of Fund: To compensate consumers in cases where a licensee fails to perform sales or installation agreements or repairs under warranty; and to make payment to the department if the licensee fails to pay any fees or costs owed.		
Funds Expended	0	0
Year-End Fund Balance	672,500	784,000

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
Mobile Home Relocation Fund (HDA2237/A.R.S. § 33-1476.02)		Non-Appropriated
<p>Source of Revenue: Assessments collected from mobile home owners who do not own the land upon which the mobile home is located and interest earnings. Once the fund balance reaches \$8,000,000, assessments will no longer be collected and the only revenue will be from interest. Assessment would resume when the fund balance at the end of a fiscal year is less than \$6,000,000.</p> <p>Purpose of Fund: To pay for relocations due to rental increases and to pay premiums and other costs of purchasing insurance coverage for tenant relocation costs due to a change in property use pursuant to A.R.S. § 33-1476.01. If such insurance is not available, or if the insurance costs exceed the amount available from the fund, the fund is used to make direct payments for tenant relocation costs.</p>		
Funds Expended	77,800	75,000
Year-End Fund Balance	7,657,200	7,622,800