



Yolo County Housing

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DATE: July 17, 2008
TO: YCH Board of Commissioners
FROM: Lisa A. Baker, Executive Director
SUBJECT: **Planning Retreat Discussion of the Following Objectives:**

1. Planning Issues, 2. Housing Issues, 3. Organizational Issues

RECOMMENDED ACTIONS:

For Discussion. There are no recommended actions.

BACKGROUND / DISCUSSION

Background

The Housing Authority of the County of Yolo (informally known as Yolo County Housing) is a legally constituted Housing Authority under the State Health and Safety Code, with all the rights and obligations thereof. In addition, Yolo County Housing (YCH) is actually a "suite" of agencies under the YCH umbrella. These entities include New Hope Community Development Corporation, Nueva Esperanza Community Development Corporation and the Dixon Housing Authority (which is managed by the YCH).

On June 20, 2006, the Board of Supervisors voted to dissolve the Board of Commissioners of Yolo County Housing and to appoint itself as the Interim Board for the Agency. On June 21, 2006, the new Board held its first meeting. The Board retained an Interim Executive Director to look at overall operations and to make recommendations regarding improving the state of operations and to effect stabilization of the organization.

On November 14, 2006, the Board composition increased to seven (7) members when two tenant commissioners were appointed to the Board in conformance with federal requirements. The Board appointed Lisa A. Baker as the Executive Director, effective November 20, 2006.

Since June 2006, the Agency has worked to address organizational and fiscal needs of the Agency. At its Board meeting of December 11, 2007, the Board received a progress report on items identified in the original assessment as well as a progress report on items that were subsequently identified as needing stabilization and improvement (a copy of the report is included with the packet).

Not including households on our wait list, YCH is the owner or provider of assistance to over approximately 5,000 men, women and children year round and of many more during the times that our family migrant farmworker housing is open. We operate in

each incorporated city as well as in the county and also serve farmworkers as the Dixon Housing Authority in Solano County.

In addition to the safety of residents in properties that we own and operate, we have voucher holders throughout the private rental community who receive subsidy from us and staff who provide the assistance to our communities. We also have responsibility for the housing and infrastructure, including sewer lift stations, commercial septic systems, water wells, trees, lighting, roads, sidewalks and other types of infrastructure.

A lot of work has gone into the stabilization and rebuilding of the organization. Some of this work is now complete and some is still ongoing. However, the Agency is now at a place where it can consider restructure and operational enhancements and can begin to look forward for new opportunities. At this time, the Board is asked to consider future directions for the Agency through this Planning Retreat.

Discussion

Planning Issues

I. Disaster Planning and Continued Operations Policies

background

With regard to property we own and operate that receives federal assistance, Federal Section 504 requirements, which govern ADA accessibility compliance in housing and programs require that every Housing Authority should have an emergency evacuation plan for each of its buildings and for each special needs resident. In the preparation and updating of this plan, the Housing Authority should inform special needs residents that with the resident's consent, they will provide information to the fire department, or appropriate organizations which identify residents with special needs in case of an emergency evacuation. Applicants should be given the opportunity to decide whether they want the recipient to provide this information to the fire department. The Housing Authority may share this information with the local fire and police departments provided consent is given.

In addition, under the California Emergency Services Act, a "political subdivision" includes any city, city and county, county, district, or other local governmental agency or public agency authorized by law. Cal. Gov. Code § 85557(c). "Governing body" means the legislative body, trustees, or directors of a political subdivision. Cal. Gov. Code §85557(d). As such, YCH falls within the definition of political subdivision since it is a public body corporate and politic which can exercise public and essential governmental functions and has all the necessary powers to carry out the purposes and provisions of the Housing Authorities Law. Cal. Health and Safety Code Section §34310. YCH is not a district; rather it is a "local governmental agency" or "public agency authorized by law."

During the past four decades, natural hazards such as earthquakes, volcanic activity, landslides, floods, drought, and other hazards have caused major loss of human lives and livelihoods. They have equally destroyed economic and social infrastructure and created environmental damage.

The environmental impact of natural hazards, in particular, the loss of environmental services (water, forest, biodiversity, ecosystem function, etc.), is difficult to assess and often underestimated. Indirect economic losses of market share following trade disruptions after a disaster are also sometimes not factored in.

The United States is one of the most severe weather-prone countries on Earth. Each year, Americans cope with an average of 10,000 thunderstorms, 2,500 floods, 1,000 tornadoes, as well as an average of six (6) hurricanes. Potentially deadly weather impacts every American.

Some 90 percent of all presidentially declared disasters are weather related, leading to around 500 deaths per year and billions of dollars in damages, as well as loss of housing and infrastructure in affected areas. California ranks in the top ten in hazardous weather property damage, fatalities and injuries.

Disaster Management is a systematic process that produces a range of responses with regard to hazard mitigation, emergency preparedness, impact response and disaster recovery. These components contribute to the safety and well being of our communities and environment. Disaster Management has five basic components; Risk Assessment; Vulnerability Analysis; Mitigation; Emergency Preparedness; and Emergency Management.

Issues, Status and Discussion

Currently, the YCH does not have a Disaster Plan, a Plan for Continued Operations in case of Pandemic Illness, nor does it have a required Emergency Evacuation Plan for each complex or for each special needs resident. The YCH *has* created a disaster planning guide for residents and participants on its web site that is available to all. Currently, approximately 6 staff members had received NIMS - 100 training/certification and 1 staff member has received NIMS - 200 and 300 training and certification. The YCH has been working with County OES on disaster planning for the Operational Area and is part of a task force looking at an Alert and Warning System for the area and which it hopes will be available to it.

Discussion: Should the YCH complete Disaster Planning, Continued Operations Plan and the required Emergency Evacuation Plan? Should such plans focus on Emergency Preparedness and Emergency Management? Should the YCH look also at risk assessment, vulnerability analysis and risk mitigation? Should the YCH seek grant and Homeland Security Funds as it is able in order to improve emergency planning?

II. YCH and Climate Change Issues - Greening Housing, Energy Planning and Additional Opportunities

background

On April 17, 2008, the Board approved a Resolution joining the Climate Change Compact and became one of the local governments in Yolo County dedicated to reducing its carbon footprint.

The Resolution, in part, states that consensus exists among the world's leading scientists that global warming caused by human emission of greenhouse gases is among the most significant problems facing the world today. Documented impacts of global warming include but are not limited to increased occurrences of extreme weather events (i.e., droughts and floods), adverse impacts on plants and wildlife habitats, threats to food and water supplies – all of which have economic and social impacts on communities and their local governments.

In addition, through AB 32, the State of California has mandated statewide reduction of greenhouse gas emissions to 80 percent below 1990 levels by 2050 and will look to local governments for a contribution to meeting this goal. Unofficially, it has been estimated by the Air Resources Board that up to 40% of green house gas emissions come from residential usage.

Issues, Status and Discussion

The YCH has undertaken a number of initiatives in the past year to reduce its carbon footprint. These actions have all been undertaken because they offered cost savings to the organization. With the adoption of the Climate Change Compact Resolution, staff has moved forward to begin a flow analysis that will begin to assist it in identifying its carbon footprint. This should allow staff to design a strategy to begin a more systematic way of reducing energy usage.

Discussion: Should the YCH continue to focus its energy and carbon reductions in areas that promote cost effectiveness for the organization? Should the YCH develop a comprehensive energy strategy for its operations and development? Could such a plan look at becoming more energy independent? Should it include the possibility of becoming a third party clean energy producer? Should the YCH look at ways, such as Energy Performance Contracting, that will implement strategies that pay for energy improvements? Should the YCH consider, as it is able, to look at outside grant funding for improvements, such as funding for clean air vehicles? What is the balance between cost efficiency and reducing carbon usage? Should the YCH work to be a leader among housing agencies in this area? Should the YCH work to create affordable housing industry benchmarks to help others? Finally, should the YCH work towards registering with entities such as the Climate Registry and should it investigate the possibility of selling carbon credits? Should the Agency look to developing a "cradle to cradle" plan for handling materials?

Housing Issues

I. Strategic Planning for Current and Future Development/Redevelopment of existing owned units

background

In the 2005-2010 Agency Plan, the YCH indicated that it would embark on an aggressive program to acquire and develop properties, do more commercial projects and undertake demolition and disposition of aging public housing sites. Since the time of the adoption of the original plan, the Agency has moved away from aggressive commercial ventures. In addition, the Agency is actively negotiating with HUD on a Capital Fund Financing Plan (CFFP). If this plan is approved, the Agency will be committing to using a portion of its Capital Fund for approximately 23 years for debt service on the main Administration Building. Since the Agency receives Capital Fund based on the number of LIPH units it has, it is not advisable to remove units from inventory through a demolition/disposition process with HUD since that would reduce the amount of Capital Funds available for that debt service.

Issues, Status and Discussion

However, many of the units in the YCH inventory are over 50 years of age and many of our other LIPH units date from the 1980's. Reductions in the Capital Fund at the federal level make it difficult to make the kind of comprehensive renovations such units require.

We have continued to maintain the units and they are in fairly good condition and we have continued to score well in federal on-site inspections. In addition, we have been able to form partnerships that have helped provide improvements outside of traditional funds such as operations costs and Capital Fund. These include energy improvements in some units through PG&E, erosion control/landscaping through the Solano Water Board/Putah Creek Coordinating Committee/John Muir Center and a public service project through the Winters Rotary Club.

In addition, many of these older developments have fairly large vacant land available to them that is not used for housing. Some properties have outbuildings that have outlived their useful lives and for which the Agency does not have active use needs. Some buildings are already slated for demolition. In addition, the YCH pays landscaping costs for these vacant parcels that do not produce any revenue.

Discussion: How should the YCH think about positioning itself with regard to older units? Should it look at ways that will revitalize units without removing them from federal inventory? Should the YCH consider alternative uses for vacant parcels, such as development of additional affordable housing? If so, should it look to potentially request disposition (removal from federal inventory) of these parcels to make them easier to develop? Should the YCH continue to look to non-traditional funding

Working together to provide quality affordable housing and community development services for all

sources that are consistent with federal requirements to help augment improvement funds?

II. Need for, and Development of, Comprehensive Strategic Housing Plan for our area
background

The YCH was created in 1950 and has provided housing services throughout the County and the incorporated cities. Over time, this has resulted in the development of 431 units of LIPH housing in the cities of Woodland and West Sacramento, as well as complexes throughout the unincorporated county. We have also funded bond-financed private units in the City of Davis, such as the Russell Park Apartments (1992), where 82% of the units are occupied by lower income tenants, as well as developed 7 units of permanent farmworker housing in the City of Davis, received contracts from HUD for 1,489 Voucher units and partnered with others for the development of 112 tax credit units in the City of Davis among other programs. Recently, we have diversified the Housing Choice Voucher program (Section 8) to provide homeownership opportunities and project-basing to assist additional populations.

Issues, Status and Discussion

Currently, the YCH has six (6) lots in Esparto for development, a single lot in Davis and underutilized parcels in its existing inventory. In addition, there has been discussion regarding the need for more affordable housing in the Esparto/Capay area, especially for agricultural and service workers. There is also a need for housing for agricultural workers in the Clarksburg area of the County. Over the past year, we have been experiencing a high volume of requests for housing assistance due to a variety of factors: increased energy costs, foreclosures (which affect not only homeowners but also renters where units they are renting have been foreclosed), economic pressures.

The YCH has an "Agency Plan" that governs how it will provide federal housing assistance, but it does not have a comprehensive housing plan that governs how it will look to provide an adequate supply of appropriate housing for the various communities that it serves. In addition, the YCH in the recent past, suffered from issues that effectively prevented it from being a visible and viable provider of housing strategies and supply. The YCH is uniquely positioned, by virtue of the fact that it works in all the jurisdictions within the County to look at housing possibilities within the region that will be sensitive to the needs of each community.

Discussion: Should the YCH continue to pursue development of existing properties within its inventory? Should the YCH continue to explore opportunities as they become available or should it take a more proactive approach? As part of being proactive, should the YCH consider development of a comprehensive planning document for housing? If so, should the YCH consider an open stake-holder approach by involving local communities and residents? Should the YCH seek planning funds, as it is able, to further these approaches?

Organizational Issues

I. Resident Advisory Board, Development of Permanent Process

background

In February 2007, the Board authorized the Executive Director to appoint a Resident Advisory Board (RAB) consistent with federal statutory requirements. The Board further directed the Executive Director to return to the Board with a proposed methodology for RAB appointments. For FY 2007-2008 and FY 2008-2009 Plan purposes, the YCH has used the Executive Director appointed RAB.

Status, Issues and Discussion

The YCH should define its criteria for participation in a RAB, including terms of service and whether it is an *ad hoc* committee or a permanent committee in which open meeting laws will be required. Currently, the RAB serves as an *ad hoc* committee without regular meetings and which serves for a limited time related to the development of the Agency Plan.

Discussion: Aside from members of resident advisory councils, which is required under the statute, what other types of members should be recruited? Should the RAB be *ad hoc* or more formal?

II. Tenant Commissioners, Development of standardized set of terms and application processes

background

On November 14, 2006, the Board appointed current tenant commissioners. The initial terms were for two (2) years, which are expected to end in November 2008. At least one (1) tenant commissioner will not seek reappointment.

Status, Issues and Discussion

The Board should standardize and approve a permanent policy for appointment of tenant commissioners. What is a good term length? Should it be the same as that of other commissioners? What type of criteria should be used in considering appointments? What type of selection procedures should be considered?

III. Interim Board and Transition Plan to Permanent Board

background

In June 2006, the Board of Supervisors (BOS) appointed themselves as the Interim Board for the YCH. This Interim Board has served from 2006 until the current time. During this time, it has been clear that the YCH continues as a separate entity from the County. In completing the FY 2006-2007 audit, it became apparent that GASB (Governmental Accounting Standards Board) requirements would require that the YCH be considered a component unit of the County if the BOS were to continue as

the majority of members for the YCH. GASB does make allowances for interim boards so that the YCH was not considered as a component unit for FY 2006-2007. However, as part of the audit, the YCH had to provide a letter of assurance to the outside auditor that the current board served in an interim capacity.

Status, Issues and Discussion

The YCH is currently designated a "troubled" agency by HUD in its finances, as well as programmatically through the public housing and voucher programs. It has made great progress in the last 1.5 years in stabilizing its finances and improving operations. In FY 2008-2009, the YCH will focus on operational streamlining, program improvements and customer service. The YCH was able to adhere to a balanced budget in FY 2007-2008 and is working towards finalizing a balanced budget for FY 2008-2009, which it intends to present to the Board at its meeting of August 7, 2008. Staff expects that the Memorandum of Agreement (MOA) and Corrective Action Plan (CAP), for the LIPH and HCV programs respectively, will be substantially complete in the next few months. Staff is securing the required management and fairness opinions required for the Capital Fund Financing Plan (CFFP) that is intended to provide the revenue stream for a large part of the debt service on the Administration Building. The building has been added to the federal inventory through the Declaration of Trust. As a result, this month HUD has lifted the block on the balance of 2006 Capital Funds and will allow the YCH to submit an invoice to repay a portion of the build-out of the new Maintenance shop at the Administration Building. Currently, the Agency is working to fully lease its remaining 83 available vouchers, to acquire and rehabilitate two (2) homes for full service mental health clients and to complete development of Rochdale Grange in the Spring Lake development in Woodland.

Discussion: How long should the Interim Board serve before transitioning to a permanent board? Should a timetable with milestones be developed to determine when the YCH return to a permanent board structure? What types of eligibility criteria should be weighed when deciding on permanent board composition? How will the YCH ensure that all communities it serves are equally represented? What would a transition look like?

FISCAL IMPACT

There are no fiscal impacts at this time. Follow up actions may have financial implications that are currently unknown.

CONCLUSION

In concluding the retreat, can the Board give staff an idea of the top three (3) priorities it would like to see addressed first?