



Yolo County Housing

Lisa A. Baker, Executive Director

147 W. Main Street
WOODLAND, CA 95695

Woodland: (530) 662-5428
Sacramento: (916) 444-8982
TTY: (800) 545-1833, ext. 626

BOARD OF COMMISSIONERS

Duane Chamberlain
Marlene Garnes
Michael H. McGowan
Jim Provenza
Matt Rexroad
Helen M. Thomson
Bernita Toney

DATE: August 6, 2009
TO: YCH Board of Commissioners
FROM: Lisa A. Baker, Executive Director
PREPARED BY: Brenda Lomeli-Rocha, Public Housing Supervisor
SUBJECT: **Approve resolution for the Public Housing Assessment System (PHAS) Management Operations Certification**

RECOMMENDED ACTIONS:

That the Board of Commissioners:

1. Review and approve by resolution the attached Public Housing Assessment System (PHAS) Management Operations Certification of Yolo County Housing (YCH) to the Department of Housing and Urban Development (HUD).

BACKGROUND / DISCUSSION

Each year, YCH must submit to HUD a report with statistics and data regarding our management of YCH Public Housing units. YCH receives a score based on the information reported. The PHAS score is comprised of assessment of four major operational areas: physical (PASS), financial (FASS), management (MASS) and resident satisfaction (RASS). The PASS, FASS, and MASS submission comprise 30 points each. The RASS is 10 points. The total possible PHAS score is 100 points. The scores in each Indicator received by YCH determine whether the agency is a High Performer, a Standard Performer or a Troubled Agency. YCH is required at this time to submit information for the Management Operations Indicator (MASS). Information on the other components is attached as Exhibit I.

MASS- 30 Points

The objective of the Management Operations Indicator is to measure key management operations and responsibilities of YCH for the purpose of assessing YCH's management operations capabilities. The following sub-indicators and points listed will be used to assess the management operations:

<u>Sub-Indicator</u>	<u>Points</u>
Vacant Unit Turnaround Time.....	4.0
Capital Fund.....	7.0
Work Orders.....	4.0
Inspections of Units and Systems.....	4.0
Security.....	4.0
Economic Self-Sufficiency.....	7.0

Each Sub-Indicator has various components that are scored based on a grading system A to F. The grades for each component are assigned values (1.0 – 0.0) to indicate the percentage of the component points that will be awarded in the calculations. When a non-assessed sub-indicator exists, such as a housing authority that does not have a HUD funded Economic Self-Sufficiency program, the value of the non-assessed sub-indicator will be redistributed proportionately across the sub-indicators that have been assessed. YCH is required to submit electronically a certification of its performance under each of the sub-indicators, the PHAS Management Operations Certification. The attached certification for YCH is required by August 30, 2009. The certification requires a Board Resolution approving the certification prior to submission. A late submission will result in late points assessed. The self-certification we will submit is based on un-audited finance statements as of June 30, 2009 and is subject to review and acceptance by HUD.

After assessment, staff finds that it scores 17 out of a possible 30 points, which is the same score as last year, when it achieved a Standard Performance Score in Public Housing Operations. In order to continue to improve operations and in accordance with its Memorandum of Agreement (MOA) with HUD, staff has issued a Request for Proposals for its uniform inspection requirements. In addition, staffing changes in the Board's recently adopted budget should also improve turnaround time on routine work orders and vacancy turn around.

FISCAL IMPACT

Not adopting the certification by resolution would have future funding impacts which are unknown at this time, but which could include designation as "Troubled" status and/or withholding of operating subsidy funds.

CONCLUSION

Staff recommends approving by resolution the attached PHAS Management Operations Certification for YCH to HUD in order to comply with HUD regulations and maximize PHAS points. Because of how PHAS is structured, staff, at this time, cannot give a total point estimation for PHAS scoring. Staff will bring back a follow up report to the Board regarding the unaudited preliminary PHAS score once it has been posted.

YCH Board of Commissioners

August 6, 2009

Page 3

Attachments:

Resolution

PHAS Exhibit I

PHAS Management Report

Exhibit I:

PASS-30 points

The objective of the Physical Condition Indicator (PASS) is to determine the level to which YCH is maintaining its public housing in accordance with the standard of decent, safe, sanitary, and in good repair as stated in the Code of Federal Regulations (CFR) 902. 23. The Real Estate Assessment Center (REAC) provide for an independent physical inspection of YCH's property. The following areas are assessed and are weighted as indicated to comprise the total 30 points possible for the PASS score:

<u>Areas</u>	<u>Weight in %</u>
Site.....	15
Building exterior.....	15
Building systems.....	20
Common areas.....	15
Dwelling units.....	35

FASS-30 points

The objective of the Financial Condition Indicator is to measure the financial condition of YCH for the purpose of evaluating whether it has sufficient financial resources and is capable of managing those financial resources effectively to support the provision of housing that is decent, safe, sanitary and in good repair. YCH's financial condition will be assessed under this indicator by measuring the PHA's entity-wide performance in each of the components listed in CFR 902.35, on the basis of the annual financial report. Both unaudited and audited financial data must be submitted to HUD on an annual basis. The components of PHAS Indicator #2 (FASS) are:

<u>Scoring Components</u>	<u>Measurement</u>	<u>Points</u>
<i>Current Ratio:</i> current assets divided by current liabilities	Liquidity	9.0
<i>Number of Months Expendable Fund Balance:</i> expendable fund balance divided by monthly operating expenses. The expendable fund balance is the portion of the fund balance representing expendable available financial resources, that is, the unreserved and	Adequacy of reserves	9.0

undesignated fund balance		
<i>Tenant Receivable Outstanding:</i> the average number of days tenant receivables are outstanding and is calculated by dividing tenant accounts receivable by Daily Tenant Revenue (rental revenue/365)	Ability to collect payment of tenant receivables	4.5
<i>Occupancy Loss:</i> one minus unit months leased divided by unit months available	Ability to lease up units and maximize rental income	4.5
<i>Expense Management/Utility Consumption:</i> the expense per unit for key expenses, including utility consumption, and other expenses such as maintenance and security.	Ability to maintain expense ratios at a reasonable relative level to peers (adjusted for size and region)	1.5
<i>Net Income or Loss Divided by the Expendable Fund Balance:</i> measures how the year's operations have affected the PHA's viability	Effect of current year operations on existing reserves	1.5

In order to receive a passing score under the Financial Condition Indicator (FASS), the PHA must achieve a score of at least 18 points, or 60% of the available points under this indicator. If YCH fails to receive a passing score on the Financial Condition Indicator, YCH will be categorized as a substandard financial agency. The YCH is required to submit the FY 2008-2009 unaudited financial data to HUD by August 30, 2009. The audited financial data is required by March 31st, 2010.

RASS- 10 points

The objective of the Resident Service and Satisfaction Indicator is to measure the level of resident satisfaction with living conditions at YCH. The assessment required under PHAS Indicator #4 is performed through the use of a resident survey. The survey process is managed by YCH and will be audited as part of the Independent Audit to ensure that the resident survey process has been managed as directed by HUD. YCH is responsible for electronically updating unit addresses and certifying languages of residents, promoting the survey to residents, and certifying the implementation plan. Once the survey results are available to YCH, the final step is to certify a follow-up plan based upon the scores of the survey. Under this Indicator, REAC will calculate a score based upon two components that receive 5 points each and a third component that is a threshold requirement.

<u>Component One- Survey Results (5 points)</u>	<u>Point Range</u>
Maintenance and Repair Section.....	0-1

Communication Section.....	0-1
Safety Section.....	0-1
Services Section.....	0-1
Neighborhood Section.....	0-1
<u>Component Two- Implementation/Follow-Up Plan (5 points)</u>	
Survey Implementation Plan.....	0 or 2
Survey Follow-Up Plan.....	0 or 3
Total Possible Score:	10

The threshold requirement requires that YCH will not receive any points under the PHAS Indicator #4 (RASS) if the survey process is not managed as directed by HUD, if the survey results are determined to be altered, or if the public housing unit addresses are not updated electronically prior to the survey.

YOLO COUNTY HOUSING

RESOLUTION NO. 09 - ____

**(Resolution Regarding Public Housing Assessment System (PHAS)
Certification for Year Ending June 2009)**

WHEREAS, the Housing Authority of the County of Yolo ("YCH") must submit to the U.S. Department of Housing and Urban Development ("HUD") the Public Housing Assessment System("PHAS") Management Operations Certification on or before August 30, 2009; and

WHEREAS, the submittal of the PHAS Certification requires the approval and authorization of the Board of Commissioners of YCH; and

WHEREAS, the PHAS Certification will be submitted to HUD electronically through HUD's website on or before August 30, 2009 after review by the Public Housing Supervisor and the Executive Director;

WHEREAS, the Board of Commissioners of YCH have determined to the best of their knowledge that the PHAS Certification for year ending June 30, 2009 is true and correct.

NOW, THEREFORE, BE IT RESOLVED, ORDERED AND FOUND by the Board of Commissioners of the Housing Authority of the County of Yolo, as follows:

1. Each of the foregoing recitals is true and correct.
2. The Board of Commissioners hereby confirms and approves the submittal of the PHAS Certification for the year ending June 30, 2009 which will be submitted electronically through HUD's website on or before August 30, 2009.

EFFECTIVE DATES: This Resolution shall take effect from and after the date of its adoption.

PASSED AND ADOPTED, by the Board of Commissioners of the Housing Authority of the County of Yolo, County of Yolo, State of California, this 6th day of August, 2009 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Helen M. Thomson, Chair
Board of Commissioners of the
Housing Authority of the County of Yolo

Approved as to Form:

By _____
Sonia Cortés, Agency Counsel

Attest:
Ana Morales, Clerk
Board of Commissioners of the
Housing Authority of the County of Yolo

By _____