



The City of San Diego

Staff Report

DATE ISSUED: 11/2/2021
TO: Housing Authority of the City of San Diego
FROM: Office of the Independent Budget Analyst
SUBJECT: Comparative Analysis of Housing Authority Structures in California

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Council District(s): Citywide

OVERVIEW:

This informational item responds to a request from Councilmember Cate and Elo-Rivera for a report identifying and reviewing the various housing authority models used by other jurisdictions in California. This request was received following an informational Housing Authority item on July 19, 2021, in which the City Attorney's Office and the General Counsel for the San Diego Housing Commission (SDHC) gave presentations on the formation, authority, and powers of the Housing Authority and the SDHC.

PROPOSED ACTIONS:

This item is for information only.

DISCUSSION OF ITEM:

In response to a memorandum from Councilmembers Cate and Elo-Rivera, the Office of the Independent Budget Analyst (IBA) prepared a report identifying and reviewing the various housing authority models used by other jurisdictions in California. The attached report provides background on the City of San Diego's Housing Authority, summarizes the findings of our review of 12 housing authority structures in California, and offers suggestions for Housing Authority consideration as they contemplate possible changes to the City's housing authority structure.

Fiscal Considerations: N/A

Charter Section 225 Disclosure of Business Interests:

N/A; there is no contract associated with this action.

Environmental Impact: N/A

Climate Action Plan Implementation:

N/A; Does not have a connection to the CAP.

Equal Opportunity Contracting Information (if applicable):

Previous Council and/or Committee Actions:

On July 19, 2021, the Housing Authority heard an informational item on the formation, authority, and powers of the Housing Authority of the City and the San Diego Housing Commission.

Key Stakeholders and Community Outreach Efforts: N/A

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Independent Budget Analyst



THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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IBA Report Number: 21-25

Docket Date: November 16, 2021

Item Number: TBD

Comparative Analysis of Housing Authority Structures in California

OVERVIEW

A memorandum dated July 21, 2021 was addressed to our Office from Councilmember Cate and Councilmember Elo-Rivera requesting a report to identify and review the various housing authority models used by other jurisdictions and to analyze best practices that can be used to achieve the Council's housing and governance goals. The information is intended to help City Council, in its capacity as the Housing Authority, determine if updates to the City's housing authority structure and its practices are needed to align with best practices across the State. This request followed a public meeting on July 19, 2021, where the Housing Authority heard an informational item on the formation, authority, and powers of the Housing Authority and the San Diego Housing Commission (SDHC). Both the City Attorney's Office and General Counsel for the SDHC contributed to the informational item.

The purpose of this report is to respond to the Councilmembers' request. In this report, we provide background on the City of San Diego Housing Authority and summarize the findings of our review of 12 housing authority structures in California. More detailed profiles of the jurisdictions we reviewed are attached to this report. Although we do not provide recommendations, we do highlight practices that other jurisdictions do that may be of interest to the Housing Authority and offer suggestions for consideration as it reevaluates the City's housing authority structure.

BACKGROUND

Background on Housing Authority Law

The U.S. Housing Act of 1937 brought about the creation of government-owned public housing by authorizing loans and subsidies to local public housing authorities to support the creation and

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administration of public housing.¹ As stated in federal law, this was to address unsafe housing conditions and the shortage of housing affordable to low-income families.

In 1938, California enacted the State Housing Authorities Law which recognized the shortage of safe and affordable housing and outlines how local public housing authorities may be established.² The law says that the governing body of a city or county must first declare a need for a housing authority by resolution. Then, in the case of a city, the mayor must establish the housing authority board of commissioners, which is typically made up of seven members. This includes five commissioners, subject to confirmation of the City Council, as well as two additional commissioners who are tenants of housing provided by, or through the authority where one is at least 62 years old. Housing authority commissioners are provided various powers and duties such as the ability to adopt bylaws and regulations; acquire, lease, and operate property for low-income households; and own and improve real property. Although this structure – where a separate board of commissioners can act independently of a city or county – is the default set out in state law, there are other structural options available.

As an alternative to appointing a housing authority board of commissioners, a city or county may declare itself to be the board of commissioners of the authority and the related powers and duties are instead vested with the city or county governing board. In this case, the board would need to include two tenant commissioners.

As an alternative to having two tenant commissioners sitting with the governing board (i.e. City Council), state law allows for the creation of a housing commission that includes the tenant commissioners. The purpose of a commission is to review and make recommendations on all matters that come before the authority prior to authority action. The governing board may create procedures for commission review and recommendation, and may delegate any of its functions to the housing commission. As discussed below, this is the path that the City of San Diego took as it created the San Diego Housing Commission (SDHC).

Origin and Evolution of the City of San Diego Housing Authority Structure

The City of San Diego Housing Authority was established in 1968 when the City Council declared a need for a housing authority and declared itself to be commissioners of the authority. The Housing Authority is a separate and distinct legal entity from the City. From 1969 until 1979, a Housing Advisory Board supported the Housing Authority in a purely advisory capacity. The City then replaced the Housing Advisory Board with the SDHC to be overseen by a seven-member Board of Commissioners. The City also delegated significant authority to the SDHC to carry out housing authority functions. Up until the SDHC was created in 1979, the Housing Authority contracted with a private apartment management firm and City staff to implement programs.³

The City has revisited the structure of the City's Housing Authority and SDHC periodically over the decades. For example, in a 1992 memorandum of law, the City Attorney's Office responded

¹ U.S. Department of Housing & Urban Development Timeline: https://www.huduser.gov/hud_timeline/

² California Office of the Attorney General, Report 15-1102, dated March 17, 2020
<https://oag.ca.gov/system/files/opinions/pdfs/15-1102.pdf>

³ City Attorney's Office Memorandum of Law, dated September 12, 1986,
<https://docs.sandiego.gov/memooflaw/ML-86-111.pdf>

to a question from the City Manager's Office about whether to permanently place the Housing Commission administration under the City Manager and permanently pull it back into the City.⁴ The City did this on a temporary basis in 1992. The memorandum provides relevant insight for conversations today about the origin of the Housing Authority and housing commission structure.

SDHC was created to be a nimble entity that could get things done more expeditiously than under the City's purview. According to the memorandum, prior to the establishment of SDHC, there had been discussions about how to improve the efficiency of the Housing Authority. At the time, the Housing Authority could not take action until an item had undergone a review from the Housing Advisory Board, the appropriate City Council committee, and the City Manager who was also the Executive Director of the Housing Authority. This structure impacted the Housing Authority's ability to meet federal deadlines. Therefore, the ordinance creating the SDHC delegated much of the Housing Authority's functions to the SDHC.

Also contributing to the creation of the SDHC, was a change in state law requiring that either two tenants be placed on the Housing Authority Board of Commissioners (with City Councilmembers) or the authority could create a separate housing commission where the two tenant commissions would sit. The City Council opted to create the SDHC, and the two tenants would sit on the SDHC's seven-member Board of Commissioners.

This structure allowed the City Council, in its role as the Housing Authority, to maintain final approval over certain key items, including the budget, but also gave the SDHC significant authority to implement programs. Because the SDHC neither operates completely separately from the City, nor operates under the full control of the City, striking the perfect balance of adequate Housing Authority oversight while still maintaining sufficient autonomy and flexibility for SDHC can be difficult. The 1992 City Attorney memorandum reflects this as it recounts the City's displeasure with the first executive director of the SDHC. In response, the City Council amended municipal law to allow the appointment of City Councilmembers to the SDHC Board of Commissioners. Although Councilmembers have been appointed to the SDHC Board of Commissioners in the past, none sit on the board today.

Prompting this report and current discussions of the City's housing authority structure, are recent acquisitions of two hotels that have since been turned into housing for individuals experiencing homelessness, the terms of which SDHC had the authority to negotiate. The transactions have received media attention and are the subject of a lawsuit filed by the City Attorney's Office. While this report provides a comparative analysis of other housing authority structures in the State in response to a request made by two City Councilmembers, it does not attempt to address concerns at the root of the hotel acquisitions.

Input from the President and CEO of the San Diego Housing Commission

Given the Councilmembers' request, the Executive Director of the SDHC (referred to as the President and CEO) and his staff approached our Office to convey several points related to the evolution of City's housing authority structure. Our Office is including SDHC's input in this report as additional context for the Housing Authority to consider in its review of housing authority structures. In our discussions, SDHC echoed much of the history outlined above, including that

⁴ City Attorney's Office Memorandum of Law, dated July 17, 1992, <https://docs.sandiego.gov/memooflaw/ML-92-64.pdf>

the City created its housing authority structure to make SDHC more nimble and effective. Staff indicated that the current structure has allowed SDHC to respond quickly to Council priorities. Examples cited by SDHC include:

Homelessness: SDHC began operating programs serving individuals experiencing homelessness on behalf of the City in 2010. The City significantly increased its efforts to address homelessness in 2017 through programs administered by SDHC. Our Office estimates that SDHC is budgeted to administer roughly \$50 million in FY 2022 on behalf of the City, supporting numerous programs.

Emergency Rental Assistance: SDHC administers the City's COVID-19 emergency rental assistance programs. SDHC has hired roughly 100 temporary workers to assist with the deployment of over \$200 million appropriated to date. As of the writing of this report, \$121.2 million has been disbursed to 15,884 households between the completed Emergency Rental Assistance Program and the current Housing Stability Assistance Program. According to SDHC, the current program is oversubscribed where the need remaining exceeds available funding. Because SDHC has been able to successfully disburse the rental assistance funds, it will receive an additional \$27 million from the State which is being reallocated from other jurisdictions.

Accessory Dwelling Unit Development Pilot Program: In 2017, the SDHC released a report called ["Addressing the Housing Affordability Crisis: San Diego Housing Production Objectives 2018-2020"](#) which was developed in collaboration with former Councilmembers Sherman and Alvarez. The report identified accessory dwelling units as one of the five main sources of potential additional housing units in the City over 10 years. The SDHC recently completed a pilot program constructing accessory dwelling units at five SDHC single-family homes. SDHC documented the process, costs, and lessons learned and created permit-ready architectural design/building plans to help interested homeowners build similar units.

Affordable Housing Preservation Study: On behalf of the City, in May 2020 SDHC commissioned the [Affordable Housing Preservation Study](#). Its purpose, according to a [staff report to Council](#), was to better understand the City's affordable housing stock, including naturally occurring affordable housing (units without deed restrictions requiring they be affordable), review best practices, and provide a framework for the development of a strategy to preserve affordable housing.

Public Housing Conversion: In 2007, HUD transferred ownership of 1,366 public housing units at 137 properties to SDHC for a nominal price. In exchange, SDHC committed to leveraging the equity on the debt-free properties by putting mortgages on them to create at least 350 additional affordable housing units. Actual units produced were 810, through public-private partnerships and direct acquisitions. Property acquisitions were done pursuant to SDHC's Real Estate Acquisitions Policy which delegated approval of transactions to the SDHC Board of Commissions with the option for the Housing Authority to review actions of the Board within seven days. The policy was approved by the Housing Authority in 2009.

Finally, the President and CEO noted that certain Councilmembers in the past have acted as liaisons between the City Council and the SDHC. For example, because Mayor Todd Gloria had served on the SDHC Board prior to becoming a Councilmember, he served as a liaison for eight years after being elected to the Council. Since then, the former Council President Georgette Gomez

and former Councilmember Chris Ward filled this role. Once these Councilmembers vacated their seats on the City Council in December 2020, there has not been a designated Councilmember liaison with the SDHC. The Council might benefit from reinstating this role.

FISCAL AND POLICY DISCUSSION

To address the Councilmembers' request for a comparison of various housing authority structures in the State, our Office developed and sent a questionnaire to other jurisdictions. We aimed to look at as many housing authorities as possible to see if any one structure is used more frequently over others, and to focus on how a city or county exercises oversight of their respective housing authority. We received 11 responses from other jurisdictions. With the inclusion of the City of San Diego, this totals 12.

Our Office also researched whether literature exists that identifies best practices in structuring housing authorities. However, after speaking with industry professionals and doing independent research, such literature does not appear to exist. As discussed further in the report, this is likely due to the wide variation of how housing authorities are set up in the State, reflecting local needs and priorities.

Summary of Findings

We summarize the findings and observations of our review of 12 jurisdictions below. For more details, please refer to Attachment 1 where we include profiles of each jurisdiction, created based on responses received. We want to sincerely thank the time that all jurisdictions generously gave in contributing to this report.

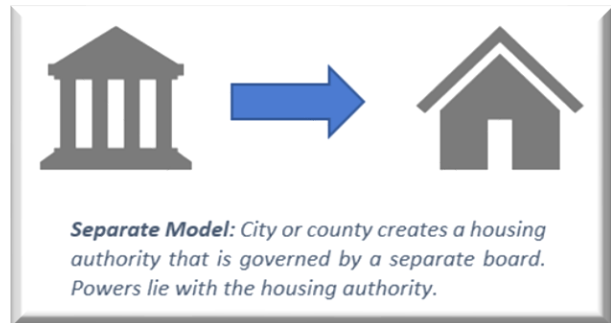
1. Housing authority structures vary significantly, and their structure impacts the degree to which a city or county has oversight.

According to the United States Housing and Urban Development Department (HUD), there are roughly 100 housing authorities in California and about 3,300 in the nation.⁵ This report only reviewed 12 models in California, and their structures vary significantly.

For simplicity, housing authority structures can generally be characterized in three main categories: 1) those that operate separately from either the city or county it serves; 2) those that are embedded within a city or county department; or 3) a hybrid model where the city or county serves as the governing board of the housing authority, but a separate agency implements the programs. One major distinguishing factor among housing authority structures is whether its governing board is a separate, standalone board of commissioners or whether the City Council or County Board of Supervisors declared themselves to be the governing board of the housing authority. This impacts the level of oversight a city or county has over the housing authority.

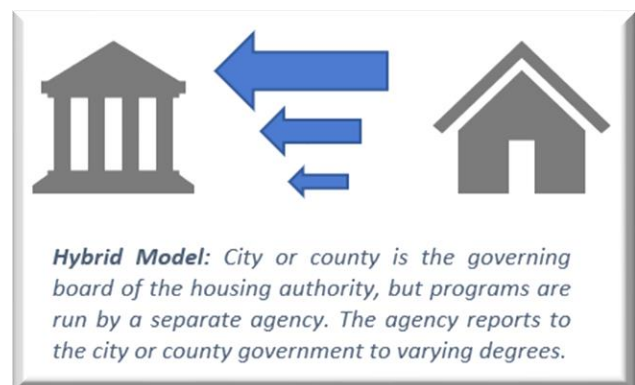
⁵ HUD, Public Housing Agency Contact Information, https://www.hud.gov/sites/dfiles/PIH/documents/PHA_Contact_Report_CA.pdf; HUD website https://www.hud.gov/program_offices/public_indian_housing/programs/ph

Half of the housing authorities in our sample (six out of 12) operate separately from the city or county it serves, making it the most frequently used model (also reflecting what we heard anecdotally). As discussed in the Background section of this report, this is the default structure established in State law where the city or county creates a separate housing authority and appoints a standalone Board of Commissioners to govern the housing authority and its operations. City or county oversight is typically limited only to appointing board members since the housing authority is vested with the rights, powers, and duties to provide housing for low-income households pursuant to state law. One unique exception to this is the Housing Authority of the City of Los Angeles which operates separately from the City, but the Mayor has influence on its operations.



Two out of 12 models sampled are structured in a way where the housing authority is embedded in a city or county department. In these models, the City Council or County Board of Supervisors declared themselves the governing board, which also includes the required two tenant commissioners. Together, they make up the housing authority's Board of Commissioners. Both the San Diego County Housing Authority and the Housing Authority of Long Beach are structured this way. The County of San Diego Board of Supervisors maintains significant control over its housing authority as it, along with the tenant commissioners, approve housing authority items.

Four jurisdictions, including the City of San Diego, have hybrid models where the City Council or County Board of Supervisors are the governing board of the respective housing authority (like the "embedded model"), but a separate agency carries out its functions (like the "separate model"). These separate agencies report to the governing board to varying degrees. Some cities or counties maintain significant control over the agency, while others have delegated their authority to allow the agencies to act with more autonomy. For example, although separate agencies implement housing authority programs in Sacramento and Los Angeles County, the respective local governments did not delegate significant authority to them. Therefore, the city and county have final approval authority on requests. The governing boards are also advised by separate advisory bodies that have no authority to act. Alternatively, both the City of San Diego



Housing Authority and the Housing Authority of the County of Alameda have delegated significant authority to their housing commissions. While the San Diego City Council retained some authority over SDHC's operations, the Alameda County Board of Supervisors delegated almost all authority to its housing commission.

In summary, agencies with a "separate model" typically have minimal oversight from the city or county since its elected officials are not the governing body of the housing authority. Housing authorities that are embedded in a city or county department can have significant oversight by the City Council or County Board of Supervisors since they make up the majority of the housing authority's governing board. Hybrid housing authority structures can have varying levels of city or county oversight depending on the extent to which housing authority functions are delegated to another agency. The table below summarizes the model type, the entity serving as the governing board of the housing authority, and the extent to which the city or county has oversight of the housing authorities in our sample.

We note that other housing authorities have discussed structural changes in the past or have recently changed their structure. The County of Santa Clara had discussions in 2017 about bringing in the housing authority under the county government but it was determined to be infeasible. It did, however, institute some changes to facilitate better communication between agencies, such as including time in the Board of Commissioners meetings for Santa Clara County and City of San Jose housing department staff to provide updates. In addition, the San Bernardino County housing authority changed its structure from a "hybrid model" to a "separate model" in 2020 to be compliant with HUD regulations requiring the Housing Authority's governing board to include at least one tenant member.

Table 1: General Characteristics

Housing Authority	Budget \$ in millions	Model Type	Governing Board	Extent of City or County Oversight
Housing Authority of the City of Los Angeles ¹	\$ 1,630	Separate	Standalone	Minimal
Los Angeles County Development Authority	870	Hybrid	County	Significant
City of San Diego Housing Authority/SDHC	604	Hybrid	City	In between
Santa Clara County Housing Authority	440	Separate	Standalone	Minimal
Sacramento Housing and Redevelopment Agency ²	326	Hybrid	City/County	Significant
Oakland Housing Authority	321	Separate	Standalone	Minimal
San Diego County Housing Authority	190	Embedded	County	Significant
Housing Authority of the County of San Bernardino	160	Separate	Standalone	Minimal
Housing Authority of the City of Long Beach	108	Embedded	City	Unknown
Fresno Housing ²	44	Separate	Standalone	Minimal
Housing Authority of San Luis Obispo	32	Separate	Standalone	Minimal
Housing Authority of the County of Alameda	11	Hybrid	County	Minimal

¹ The budget for the Housing Authority of the City of Los Angeles includes its nonprofit affiliate's role as administrator of housing assistance payment contracts for Section 8 properties in ten Southern California counties, accounting for \$793 million. Oakland plays a similar role in Northern California but this activity is excluded from their budget figure.

² Operates as a joint powers authority (JPA) serving as two housing authorities, one for the city and one for the county.

2. The portfolio of programs a housing authority implements also varies significantly.

The missions and responsibilities of housing authorities vary significantly, often in relation to the size, needs, and priorities of each jurisdiction. This section describes the main functions of the housing authorities sampled, with the addition of homelessness as we anticipated it would be of interest and highlights the differences among them. The table at the end of this section summarizes this information across the sample we surveyed.

Section 8 Housing Choice Voucher (HCV) Program: Operation of Section 8 Housing Choice Vouchers (HCV) is at the core of every housing authority. Created in 1974, the HCV Program is HUD's major program for assisting very low-income families, the elderly, and the disabled in affording decent, safe, and sanitary housing in the private market. A family or individual with a voucher may choose their housing as long as it meets the program requirements. Participants pay a portion of their rent and the housing authority pays the remainder on their behalf directly to the landlord with federal rental assistance funds. There are several other special housing voucher programs that exist serving different populations as well.

The number of vouchers administered by the housing authorities sampled ranged from 2,778 for the Housing Authority of San Luis Obispo to 60,355 for the Housing Authority of the City of Los Angeles, which is driven by the size of the jurisdiction. SDHC has a baseline of 16,284 vouchers but provides rental assistance to more households than the baseline. SDHC staff attributes this to initiatives that are allowed under its Moving to Work designation, described further below.

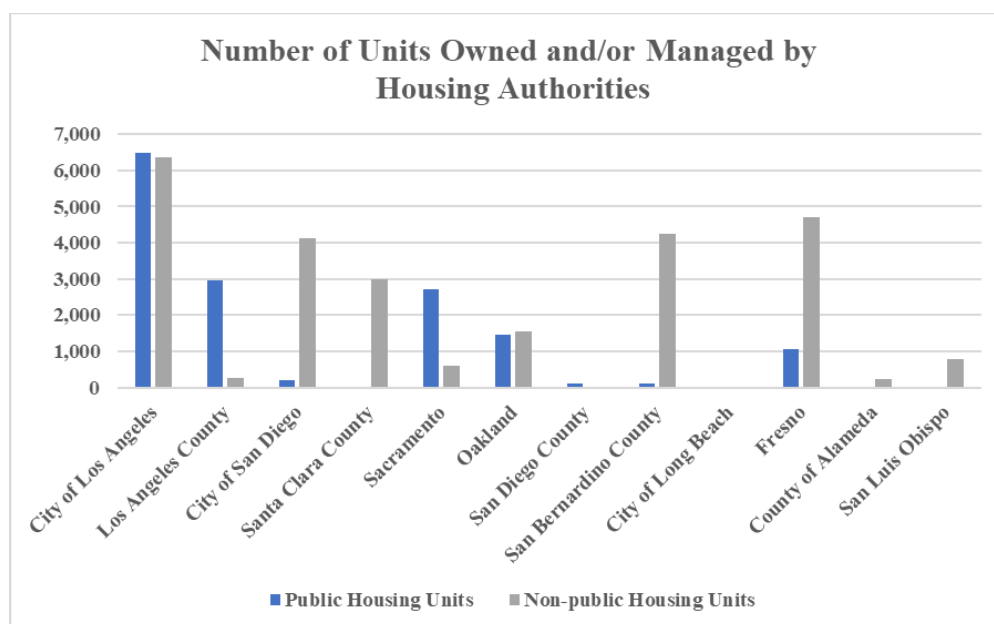
Moving to Work: One distinguishing factor among housing authorities is whether they are designated a federal Moving to Work (MTW) agency. Prior to a recent expansion of the program, SDHC was one of the original 39 public housing agencies designated as a MTW agency out of about 3,300 housing authorities in the nation. Now there are a total of 80 agencies with this designation. Being a MTW agency can significantly impact the programs a housing authority offers. It gives housing authorities flexibility to develop locally-driven approaches to providing housing assistance through exemptions from many existing public housing and voucher rules and allows for funding flexibility. Federal law requires MTW programs to: 1) use federal dollars more efficiently; 2) help residents find employment and become self-sufficient; and 3) improve housing choices for low-income families.

Four out of the 12 jurisdictions we analyzed for this report are MTW agencies, including SDHC. There is a total of seven MTW agencies in California. Each MTW agency fulfills the program's objectives differently through numerous unique initiatives. All MTW agencies surveyed use the MTW flexibilities to address homelessness in some way. For example, SDHC has allocated funding for the creation and preservation of affordable housing for individuals experiencing homelessness. However, many other initiatives exist that are not particular to addressing homelessness such as providing higher rental assistance in certain areas where rents are higher so that families have the choice to live in those neighborhoods, like SDHC's Choice Communities Initiative. We note that Fresno Housing, has identified a way to create new initiatives without being an MTW agency by using some of the funds generated through development of affordable housing to create resident empowerment programs to help them become self-sufficient.

Affordable Housing Development: The creation and preservation of affordable housing through new construction, acquisitions, and rehabilitation is a core function of many jurisdictions. However, housing authorities participate in different ways and to varying degrees. For example, the Housing Authority of the County of Alameda and San Diego County Housing Authority primarily focus on facilitating affordable housing development by allocating project-based vouchers (vouchers attached to a unit or property as opposed to a tenant) to projects. Some housing authorities do this and facilitate financing of affordable housing projects in other ways. For example, SDHC, Los Angeles County Development Authority, and Sacramento Housing and Redevelopment Agency help affordable housing projects come to fruition by awarding loans to developers and issuing multi-family housing revenue bonds on behalf of developers. Oakland Housing Authority most often partners in a development where they make a land or capital contribution as well as project-based vouchers.

Some housing authorities primarily develop affordable housing directly. These include Santa Clara County Housing Authority, Fresno Housing, the Housing Authority for San Luis Obispo, and the Housing Authority of the County of San Bernardino. Staff from San Luis Obispo indicated that they fulfill a need in their community where there are not many affordable housing developers. SDHC self-develops as well, although it is not the method used most frequently. Finally, the Housing Authority of the City of Los Angeles is primarily focused on redevelopment of its own existing inventory.

Management of Public Housing and/or Housing Authority-owned Units: Another significant activity for almost all housing authorities in our sample is management of its federal public housing inventory and non-public housing units that are owned by the housing authority or affiliate, although at varying scales. As shown in the summary table below, most housing authorities manage some combination of both types of units, while four operate either one or the other. As mentioned earlier, SDHC converted 1,366 public housing units to SDHC ownership and has 189 remaining in its inventory. Several other housing authorities have similarly converted much of their public housing portfolio.



Homelessness: We investigated the extent to which housing authorities are involved with administering homelessness programs since that has become a major focus in SDHC’s operations. We found that typically housing authorities participate in addressing homelessness by prioritizing individuals experiencing homelessness in the allocation of vouchers as well as allocating vouchers to developments that serve the population. We only found one other agency besides SDHC, that also has a department dedicated to homelessness and oversees shelter operations, which is Sacramento Housing and Redevelopment Agency. However, we did not identify another agency that administers the scope of homelessness services that SDHC provides on behalf of the City of San Diego.

Table 2 provides a comparative review of the major programs managed by the 12 housing authorities we surveyed for this report. We note that this table below does not fully capture the diversity of programs each housing authority offers as that could be done in a separate report. Some housing authorities have other significant responsibilities such as being designated a redevelopment agency successor agency and implementing various HUD grants and emergency rental relief. Uniquely, Oakland Housing Authority and the Los Angeles County Development Authority have a police department or unit that provides safety for residents.

Table 2: Housing Authority Main Programs

Jurisdiction of Housing Authority	Section 8 Housing Choice Voucher	Moving to Work Programs	Manage Public Housing Units / Owned Units	Development of Affordable Housing	Homelessness: Shelters and Housing Programs
City of Los Angeles	X	-	X	X	-
Los Angeles County	X	-	X	X	-
City of San Diego	X	X	X	X	X
Santa Clara County	X	X	X	X	-
Sacramento	X	-	X	X	X
Oakland	X	X	X	X	-
San Diego County	X	-	X	X	-
San Bernardino	X	X	X	X	-
City of Long Beach	X	-	-	X	-
Fresno Housing	X	-	X	X	-
County of Alameda	X	-	X	X	-
San Luis Obispo	X	-	X	X	-

*Note that there is wide variation in how and to what degree housing authorities implement the above programs.

3. There are areas of consistency across the 12 housing authorities we reviewed, especially among housing authorities that are similarly structured.

Although there is great diversity among housing authorities, there are some areas of consistency in our sample which we highlight in this section and summarize in Table 3 below.

Extent of City or County Oversight of Housing Authority Executive Director

For jurisdictions with “separate models” in our sample, the extent to which the city or county exercises oversight over the housing authority is typically limited to appointing the Board of Commissioners. It is the Board of Commissioners’ role to appoint and remove the Executive

Director of the housing authority and oversee their performance. Executive Director annual performance reviews do not come before the city or county governing boards. The Housing Authority of the City of Los Angeles is the exception where the Mayor (not City Council) conducts a performance review in addition to the Board of Commissioners. In this model type, typically the Executive Director is a contracted position and can be removed at-will or per the terms of the employment agreement.

For “hybrid models” in our sample, the City Council or County Board of Supervisors are also the governing boards for the respective housing authority. Therefore, they have the authority to hire and remove the Executive Director. An annual performance review of the Executive Director is completed by each authority sampled, but the performance review may or may not go before the respective City Council or County Board of Supervisors. For example, the San Diego City Council, acting as the Housing Authority, has the authority to hire and remove the Executive Director, but the SDHC Board conducts the annual performance review which does not go before the Housing Authority unless it is referred. However, the performance evaluation for the Executive Director of the housing authority for Sacramento does go before both the city and county.

For authorities that are embedded in a county or city department, the director of the housing authority is an employee of a city or county department. Therefore, annual performance reviews are conducted consistent with other employees and not heard in front of the city or county governing board.

Communication of Closed Session Items to the City or County

Most organizations do not have a formal process by which closed session items are communicated to the city or county. For housing authorities that are separate, the county or city governing board is not involved in closed session meetings and are notified of closed session actions the same way as the general public. For housing authorities embedded into the City or County government, the governing boards already attend all housing authority-related closed session meetings. For “hybrid models” where the city or county government maintained their authority and did not delegate it to a separate housing commission, the City Council or County Board of Supervisors are included in closed sessions when they occur.

For “hybrid models” in which the city or county has delegated authority to a housing commission, both the city or county governing board and the commission can hold closed session meetings. [Our City Attorney’s Office has opined](#) that the SDHC Board and the City Council, acting as the Housing Authority, may not have joint closed session meetings but closed session matters can be referred to the Housing Authority for approval. By contrast, staff from the Housing Authority of the County of Alameda indicate that joint closed session meetings are possible in their jurisdiction, although it has never happened to anyone’s knowledge.

Legal Counsel

Of the 12 housing authorities in our sample, we found that nine use their own legal counsel as opposed to the city’s or county’s. The housing authorities for Long Beach and San Diego County, which are embedded into a local government department, rely on the city or county for legal services, although they may contract out if necessary. Los Angeles County Development Authority, which has a hybrid housing authority model, also falls into this category.

Acquisitions

The entity that approves acquisitions is primarily driven by the structure of the housing authority. For agencies that operate separately from the city or county, the standalone Board of Commissioners typically approves acquisitions. For “hybrid models”, it generally depends on the authority retained by the City or County governing board as to whether they can be independently approved by the housing commission. However, not all housing authorities typically do acquisitions, such as the County of Los Angeles (a “hybrid model”) and the City of Long Beach (an “embedded model”).

Non-profit Affiliates

Sometimes development activities are conducted by a housing authority through a separate legal entity. Eight out of the 12 authorities sampled have established non-profit affiliates or entities to either facilitate a particular affordable housing real estate transaction or to act as a developer of affordable housing as a broader entity. SDHC created Housing Development Partners in 1990 to serve as its non-profit affiliate used to develop affordable housing. Some of the reasons cited by jurisdictions for creating these entities are that: they limit potential liability from projects to the larger housing authority; they allow the non-profit to pursue other available funding sources that would otherwise not be available; to take on projects that other affordable housing developers normally would not; and for the housing authority to be able to create middle income affordable housing (up to 120% of the area median income). We note that non-profit affiliates are also created by housing authorities for other purposes such as: management of affordable housing units; to provide rapid rehousing services; and in the case of Oakland and the City of Los Angeles, to administer housing assistance payment contracts for HUD.

Required Expertise of Decision-making Board

Our Office inquired as to whether there are any requirements for members of the housing authority decision-making board to have certain expertise. We found that only one jurisdiction of the 12 we sampled (the Housing Authority of the City of Los Angeles) reported that there was such a requirement. All others either do not require certain expertise or the decision-making board is made up of City Councilmembers or County Board of Supervisors.

Executive Director Authority to Enter into Contracts

We found it was common in our sample for an Executive Director of a housing authority to have authority to enter into contracts up to a certain threshold without additional approval, regardless of the housing authority structure. Although data was not obtained from three agencies on this item, all others had thresholds ranging from \$25,000 up to \$250,000, with the housing authority for Sacramento using an alternate process. The Sacramento Housing and Redevelopment Agency instead approves a procurement resolution allowing the Executive Director to act on contracts as long as actions are consistent with the resolution. The SDHC is one of four agencies that has a threshold of up to \$250,000.

Table 3: Areas of Consistency

Jurisdiction of Housing Authority	Legal Counsel	Decision-making Board is Required to have Certain Expertise	Entity that Approves Acquisitions	Created Non-Profit Affiliates or Entities for Development	Entity that Hires and Removes Executive Director	Entity that Conducts Performance Review
City of Los Angeles	Uses its own	Yes	BoC	No	BoC	BoC and Mayor
Los Angeles County	County/Outside Counsel	N/A	Does not do	Yes	County	County
City of San Diego	Primarily uses its own	No	SDHC	Yes	City	SDHC Board
Santa Clara County	Uses its own	No	BoC	Yes	BoC	BoC
Sacramento	Uses its own	N/A	City or County	Yes	City and County	City and County
Oakland	Uses its own	No	BoC	Yes	BoC	BoC
San Diego County	County/Outside Counsel	N/A	County	No	County Dept.	No formal review
San Bernardino	Uses its own	No	BoC	Yes	BoC	BoC
City of Long Beach	City Attorney	N/A	Does not do	No	City Dept.	No formal review
Fresno Housing	Uses its own	No	BoC	Yes	BoC	BoC
County of Alameda	Uses its own	No	Commission	No	County	Commission
San Luis Obispo	Uses its own	Unknown	BoC	Yes	BoC	BoC

Notes: 1) N/A indicates that the Board is comprised of City Councilmembers or County Board of Supervisors. 2) BoC = Board of Commissioners over a separate agency. 3) City or County means City Council or County Board of Supervisors, in their capacity as the Housing Authority. 4) Most frequent responses are highlighted in blue.

4. We found notable activities that other jurisdictions do that increase transparency.

In our research, we came across certain activities that some housing authorities implement that provide additional transparency on their operations. Council may wish to discuss whether these activities may be beneficial to their role overseeing the SDHC.

Robust Budget Document: A couple housing authorities produce robust and reader friendly budget documents that are used during the budget process. In particular, the Los Angeles County Development Authority produces a [publication](#) which provides a high-level agency overview as well as detailed discussions and displays of major elements of the budget such as: 1) budget process and policies, 2) housing assistance, 3) housing operations, 4) a housing investment and finance budget, 5) administration, and 6) the capital budget. The production of a budget with a corresponding narrative of major SDHC departments, programs, and adjustments would provide more detail than is currently available. This information upfront could enhance our Office's review of the budget as well as the Housing Authority's knowledge of SDHC's operations and activities expected to be carried out in the upcoming fiscal year.

Item Backup Documentation: When asked if housing authorities have a policy requiring that certain supporting documents be available for items seeking approval, many reported that they did not have a formal policy but it is standard practice to attach any relevant backup documentation to the item. One exception is Oakland Housing Authority, which has indicated that they are drafting this type of policy as part of their transparency initiative. Our Office has noticed that although thorough staff reports are provided, there are times when key backup documents, such as agreements for which the SDHC Board is asked to approve, are not attached to the meeting agenda.

Although additional backup documentation is typically included with items that go before the Housing Authority, we note that in a memorandum to the SDHC President and CEO dated August

16, 2021 the City Attorney's Office requested further backup documentation be submitted. It generally requests: all back up materials, including correspondence such as emails and text messages, an explanation of why SDHC is seeking Housing Authority ratification; an attestation that SDHC General Counsel has performed proper due diligence, and a description of due diligence performed by SDHC staff to ensure compliance with SDHC policies and local, state, and federal laws. The SDHC President and CEO and its General Counsel responded by agreeing to this request and has offered, for future items, to provide the City Attorney with a checklist the Commission routinely completes for acquisitions and dispositions.

Regular Meetings to Facilitate Communication: Building off of the SDHC President and CEO's input described earlier related to previous Councilmembers serving as a liaison between the SDHC and the Housing Authority, we noticed that other jurisdictions have also created ways to facilitate communication between the city or county and housing authorities. Several jurisdictions, like housing authorities for Los Angeles County and the City of Los Angeles, have established regular meetings with the housing authority Executive Director and staff from the County Board of Supervisors and the City Council along with other department heads. The Santa Clara County Housing Authority has carved out time in each Housing Authority meeting so that housing department staff can provide updates to the Board of Commissioners. Finally, in a [memorandum](#) dated July 16, 2021 the San Diego City Attorney's Office suggested as an option for Council consideration, that less than a quorum of the SDHC Board could meet with less than a quorum of the Housing Authority to discuss issues or concerns or hold joint meetings with the SDHC Board or Housing Authority.

ISSUES FOR HOUSING AUTHORITY CONSIDERATION

As the City Council, acting in its capacity as the Housing Authority, reviews the structures of the jurisdictions profiled in this report and considers possible changes to the City's housing authority structure, our Office offers the following suggestions and commentary for consideration.

1. Identification of the specific problem to be solved should occur before changing the structure.

Any change considered by the Housing Authority should solve a specific problem. If the concern is specific to acquisition of real estate, perhaps reevaluating the SDHC's policy in conjunction with additional documents the City Attorney's Office requested for Housing Authority items and the additional documents SDHC's General Counsel offered would be an appropriate next step. If the Housing Authority is concerned that it is unable to sufficiently fulfill its role in overseeing the SDHC given the current structure and delegation of authorities, then options could be explored to address the Housing Authority's concerns. The Housing Authority may wish to consider activities that other jurisdictions do to increase oversight and transparency as noted above, or explore what elements are desirable in a housing authority structure.

2. Each model type has tradeoffs.

We encourage the Housing Authority to take time to consider the impacts of any possible changes to the City's housing authority structure, and their tradeoffs. Half of the 12 jurisdictions examined in this report have a "separate housing authority model", where they operate completely separate

from the city or county. This is the structure used most frequently both in our sample as well as what we have heard anecdotally. This structure appears to be working for those jurisdictions that use it, but it seems to be counter to the desire for increased oversight. If this structure were to be pursued, City Council's oversight role would be reduced to only the appointment of the Board of Commissioners of the housing authority.

Two jurisdictions examined in this report have "embedded housing authority models" where the housing authority exists within a city or county department. We note that both the Housing Authority of San Diego County and the City of Long Beach operate a very different portfolio of programs than the SDHC. They tend to be narrower in scope since other county or city departments take on the other responsibilities that the SDHC currently administers, such as the creation and preservation of affordable housing and addressing homelessness. In addition, neither of these housing authorities are MTW agencies. As discussed earlier in this report, SDHC is designated a MTW agency which has allowed SDHC to have significant flexibility to develop new programs and initiatives. If the Housing Authority wants to go with this structure, a more extensive analysis of the tradeoffs would be warranted especially in relation to the original desire for SDHC to be nimble and effective. There will also be significant logistical issues to analyze with regard to bringing in over 350 positions into the City government and retirement system, as well as the inclusion of two tenant commissioners to sit with the City Council at Housing Authority meetings. The third model type is discussed below.

3. There is flexibility inherent in the City's existing structure to make changes to respond to the Housing Authority's needs.

Four of the 12 jurisdictions analyzed in this report (including the City of San Diego) have, what we characterize as a "hybrid model". The extent of oversight from the respective City Council or County Board of Supervisors ranges from significant (meaning most items are approved by the city or county governing board) to minimal (where no items are approved by the city or county governing board). The City's housing authority structure falls somewhere in between.

It can sometimes be challenging to strike the perfect balance between maintaining adequate Housing Authority oversight and while delegating enough authority to the SDHC to enable it to be efficient and effective. However, the existing structure is flexible enough to adjust and pull back any authorities for which the Housing Authority would like to have oversight, which is a unique characteristic of this model. The City Attorney's Office [memorandum](#) dated July 16, 2021 outlines legal options for greater oversight of SDHC within the existing structure including, but not limited to:

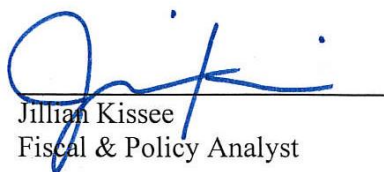
- The Housing Authority could exercise more frequently its authority in the Municipal Code to review Board decisions and provide final action, including closed session items.
- Council could amend the Municipal Code to increase the Housing Authority's powers, including requiring Housing Authority approval for initiation of certain types of litigation or property acquisition and disposition actions.
- Council could amend the Municipal Code to formalize a joint Housing Authority and SDHC Board performance review process for the Executive Director.

CONCLUSION

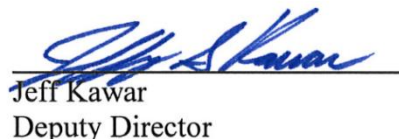
Our Office was asked to identify and review the various housing authority models used by other jurisdictions in the State and analyze best practices that can be used to achieve housing and governance goals. This report provides much more information than just the model types because it is important to convey that due to the wide variation of housing authorities, it is rarely, if ever, an “apples-to-apples” comparison. Housing authorities in the State, as well as the nation, differ in structure, practices, and programs as they typically are organized in a way that responds to the unique needs and priorities of the communities they serve. Therefore, it is difficult to clearly identify best practices since no one housing authority operates exactly alike.

As the City’s housing authority looks at other jurisdictions’ structures, we identified several things to keep in mind. First, any change considered by the Housing Authority should be responsive to a specific problem. Second, if the Housing Authority would like to change the City’s current structure, it is important to take the time to understand the tradeoffs of each model type which would require additional analysis. Finally, we note that there are changes that can be made within the existing housing authority structure that would yield greater oversight of the SDHC.

Our Office stands ready to continue working with the Housing Authority to further examine or research potential options and their impacts to ensure the Housing Authority’s desired outcome is achieved.



Jillian Kissee
Fiscal & Policy Analyst



Jeff Kavar
Deputy Director



APPROVED: Andrea Tevlin
Independent Budget Analyst

Attachment:

1. Profiles of Housing Authorities Reviewed (12), grouped by model type
2. Councilmember Request Memorandum

City of Los Angeles

General Characteristics

Type of Model: Separate from the City, but Mayor has influence

Overview of Model

Established in 1938, the Housing Authority of the City of Los Angeles (HACLA) serves the City of Los Angeles. It is governed by a seven-member Board of Commissioners who are appointed by the Mayor and confirmed by the City Council (including the two tenant commissioners). Although HACLA operates independently from the City, it has an “arm’s-length” relationship with the City.

Quick Facts	
Budget (FY 2021)	\$1.63 billion
Full-Time Equivalent Positions	874
Section 8 Housing Choice Vouchers Administered	60,355
Public Housing Units	6,488
Manage/own Affordable Units	6,364
Moving to Work Agency?	No

Major Responsibilities

HACLA’s major functions include:

- Operating Section 8 Housing Choice Voucher Program and other related programs
- Managing public housing units and properties owned by HACLA which include both market rate and income restricted units. HACLA also owns 182,000 square feet of commercial office space. Many of their buildings contain units that are not income restricted.
- HACLA is a conduit issuer of multifamily housing revenue bonds, primarily to redevelop its public housing portfolio. (A separate department within the City is also a conduit issuer of bonds and offers loans through a competitive process to help finance affordable housing projects.)

Homelessness:

- The Los Angeles Homeless Services Authority is the regional lead on homelessness. HACLA administers voucher programs where people experiencing homelessness have a preference on the housing choice voucher waiting lists. Also, HACLA provides Notices of Funding Availability for project-based vouchers to encourage the creation or preservation of permanent supportive housing.

Other Notable Characteristics	
Legal Counsel	As of 2018, started using its own legal counsel. Prior to that it used the City's legal counsel.
Required Expertise of Board of Commissioners	Yes the Board is required to have relevant expertise. Some experience of current members are in the fields of real estate and investing, and one member is a former HUD staff member.
Creation of a non-profit affiliate entity to develop affordable housing	No, but may move that direction.

Authority to Conduct Business

- Contract Authority: The Executive Director may enter into a contract up to \$250,000. Anything above this amount requires Board of Commissioners approval.
- Acquisitions: Acquisitions go to the Board of Commissioners for approval. They are brought to the Board for approval in open session when all terms of the sale have been met.

Role of City in Oversight and Accountability

- Extent of Oversight from City: The role of the City is largely limited to the Mayor having the authority to pick the Board of Commissioners subject to City Council's confirmation. However, the Mayor does have influence in HACLA operations. The Executive Director attends several standing meetings with the Mayor's office, along with City department heads. HACLA also engages with City Council districts on various projects within each member's district.
- Hire and Review of Executive Director: The Executive Director of HACLA is selected by the Board of the Commissioners which also determines salary. The Executive Director's employment contract may be terminated at any time without cause. The Executive Director receives an annual performance review by HACLA's Board of Commissioners as well as a review from the Mayor. The Executive Director does not receive an annual review from the City Council.
- Communication of Closed Session Items to City: There is no formal process. All closed sessions are agendaized and posted on their website. The website also includes a recording of open Board meetings which include announcements from General Counsel regarding any reportable items following closed session.

Other unique notes:

- HACLA founded the Los Angeles LOMOD Corporation, a nonprofit public benefit organization and a Project Based Contract Administrator for 55,358 units in a ten-county area of Southern California under contract with HUD. According to its website, L.A. LOMOD assists owners in understanding and complying with complex federal housing regulations applied to their respective properties. The corporation is controlled by HACLA. LA LOMOD makes up \$792.9 million of HACLA's \$1.63 billion budget.
- HACLA also has an agreement with LA's Police Department to provide security at 8 sites. A five-year memorandum of agreement was completed for 2020-2025 with an annual budget of \$1.8 million.

County of Santa Clara

General Characteristics

Type of Model: Separate agency from the County

Overview of Model

Established in 1967, the Santa Clara County Housing Authority (SCCHA) serves Santa Clara County, including the

City of San Jose, as a completely separate entity from the County. It is governed by a seven-member Board of Commissioners who are appointed by the County Board of Supervisors. The Board consists of one member from each of the five supervisorial districts and two tenants of the housing authority, one being a senior citizen.

Santa Clara County Housing Authority (SCCHA) and the Housing Authority of the City of San José (HACSJ) entered into a cooperative agreement in 1976 where SCCHA administers and manages the City's Housing Choice Voucher and public housing programs. The combined agencies operate under the business name of the Santa Clara County Housing Authority.

Major Responsibilities

SCCHA's major functions include:

- Operation of the Section 8 Housing Choice Voucher Program and related MTW programs
- Manage/own roughly 3,000 SCCHA-owned affordable housing units
- Develop affordable housing directly, typically in partnership with investors

Homelessness:

- SCCHA plays a role in addressing homelessness by setting aside units in new developments for people experiencing or at risk of experiencing homelessness with the use of vouchers. One of its MTW initiatives is a Chronically Homeless Direct Referral program which identifies chronically homeless families not on the voucher waiting list and refers them for project-based housing assistance and connects them to case management services.¹ SCCHA may purchase or partner to purchase or subsidize Project Homekey hotels/motels.

Quick Facts	
FY 2022 Budget	\$439.6 million
Full-Time Equivalent Positions	176
Section 8 Housing Choice Vouchers Administered	19,902
Public Housing Units	4
Manage/own Affordable Units	about 3,000
Moving to Work Agency?	Yes

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Other Notable Characteristics	
Legal Counsel	Uses its own legal counsel
Required Expertise of Board of Commissioners	No
Creation of a non-profit affiliate entity to develop affordable housing	No. However, the Housing Authority has created 10 affiliate nonprofit entities that serve with SCCHA as owner, managing general partner or co-owner of roughly 3,000 units of affordable housing in the County.

Authority to Conduct Business

- Contracting Authority: Executive Director may enter into a contract up to \$250,000. Anything above this amount requires Board of Commissioners approval.
- Acquisitions: All acquisitions go to the Board of Commissioners for approval.

Role of County in Oversight and Accountability

- Extent of Oversight from County: County oversight is limited. However, the SCCHA partners with the County on certain issues such as financing affordable housing. Also, each Board of Commissioners meeting includes time set aside for the housing department staff of County of Santa Clara and City of San Jose to provide updates to the Board of Commissioners.
- Hire and review of the Executive Director: The Executive Director of SCCHA is selected by the Board of Commissioners which also determines salary. The Executive Director's employment contract may be terminated at any time without cause. The Executive Director receives an annual performance review by SCCHA's Board of Commissioners but not from the County Board of Supervisors.
- Communication of Closed Session Items to County: There is no formal process. Closed session items are listed on agendas in accordance with the Brown Act.

Other unique information:

As evidenced by various news articles, in 2017 there were discussions about the county taking over the SCCHA as the region began to generate revenue from the locally-approved Measure A and the county wanted more control over the housing authority. The City of San Jose also wanted greater influence over the housing authority as all commissioners are appointed by the Board of Supervisors.² No changes were ultimately made to the structure of the housing authority, but time is allowed for both the county and the City of San Jose housing department staff to provide updates at Board of Commissioner meetings.

² <https://www.sanjoseinside.com/news/stealing-home-weak-oversight-lets-rent-subsidy-cheats-go-unchecked-for-years-on-end/>

City of Oakland

General Characteristics

Type of Model: Separate from the City

Overview of Model

Established in 1938, the Oakland Housing Authority (OHA) serves the City of Oakland and is governed by a separate seven-member Board of Commissioners (including two tenant commissioners). Commissioners are appointed by the Mayor and confirmed by the City Council. OHA operates separately from the City.

Quick Facts	
FY 2022 Budget	\$321 million
Full-Time Equivalent Positions	374
Section 8 Housing Choice Vouchers Administered	14,219
Public Housing Units	1,474
Manage/own Affordable Units	1,539
Moving to Work Agency?	Yes

Major Responsibilities

OHA's major functions include:

- Operating the Section 8 Housing Choice Voucher program and MTW programs
- Managing a portion of its public housing inventory (762 out of the 1,474 units)
- Through its nonprofit-affiliate, OHA owns 1,539 project-based voucher units and OHA manages 1,516 units directly with the balance managed by a third-party management company
- Facilitating development of affordable housing by typically being a partner in a development where they make land or capital contributions and allocate project-based vouchers
- Operating the OHA Police Department

Homelessness:

- OHA contributes vouchers or local program funding for this population

Other Notable Characteristics	
Legal Counsel	Uses its own legal counsel
Required Expertise of Board of Commissioners	No.
Creation of a non-profit affiliate entity to develop affordable housing	No. However, OHA does have several affiliated non-profit organizations that generally were created around development projects or deals.

Authority to Conduct Business

- Contract Authority: Executive Director may enter into a contract up to \$150,000. Anything beyond this amount requires approval by the Board of Commissioners.
- Acquisitions: All acquisitions go to the Board of Commissioners for approval.

Role of City in Oversight and Accountability

- Extent of City Oversight: The City's oversight of OHA is limited to mayoral appointments to the Board of Commissioners. All items go to OHA's Board of Commissioners for approval, as opposed to City Council.
- Hire and review of the Executive Director: The Board of Commissioners appoints the Executive Director and determines salary. The Executive Director can be removed only upon the adoption of a resolution passed by five Commissioners. The Executive Director receives annual performance evaluations conducted by the Board of Commissioners. The evaluations do not go to the City Council.
- Communication of Closed Session Items to City: There is no formal process.

Other unique information:

- OHA has an affiliate called California Affordable Housing Initiatives that administers the contract on behalf of HUD for 41,000 project-based rental assistance units from Monterey to the Oregon border. The budget for this activity is not included in the budget figure referenced above.

County of San Bernardino

General Characteristics

Type of Model: Separate agency from the County

Overview of Model

Established in 1941, the Housing Authority of the County of San Bernardino (HACSB) serves the incorporated (except the City of Needles) and unincorporated parts of the County of San Bernardino. From 2015 to 2020, the Housing Authority had a hybrid model where the County Board of Supervisors, acting as the housing authority board (known as the Board of Governors), approved major policy and procurement items, including the agency's budget, and a separate seven-member Housing Commission had authority to approve everything else. The HACSB changed its structure in 2020 and now only has one board – the Board of Commissioners. According to staff, the change was made to be compliant with HUD regulations¹ requiring the Housing Authority's governing board to include at least one tenant member. Prior to the change, two tenant commissioners were on the Housing Commission instead of sitting with the Board of Governors. This structure also posed a problem for closed session meetings which were conducted at the Board of Governors meetings where the tenant commissioners were not at the table. Therefore, the county made the Board of Commissioners the housing authority's sole governing board, which includes the two tenant commissioners.

HACSB continues to collaborate with the County on housing and homelessness issues as it did prior to the 2015 structure, but the County Board of Supervisors no longer has direct oversight through approving HACSB requests. The County's formal role with the HACSB is to appoint the seven-member Board of Commissioners. The Board consists of one member from each of the five supervisorial districts and two tenants of the housing authority.

Major Responsibilities

HACSB's major functions include:

- Operating the Section 8 Housing Voucher Program and MTW programs
- Managing public housing units and HACSB-owned affordable units
- Developing affordable housing, typically through a variety of partnerships, including its non-profit affiliate

Homelessness:

- HACSB plays a role in addressing homelessness through its recent acquisition and rehabilitation of two properties to be used as permanent supportive housing, producing about 70 units for those experiencing homelessness. The HACSB Executive Director also

Quick Facts	
FY 2022 Budget	\$159.7 million
Full-Time Equivalent Positions	141
Section 8 Housing Choice Vouchers Administered	9,853
Public Housing Units	99
Manage/own Affordable Units	4,254
Moving to Work Agency?	Yes

¹ [Code of Federal Regulations 24, Subtitle B, Chapter IX, Part 964, Subpart E, Section 964.415](#)

serves as the chair of the San Bernardino County Interagency Council on Homelessness, the governing body of the local Continuum of Care which coordinates the regional response to homelessness. Additionally, HACSB uses its MTW status to develop programs to address homelessness, such as its No Child Left Unsheltered program which provides rental subsidies to families identified as unsheltered homeless families with children.

Other Notable Characteristics	
Legal Counsel	Uses its own legal counsel
Required Expertise of Board of Commissioners	No.
Creation of a non-profit affiliate entity to develop affordable housing	Yes, established in 1991. Housing Partners I, Inc. (HPI) develops, owns, and manages affordable housing. It was created to expand the Housing Authority's ability to develop affordable housing. According to its website, HPI is able to apply for and receive HOME funds from the County of San Bernardino and other cities for the acquisition, development, and rehabilitation of housing units. The Housing Authority would not otherwise be eligible for this funding. It has developed and acquired 1,512 units since its inception. HACSB also has two other non-profit affiliates that provide rapid rehousing services as well as property management and inspection services.

Authority to Conduct Business

- Contracting Authority: The Executive Director may enter into a contract for non-professional services up to \$250,000, and up to \$75,000 for professional services. Items above these limits go to the Board of Commissioners.
- Acquisitions: All acquisitions go to the Board of Commissioners for approval.

Role of County in Oversight and Accountability

- Extent of Oversight from County: The role of the County is limited to appointing the Board of Commissioners.
- Hire and review of the Executive Director: The Executive Director of HACSB is selected by the Board of Commissioners which also determines the Executive Director's salary. The Executive Director may be removed in accordance with the terms of the employee contract. The Executive Director receives an annual performance review by HACSB's Board of Commissioners, but not from the County Board of Supervisors.
- Communication of Closed Session Items to County: There is no formal process.

Other unique notes:

- HACSB has partnered with Loma Linda University for more than 10 years for third-party research and evaluation to help inform policy and shape program design.

City and County of Fresno

General Characteristics

Type of Model: Separate from the City and County

Overview of Model

Established in 1940 and 1946 respectively, the Housing Authority of the City and County of Fresno operates together under a Joint Exercise of Powers Agreement, which authorizes the two agencies to pool resources and cooperate on certain issues. Collectively they are known as Fresno Housing (FH) and it is governed by two separate Boards of Commissioners, but they meet together. Each board includes seven members representing either the City or County. City board members are appointed by the Mayor and County board members are appointed by the County Board of Supervisors. Each board includes two tenant members. The Executive Director reports to both boards. Both Housing Authorities share the same staff. The Housing Authorities are completely separate from both the City and County.

Quick Facts	
FY 2021 Budget	\$44.1 million
Full-Time Equivalent Positions	238
Section 8 Housing Choice Vouchers Administered	12,996
Public Housing Units	1,057
Manage/own Affordable Units	roughly 4,700
Moving to Work Agency?	No

Major Responsibilities

FH's major functions include:

- Operating the Section 8 Housing Choice Voucher program and other related programs
- Developing affordable housing directly
- Managing public housing units and FH-owned affordable units (including through its affiliates)
- Administering Resident Empowerment Services

FH develops affordable housing directly, with its own staff. This has generated income for FH through developer fees. FH uses that revenue to supplement other programs including Section 8 Housing Choice Voucher and Resident Empowerment Programs (i.e. programs focused on achieving economic independence etc.). Despite not being an MTW agency, staff indicate they have demonstrated that they can be self-sufficient and profitable without additional HUD flexibilities.

Homelessness:

- FH serves as the lead agency for the local Continuum of Care (CoC) which coordinates homelessness funding in the region and is where the homeless management database is maintained. FH is the lead agency in the submission of the CoC application for its jurisdiction and is the annual recipient of CoC permanent supportive housing funds and CoC Planning Funds, along with federal housing-related funds that assist veterans and people living with HIV/AIDS, Emergency Housing Vouchers, federal HOME rental assistance funds, and other state and local funds serving the homeless population. FH partners with other organizations to provide supportive housing and resources to reduce homelessness. FH's Homeless Initiatives budget is \$3.8 million.

<i>Other Notable Characteristics</i>	
Legal Counsel	Uses its own legal counsel obtained through a procurement process. Contracts out for other specific issues as well.
Required Expertise of Board of Commissioners	No
Creation of a non-profit affiliate entity to develop affordable housing	No. All development activities are performed by Fresno Housing Authority staff, not a separate affiliate. However, Fresno Housing has created some affiliates for certain situations. One reason is to protect the Housing Authorities from the construction and operating risk of certain developments. Other entities were created for reasons unrelated to the development of affordable housing.

Authority to Conduct Business

- Contract Authority: Executive Director may enter into a contract up to \$250,000. Anything above this amount requires Board of Commissioner approval.
- Acquisitions: Real estate transactions go to the Board of Commissioners for approval.

Role of City and County in Oversight and Accountability

- Extent of Oversight from the City and County: The extent of city and county oversight is limited to appointment of corresponding commissioners. A commissioner may only be removed for egregious behavior or by resignation.
- Hire and Review of the Executive Director: Board of Commissioners hire the Executive Director and can remove the Executive Director without cause, per the employment contract. The Board of Commissioners conducts an annual performance review, but it does not go to County Board of Supervisors or the City Council/Mayor.
- Communication of Closed Session Items to the City and County: There is no formal process. Closed session items are confidential and cannot be discussed with others not present in closed session unless the item is directly related to a transaction with the City or County. The City and County meet regularly with its respective Board to discuss the agency's business.

County of San Luis Obispo

General Characteristics

Type of Model: Separate from the City and County

Overview of Model

Established in 1968, the Housing Authority of San Luis Obispo (HASLO) is governed by a seven-member Board of Commissioners, two of which are tenants of the housing authority. HASLO serves all cities, including San Luis Obispo, and the unincorporated areas of San Luis Obispo County. The Mayor of the City of San Luis Obispo appoints the commissioners, subject to approval by the City Council. HASLO operates independently from the City and County.

Major Responsibilities

HASLO's major functions include:

- Operating the Section 8 Housing Choice Voucher program and other related programs
- Through its non-profit affiliate, it manages 780 owned affordable units
- Developing affordable housing directly

Additionally, it:

- Acts as a Successor Agency

Homelessness:

- HASLO works with over 20 agencies to implement vouchers for those that are homeless such as women's shelters, mental health agencies, Adult Protective Services, and homeless service providers. HASLO also develops and operates housing for individuals experiencing homelessness, such as its recent acquisition and rehabilitation of a property through Project Homekey.

Quick Facts	
FY 2021 Budget	\$32.0 million
Full-Time Equivalent Positions	About 70
Section 8 Housing Choice Vouchers Administered (both City and County)	2,778
Public Housing Units	0
Manage/own Affordable Units	780
Moving to Work Agency?	No

Other Notable Characteristics	
Legal Counsel	Uses its own legal counsel
Required Expertise of Board of Commissioners	Unknown
Creation of a non-profit affiliate entity to develop affordable housing	Yes. Local Authority serves as the development arm of the Housing Authority and also manages units of all affiliated non-profits and other authority-owned units. They have also created multiple non-profits for purposes of developing affordable housing and/or purchasing affordable housing.

Authority to Conduct Business

- Contract Authority: Executive Director may enter into a contract up to \$25,000. Anything above this amount requires Board of Commissioners approval.
- Acquisitions: All acquisitions go to the Board of Commissioners for approval.

Role of City and County in Oversight and Accountability

- Extent of Oversight from City and County: City and County oversight is limited. The City holds the authority to appoint commissioners. We note that the Executive Director also sits on the Mayor's quarterly advisory committee with other heads of task forces. No oversight from the County exists.
- Hire and Review of the Executive Director: The Board of Commissioners appoints the Executive Director. Removal of the Executive Director is subject to California employment law as there is no employment contract. The Executive Director receives an annual performance review by the Board of Commissioners, not from the City or County.
- Communication of Closed Session Items to City and County: There is no formal process. County and City receive copies of the monthly commission agenda which includes any closed session items. They do not receive any back up materials related to closed sessions.

County of San Diego

General Characteristics

Type of Model: Embedded within County government

Overview of Model: The Housing Authority of the County of San Diego (HACSD) is governed by a Board of Commissioners which is comprised of the five County Board of Supervisors and two tenant commissioners. Although the HACSD is a separate legal entity from the County, it is staffed by County employees of the Housing and Community Development Services Department. The housing authority is one of several responsibilities of this department. Of the 130 positions in the department, 76 of them work on housing authority matters. The County's director of Health and Human Services Agency is the HACSD Executive Director, but the principal staff member of the HACSD is the director of Housing and Community Development Services. HACSD has a Resident Advisory Board which advises on matters such as the development of the federally-required Public Housing Authority Plan.

Quick Facts	
FY 2022 Budget	\$189.9 million
Full-Time Equivalent Positions	76
Section 8 Housing Choice Vouchers Administered	Authorized for 12,004, but funds 10,200 on average
Public Housing Units	121
Manage Owned Affordable Units	0
Moving to Work Agency?	No

Major Responsibilities

HASLO's major functions include:

- Operating the Section 8 Housing Choice Voucher program and other related programs
- Managing the public housing inventory

(A separate County department is responsible for facilitating financing of affordable housing projects by offering loans through a competitive process to developers.)

Additionally, it:

- Acts as a Successor Agency
- The department has other responsibilities outside of the housing authority including the administration of various HUD grants and some homelessness funding, as well as COVID-19 emergency rental assistance.

Homelessness:

- Other County staff are the lead but HACSD contributes vouchers for this population

Other Notable Characteristics	
Legal Counsel	Uses County Counsel which also coordinates any needed outside legal services
Required Expertise of Board of Commissioners	N/A. Board of Commissioners is made up of the County Board of Supervisors, plus two tenant commissioners
Creation of a non-profit affiliate entity to develop affordable housing	No

Authority to Conduct Business

- Contract Authority: Executive Director generally follows County policies, including the threshold in which contracts require approval by the County Board of Supervisors.
- Acquisitions: All acquisitions go to the Board of Commissioners for approval.

Role of County in Oversight and Accountability

- Extent of County Oversight: The county maintains significant oversight of the HACSD since the County Board of Supervisors comprises the majority of the Housing Authority's Board of Commissioners. The Board of Commissioners approves most HACSD items.
- Hire and Review of the Executive Director: The Board of Commissioners appoints the Executive Director. The Executive Director is an unclassified employee of the county therefore the removal of this employee would be addressed by the county's personnel practices. The Executive Director does not receive a formal performance review that goes before the County Board of Supervisors.
- Communication of Closed Session Items to County: The Board of Commissioners is involved in all closed session meetings.

City of Long Beach

General Characteristics

Type of Model: Embedded in a City department

Overview of Model

Established in 1969, the Housing Authority of the City of Long Beach (HACLB) is governed by an 11-member Board of Commissioners, comprised of the nine City Councilmembers and two tenant commissioners. Although HACLB is a separate legal entity from the City, it is staffed by City employees. HACLB is not advised by any other organization besides City staff when items come to the Board for approval.

Quick Facts	
FY 2022 Budget	\$108 million
Full-Time Equivalent Positions	77
Section 8 Housing Choice Vouchers Administered	8,276
Public Housing or Affordable Units	0
Manage Owned Affordable Units	0
Moving to Work Agency?	No

The Executive Director of the housing authority is the City manager. The Assistant Director of the authority is the Director of the Health and Human Services Department, and the management of the housing authority is carried out by its Deputy Executive Director within the department.

Major Responsibilities

HACLB's main function is to operate Section 8 Housing Choice Voucher program and related programs. Other city departments carry out affordable housing, emergency rental assistance, and homelessness activities.

Other Notable Characteristics	
Legal Counsel	Uses the City's legal counsel
Required Expertise of Board of Commissioners	N/A. The Board of Commissioners is the City Council, plus two tenant commissioners.
Creation of a non-profit affiliate entity to develop affordable housing	No

Authority to Conduct Business

- Contract Authority: Unknown
- Acquisitions: The Housing Authority does not do acquisitions.

Role of City in Oversight and Accountability

- Extent of Oversight from City: Requests for approval typically go to the Board of Commissioners (largely composed of City Councilmembers).
- Hire and Review of the Executive Director: The Deputy Executive Director within the Health and Human Services Department operates the Housing Authority's programs but it is not an appointed position by the Board of Commissioners. The Assistant Executive Director, who serves as the Director of Health and Human Services, hires and removes the

Deputy Executive Director. The Deputy Executive Director receives an annual performance review consistent with other City employees.

- Communication of Closed Session Items to City: The Housing Authority's Board of Commissioners is largely made up of City Councilmembers so they would be involved in any closed session. However, they have only had one closed session meeting in their history.

County of Los Angeles

General Characteristics

Type of Model: Hybrid model; County Board of Supervisors is the governing board, but programs are implemented by a separate agency.

Overview of Model

The Los Angeles County Development

Authority (LACDA) serves different portions of LA County depending upon the program. It currently operates the County's housing authority for 62 of the 88 cities in LA County as well as the unincorporated areas.¹ This is a hybrid model, where the LACDA is a separate agency but its governing board is the County Board of Supervisors sitting as the Housing Authority Board of Commissioners. LACDA staff are not employees of the County and are all at-will employees.

The Board of Commissioners receives input from the agency's Housing Advisory Committee, which meets monthly at various locations throughout the County. The Committee reviews and makes recommendations on matters that are presented to the Board of Commissioners for approval and are *advisory only*. The Housing Advisory Committee includes five non-tenant members (one representing each Supervisorial District), five at-large tenant members (Public Housing residents or Section 8 participants), and one at-large formerly homeless tenant member, all of whom are appointed by the County Board of Supervisors, sitting as the Housing Authority Board of Commissioners. The County Board of Supervisors may remove a Committee member at any time and may delegate any of its functions as the Authority to the Committee.²

Major Responsibilities

The LACDA's major functions include:

- Operating the Section 8 Housing Choice Voucher program and other related programs
- Facilitating financing of affordable housing by offering loans through a competitive process and issuing multifamily housing revenue bonds on behalf of affordable housing developers
- Managing 2,962 public housing units and 267 LACDA-owned affordable housing units.

The agency also:

- Acts as a Successor Agency
- Outside of its housing authority functions, the agency is the community and economic development arm of the County, therefore it has implemented the COVID-19 Small Business Relief program for the County, among other COVID-19 related programming, and administers various HUD grants. It also operates the Community Development Block

Quick Facts	
FY 2022 Budget	\$869.5 million
Full-Time Equivalent Positions	602
Section 8 Housing Choice Vouchers Administered	over 27,000
Public Housing Units	2,962
Manage/own Affordable Units	267
Moving to Work Agency?	No

¹ LA County has a total of 19 different housing authorities.

² LA County Code, [Section 2.75.020](#)

Grant on behalf of the County, for a variety of community needs, such as graffiti removal, street and sewer improvements, and homelessness.

Homelessness:

- The County's Homeless Initiative serves as the lead in addressing homelessness. However, the LACDA contributes by implementing an aggressive homeless preference for its Section 8 vouchers, providing vouchers for special needs developments (i.e. project-based vouchers) focused on people experiencing homelessness, as well as administration of other rental assistance programs specifically for people experiencing homelessness. According to the agency, LACDA also acts as the conduit issuer for tax-tax exempt multi-family housing revenue bonds with an emphasis on special needs units such as people experiencing homelessness. Staff also indicate that LACDA issues loans on behalf of the County to assist the development and construction or renovation of multi-family rental housing with a focus on special needs units such as people experiencing homelessness.

Other Notable Characteristics	
Legal Counsel	For routine matters, they use County Counsel. For specialized issues, they use outside counsel obtained through the County.
Required Expertise of Board of Commissioners and Advisory Committee	The Board of Commissioners is the County Board of Supervisors. As for the committee, non-tenant members shall possess a demonstrated interest and knowledge of housing needs in the community and a history of active involvement and leadership in community affairs.
Creation of a non-profit affiliate entity to develop affordable housing	Yes. LA County Housing Development Corporation was created in 1989 at a time when there were not many affordable housing developers. It has participated in direct development as well as consulting in development of affordable housing. It typically takes on projects that few developers would consider. Currently, the organization's role is being reexamined. It may be involved with the State's Project Homekey program.

Authority to Conduct Business

- Contract Authority: Executive Director may enter into a contract up to \$100,000. Anything above this amount requires Board of Commissioner approval.
- Acquisitions: The LACDA does not frequently do acquisitions as the housing authority.

Role of County in Oversight and Accountability

- Extent of Oversight from County: The County has significant involvement with the LACDA as the County Board of Supervisors, sitting as the Board of Commissioners, approves most items.
- Hire and review of the Executive Director: The County Board of Supervisors, sitting as the Board of Commissioners, hires the Executive Director and can remove the individual without cause. The same Board conducts an annual performance review of the Executive Director, similar to other County department heads.
- Communication of Closed Session Items to County: Since the County Board of Supervisors maintains significant control over the LACDA, they are the body involved in closed sessions. However, open and closed public meetings may occur with the Deputies (i.e.

staff) of all five Board of Supervisor offices, without the Board of Supervisors. Closed session meetings can also be held with the Housing Advisory Committee, although they are rare. The Board Deputies have met with the Committee in a joint open session meeting. The LACDA also has monthly meetings with deputies of Board offices to receive updates.

City of San Diego

General Characteristics

Type of Model: Hybrid model. The City Council, in its role as the Housing Authority, is the governing board but programs are implemented by a separate agency.

Overview of Model

The City of San Diego Housing Authority was established in 1968 with the City Council declaring itself the Housing Authority. The San Diego Housing Commission (SDHC) was created in 1979 which has a seven-member Board of Commissioners, two of which are tenants of the Housing Authority. SDHC Board Commissioners are appointed by the Mayor and confirmed by City Council. The SDHC was granted all the rights, powers, and duties of a Housing Authority outlined in State law except those expressly retained by the Housing Authority, including authority over: 1) the SDHC annual budget, 2) bond issuances, 3) agreements between the SDHC and recognized employee organizations, 4) adoption or amendment of any Commission policy, and 5) any other matters that are determined to be advisory only by Council or Housing Authority resolution. In those cases, the SDHC Board serves in an advisory capacity only and the Housing Authority has final approval authority. Any SDHC matter can be referred to the Housing Authority for final action within seven days of SDHC Board action. The SDHC is led by the President and CEO of the SDHC who is also the Executive Director of the Housing Authority.

Quick Facts	
FY 2022 Budget (as of June 2021)	\$604.1 million
Full-Time Equivalent Positions	352
Section 8 Housing Choice Vouchers Administered	Baseline is 16,284, but serves more households than baseline
Public Housing Units	189
Manage/own Affordable Units	4,115
Moving to Work Agency?	Yes

Major Responsibilities

SDHC's major functions include:

- Operating the Section 8 Housing Choice Voucher Program, other related programs, and MTW programs
- Facilitating financing of affordable housing by offering loans through a competitive process and issuing multifamily housing revenue bonds on behalf of affordable housing developers and, to a lesser extent, developing affordable housing directly
- Managing 189 public housing units and 4,115 SDHC-owned affordable housing units (including through its affiliate)

Homelessness:

- SDHC has a lead role in addressing homelessness in the region. It sets aside significant rental assistance funding for permanent supportive housing as well as for the creation or preservation of permanent supportive housing units. It also administers the City of San Diego's Homeless Shelters and Services Programs including storage facilities, a homelessness response center, street outreach, safe parking lots, as well as existing shelters and the development of new shelters. SDHC also implements its own homelessness

programs such as rapid rehousing, prevention and diversion, and landlord engagement. The [SDHC's homelessness budget](#) for FY 2022 exceeds \$120 million.

- The SDHC President and CEO is also the Continuum of Care Advisory Board Chair which is part of the Regional Task Force on Homelessness.

<i>Other Notable Characteristics</i>	
Legal Counsel	SDHC uses its own legal counsel. The City Attorney's Office advises the Housing Authority.
Required Expertise of Board of Commissioners	No. Housing Authority Commissioners are City Councilmembers. SDHC Board Commissioners are appointed by the Mayor and confirmed by the City Council.
Creation of a non-profit affiliate entity to develop affordable housing	Yes. Established in 1990, Housing Development Partners (HDP) typically takes on affordable housing projects that other developers may not. It has developed 1,709 units through properties it has acquired as well as partnership developments. Although SDHC also develops affordable housing, HDP may be used to access tax credits and bonds, or to develop moderate income housing. HDP also owns properties and manages them through a third party.

Authority to Conduct Business

- Contracts: According to the [SDHC's Procurement Policy](#), the President and CEO may enter into a contract up to \$250,000 without SDHC Board approval. No contracts are required to go to the Housing Authority unless they are referred. However, sometimes the Housing Authority requests them to be heard (outside of the formal referral process) or they are heard for other reasons. Also, the SDHC must notify the Housing Authority at least seven days before it acts on a contract for goods or services with expenditures that are more than \$1 million.
- Acquisitions: According to its [Acquisitions Policy](#), SDHC can execute any and all documents necessary as well as work with brokers directly to effectuate an acquisition. The President and CEO may acquire single family homes or condo units without action by the SDHC Board as long as certain requirements are met, otherwise approval is required. As with other issues, the Housing Authority has final approval authority if the matter is referred to the Housing Authority within seven days of SDHC Board action. SDHC is required to report to the Housing Authority and City Council at least twice per year on the status of acquisitions through written reports.

Role of City in Oversight and Accountability

- Extent of Oversight from City: The City has delegated significant authority to the SDHC but it has explicitly retained final approval authority over certain issues. SDHC has final approval authority over all other matters unless referred to the Housing Authority for final action within seven days of SDHC Board action. This can be done by the SDHC Board; the President and CEO; or through written notification to the SDHC President and CEO by two members of the City Council or Housing Authority, or Mayor. In addition, SDHC Board of Commissioners are appointed by the Mayor, subject to City Council approval.

SDHC Board Commissioners may be removed by a majority vote of the City Council for inefficiency, neglect of duty, or misconduct in office.

- Hire and Review of the President and CEO: The President and CEO of the SDHC is hired by the Housing Authority which also has the authority to remove the President and CEO without cause. The SDHC Board conducts an annual performance review of the President and CEO in SDHC closed session and discusses any salary adjustments annually in an open meeting. Within seven days of SDHC Board action, the Housing Authority may request to discuss the performance review in its own closed session or consider salary adjustments in its own open session.¹
- Communication of Closed Session Items to City: There is no formal process. The SDHC includes closed session items on its agenda. After SDHC meets in closed session it reports out any actions in a public meeting. At that time the Housing Authority will have an opportunity to determine whether it wants to review a matter or not. According to the City Attorney's Office, there is no legal basis under the San Diego Municipal Code for the Housing Authority and SDHC Board to meet jointly in closed session.²

¹ [City Attorney Memorandum dated July 16, 2021](#)

² Ibid.

City and County of Sacramento

General Characteristics

Type of Model: Hybrid model; Governing boards of the housing authorities are the respective city and county, but programs are implemented by a separate agency.

<i>Quick Facts</i>	
FY 2022 Budget	\$326.4 million
Full-Time Equivalent Positions	over 250
Section 8 Housing Choice Vouchers Administered	over 13,000
Public Housing Units	2,712
Manage/own Affordable Units	about 600
Moving to Work Agency?	No

Overview of Model

In 1973, the Sacramento Housing and Redevelopment Agency (SHRA) was established as a result of consolidating staff from the City's Housing Authority and the Redevelopment Agency. It is a Joint Powers Authority in which the governing bodies include the City and its Housing Authority, as well as the County and its Housing Authority. An 11-member commission serves in an *advisory capacity* as they review and make recommendations on items before they obtain final approval from either the Sacramento City Council or the Sacramento County Board of Supervisors (or acting in their capacity as housing authorities). The County Board of Supervisors appoint six members and the City Council appoints five members, in which two members are tenants in either city or county public housing.

Major Responsibilities

The Housing Authorities' major functions include:

- Operating Section 8 Housing Choice Voucher program and other related programs
- Facilitating financing of affordable housing by offering loans through a competitive process and issuing multifamily housing revenue bonds on behalf of affordable housing developers
- Managing the public housing inventory and almost 600 affordable units owned by the Housing Authorities, or their non-profit affiliates and partners

Homelessness:

- According to the [County's Homeless Plan](#), the County of Sacramento plays a central role in the coordination of countywide services and resources for people experiencing homelessness. However, SHRA plays a significant role as well. It recently created a Homeless Innovations department. The department is responsible for management of Housing Shelter operations and the Continuum of Care programs.
- SHRA also administers various HUD grants on behalf of the city and county, some of which support programs that address homelessness, such as rapid rehousing.
- SHRA also administers voucher programs where people experiencing homelessness have a preference on the housing choice voucher waiting lists.

Additionally, SHRA:

- Acts as a Successor Agency

- Administers the Emergency Rental Assistance funds

<i>Other Notable Characteristics</i>	
Legal Counsel	Uses its own internal General Counsel office
Required Expertise of Board of Commissioners and Advisory Commission	The County Board of Supervisors and City Council are the governing boards of the respective housing authority. There are no requirements for the advisory commission. However, expertise may be considered when identifying commissioners.
Creation of a non-profit affiliate entity to develop affordable housing	Yes. SHRA has a non-profit entity (though not technically an affiliate). Sacramento Housing Authority Repositioning Program (SHARP) has acquired developer experience over the last decade and acts as the sponsor entity for tax credit projects. SHARP is essentially a tool that allows for SHRA and the Housing Authorities to self-develop assets and to retain more of the financial resources rather than paying an outside developer. SHARP also has multiple layers of other separate legal entities which help to limit potential liability and exposure.

Authority to Conduct Business

- Contracting Authority: Instead of seeking approval from the governing boards for every contract, a procurement resolution provides the Executive Director authority to execute contracts as long as they are within the specified amount set aside for contracts in certain categories.
- Acquisitions: Real estate acquisitions require City or County approval prior to execution.

Role of City and County in Oversight and Accountability

- Extent of Oversight from City and County: City and county oversight is significant as the City Council and County Board of Supervisors act as the board of each respective Housing Authority and approve most items.
- Hire and Review of the Executive Director: Both the city and the county have the authority to hire and remove the Executive Director. The Executive Director is an at-will position. Annual performance evaluations of the Executive Director go before both the city and county. They do not go before the advisory commission, as far as staff is aware.
- Communication of Closed Session Items to City and County: Since the governing board of the housing authorities are the respective city and the county, they are involved in any closed session meeting. The City Council and County Board of Supervisors hold closed session meetings as needed. The advisory commission may hold closed session, but typically it does not.

County of Alameda

General Characteristics

Type of Model: Hybrid model but operates as though it is completely separate from the County. Although the County Board of Supervisors is the official governing board, it has delegated almost all authority to a separate Housing Commission.

<i>Quick Facts</i>	
FY 2022 Budget	\$11.2 million
Full-Time Equivalent Positions	67
Section 8 Housing Choice Vouchers Administered	6,432
Public Housing Units	0
Manage/own Affordable Units	230
Moving to Work Agency?	No

Overview of Model

Established in 1968, the Housing Authority of the County of Alameda (HACA) was originally overseen by the County Board of Supervisors until 1977 when it adopted an ordinance establishing a Housing Commission. The Housing Commission is made up of 12 members including: one representative from each of the cities within HACA's jurisdiction (that have not established their own housing authority); one representative for the unincorporated areas of the county; and two tenant commissioners. Each of the cities assign their representative to the Housing Commission and the Executive Director recommends the appointment for the representative of the unincorporated areas, as well as the two tenant commissioners. The recommendations are forwarded to the County Board of Supervisors, as the governing board of the housing authority, for final approval.

Major Responsibilities

HACA's major functions include:

- Implementation of the Section 8 Housing Choice Voucher Program and related programs
- Through its non-profit affiliate, management of 230 units that were converted from the federal Public Housing Program

Homelessness:

- The County is the lead but HACA participates by allocating project-based vouchers to non-profit developers for projects that house those experiencing homelessness.

<i>Other Notable Characteristics</i>	
Legal Counsel	Most of the time they contract out for legal counsel. County Counsel is available to them for general legal matters.
Required Expertise of Housing Commissioners	No. Most of the commissioners are elected officials (mayors and/or city council members). One commissioner is a Section 8 landlord within the county.
Creation of a non-profit affiliate entity to develop affordable housing	Preserving Alameda County Housing, Inc. (PACH) can be used for development but it is currently focused on management of HACA's former public housing inventory.

Authority to Conduct Business

- Contract Authority: Executive Director may enter into a contract up to about \$100,000. Anything above this amount requires Housing Commission approval.
- Acquisitions: May be conducted with Housing Commission approval. Acquisitions do not require County Board of Supervisors approval, unless required by HUD.

Role of County in Oversight and Accountability

- Extent of Oversight from County: The County has very limited involvement with HACA. The County Board of Supervisors appoints the Executive Director and Commissioners. Generally, all other items, including the budget, are approved by the Housing Commission.
- Hire and Review of the President and CEO: The Housing Commission recommends hire and removal of the Executive Director, but the County Board of Supervisors has final authority. The Housing Commission conducts the performance review and determines salary.
- Communication of Closed Session Items to County: There is no formal process. The Housing Commission meeting agendas, which notes whether there will be a closed session during a meeting, are emailed to the County Board of Supervisors and are publicly available. The clerks of the cities in HACA's jurisdiction are also notified that the agenda is available.

Staff indicate that the County Board of Supervisors may attend any open or closed session Housing Commission meeting, although it has never happened to anyone's knowledge.



**COUNCILMEMBER CHRIS CATE, SIXTH DISTRICT
COUNCILMEMBER SEAN ELO-RIVERA, NINTH DISTRICT
CITY OF SAN DIEGO**

M E M O R A N D U M

DATE: July 21, 2021

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Chris Cate, District 6 
Councilmember Sean Elo-Rivera, District 9 

SUBJECT: Request for an IBA Report to Review and Analyze Various Models of Housing Authorities and Housing Commissions

On Monday, July 19, 2021, the City Council in its role as the Housing Authority, heard an informational update on the formation, authority, and powers of the Housing Authority of the City of San Diego and the San Diego Housing Commission. The informational report provided a useful and detailed overview of the history, roles, and structures of the Housing Authority and the Housing Commission, as well as the relationship between the two.

To complement this report, it would be useful for the Housing Authority to understand how other cities and jurisdictions structure their housing authority and, if applicable, housing commission, and the policies utilized to govern those housing authorities so that we can determine if updates and changes to our current structures, policies, and practices are necessary to align with best practices across the State.

In order to help facilitate this conversation, we would like to request that the Independent Budget Analyst prepare a report to identify and review the various models used by other cities and jurisdictions and analyze best practices that can be utilized to achieve our equally important housing and governance goals.

cc: Honorable Mayor Todd Gloria
Honorable City Attorney Mara Elliott
Jessica Lawrence, Director of Policy, Office of the Mayor
Javier Gomez, Senior Policy Advisor & Council Affairs, Office of the Mayor



The City of San Diego
Item Approvals

Item Subject: Comparative Analysis of Housing Authority Structures in California

Approving Authority	Approver	Approval Date
OFFICE OF THE INDEPENDENT BUDGET ANALYST DEPARTMENT APPROVER	KAWAR, JEFF	11/02/2021