YOLO COUNTY HOUSING

AGENDA

REGULAR MEETING

October 23, 2019

PLEASE NOTE TIME 3:00 p.m.

YOLO COUNTY HOUSING
HOUSING COMMISSION

WILL ARNOLD, CITY OF DAVIS
RICHARD LANSBURGH, CITY OF WOODLAND
PIERRE NEU, CITY OF WINTERS
BABS SANDEEN, CITY OF WEST SACRAMENTO
GARY SANDY, COUNTY OF YOLO
KAREN VANDERFORD, YCH
JOE WALTERS, YCH

BOARD OF SUPERVISORS CHAMBERS
625 COURT STREET, ROOM 206
WOODLAND, CALIFORNIA 95695

LISA A. BAKER
CHIEF EXECUTIVE OFFICER

HOPE WELTON
AGENCY COUNSEL

Reminder: Please turn off cell phones.

CALL TO ORDER

1. Pledge of Allegiance.

2. Consider approval of the agenda.

3. Public Comment: Opportunity for members of the public to address the Housing Authority on subjects not otherwise on the agenda relating to Housing Authority business. The Board reserves the right to impose a reasonable limit on time afforded to any topic or to any individual speaker.

PRESENTATIONS

4. Presentations - Certificates for Managing Maintenance to Lead Maintenance Randy Perry and Housing Specialist II Maria Pena

CONSENT AGENDA

5. Review and Approve the Minutes of September 18, 2019

6. Receive and File Correspondence from the U.S. Dept of Housing and Urban Development Designating YCH Housing Choice Voucher Program and a National High Performer (Holt, Jimenez-Perez)

7. Receive and File Rental Assistance Demonstration (RAD) Program Update Report (Gillette, Baker)

8. Receive and File Report on the Status of Reporting Unaudited Year End Financial information to HUD and Audit Update (Gillette, Baker)

REGULAR AGENDA

9. Review, Approve and Adopt Resolution Amending Housing Choice Voucher Payment Standards in Accordance with Federal Requirements (Holt, Jimenez-Perez)

10. Review, Approve and Adopt Resolution Setting Flat Rent Schedule in Conventional Rental Housing (Holt, Dogias)

11. Review and Approve final Concept for Master Leasing of 1811 Merkeley Avenue in Partnership with County HHSA for CalWORKs Families (Baker, Holt)

12. Receive Comments from CEO

13. Receive Comments from Commissioners

LONG RANGE CALENDAR

November 2019		
NONE		

December 2019		
Minutes of 10/23/19	Consent	
1st Quarter Financials	Regular	
1st Quarter write offs	Consent	
Approval of Meeting Calendar 2020	Consent or Regular	
Review and Approve to Ratify Merkley Lease and HHSA MOU	Consent	
Review and Approve Amended YCH FSS Action Plan	Regular	
Approve Acceptance of the Community Infrastructure Grant for the Purchase of Two Houses	Regular	
70th Anniversary Annual Plan and Resolution	Regular may move to 1/2020	
Present Draft BluePrint 2020 Strategic Housing Plan	Regular	

January 2020		
Minutes of 12/20/19	Consent	
Election of Officers	Regular	
Approve the Opening of the HCV and PBV Wait Lists	Regular	
Presentation: West Sacramento Permanent Supportive Housing project (tentative/jt meeting with New Hope)	Pres: Guests: Mercy	
February 2020		
March 2020		
Big Day of Giving Overview	Regular	
2nd Quarter Write Offs	Consent	
Public Hearing: Adopt Resolution Approving FY 2020-2025 Five Year Plan and 2020 Annual Plan Update	Regular	
Public Hearing to Adopt FY 2020 Capital Fund and Annual Statement	Regular	

April 2020	
Review and Approve the Proposed FY2019-2020 Mid-Year Budget Revisions with Second Quarter Financial Information	Regular
RAD Status Update and Approval of Plan (tentative)	Regular

ADJOURNMENT

Next meeting is December 18, 2019 at 3:00 p.m.

I declare under penalty of perjury that the foregoing agenda was posted by Friday, October 18, 2019 by 5:00 p.m. at the following places:

- On the bulletin board at the east entrance of the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California; and
- On the bulletin board outside the Board of Supervisors Chambers, Room 206 in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California; and
- On the bulletin board of Yolo County Housing, 147 West Main Street, Woodland, California.
- On the Yolo County website: www.yolocounty.org.

Julie Dachtler, Clerk of the Board

By:_____
Clerk

NOTICE

If requested, this agenda can be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Clerk of the Board for further information. In addition, a person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting should telephone or otherwise contact the Clerk of the Board as soon as possible and at least 72 hours prior to the meeting. The Clerk of the Board may be reached at (530) 666-8195 or at the following address:

Yolo County Housing
c/o Clerk of the Board of Supervisors
County of Yolo
625 Court Street, Room 204, Woodland, CA 95695

Yolo County Housing **5.**

Meeting Date: 10/23/2019

Information

SUBJECT

Review and Approve the Minutes of September 18, 2019

Attachments

Att. A. Minutes

Form Review

Form Started By: Julie Dachtler Started On: 10/18/2019 04:07 PM

Final Approval Date: 10/18/2019

Yolo County Housing
Yolo County, California

September 18, 2019

MINUTES

The Yolo County Housing met on the 18th day of September, 2019, in regular session in its Chambers in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California at 3:00 p.m.

Present: Will Arnold; Richard Lansburgh; Babs Sandeen; Gary Sandy; Karen Vanderford; Joe Walters

Absent: Pierre Neu

Staff Present: Lisa Baker, CEO
Hope Welton, Agency Counsel
Janis Holt, General Director
Julie Dachtler, Clerk

CALL TO ORDER

1. Pledge of Allegiance.

2. Consider approval of the agenda.

> Minute Order No. 19-38: Approved agenda as submitted, with the CEO noting Agenda Item No. 9 had revised recommended actions to adopt two resolutions, not one.
>
> MOTION: Sandeen. SECOND: Lansburgh. AYES: Arnold, Lansburgh, Sandeen, Sandy, Vanderford, Walters. ABSENT: Neu.

3. Public Comment: Opportunity for members of the public to address the Housing Authority on subjects not otherwise on the agenda relating to Housing Authority business. The Board reserves the right to impose a reasonable limit on time afforded to any topic or to any individual speaker.

There was no public comment.

PRESENTATIONS

4. Presentation - Rachel Hoskins, MSW Intern, Getting to Zero Program

Janis Holt, General Manager, presented Rachel Hoskins, MSW Intern, Getting to Zero Program.

5. Presentation - Julia Cohen, Civic spark Fellow, Yolo Resiliency Collaborative

Lisa Baker, CEO, presented Julia Cohen, Civic Spark Fellow, Yolo Resiliency Collaborative.

CONSENT AGENDA

Minute Order No. 19-39: Approved Consent Agenda Item Nos. 6-8.

MOTION: Sandy. SECOND: Lansburgh. AYES: Arnold, Lansburgh, Sandeen, Sandy, Vanderford, Walters. ABSENT: Neu.

6. Review and Approve the Minutes of August 14, 2019

Approved the minutes of August 14, 2019 on Consent.

7. Review and Approve Destruction of YCH Records in Accordance with the YCH Records and Retention Policy and Schedules (Holt)

Approved recommended action on Consent.

8. Review and Approve Updated Contract with the City of Winters for the El Rio Villas Lift Station Maintenance (Gillette)

Approved **Agreement No. 19-04** on Consent.

REGULAR AGENDA

9. Review, Approve and Adopt Resolutions Authorizing the Execution of Standard Contract with the State of California Department of Housing and Community Development, Office of Migrant Services, by the CEO, subject to Final Review and Concurrence of Agency Legal Counsel (Gillette)

Minute Order No. 19-40: Approved recommended actions by **Resolution Nos. 19-09** and **19-10**.

MOTION: Sandy. SECOND: Sandeen. AYES: Arnold, Lansburgh, Sandeen, Sandy, Vanderford, Walters. ABSENT: Neu.

10. Review and Approve the Yolo County Housing 70th Anniversary Planning Concept (Holt)

Minute Order No. 19-41: Approved recommended action.

MOTION: Lansburgh. SECOND: Sandy. AYES: Arnold, Lansburgh, Sandeen, Sandy, Vanderford, Walters. ABSENT: Neu.

11. Strategic Planning Workshop final pieces - 1) How best to foster partnerships for housing resources from cities/county? 2) Input and Stakeholder Planning around housing

Held Strategic Planning Workshop final pieces - 1) How best to foster partnerships for housing resources from cities/county? 2) Input and Stakeholder Planning around housing.

12. Receive Verbal Update Report from CEO on Emergency Generator Project

Received Verbal Update Report from CEO on Emergency Generator Project.

13. Receive Comments from CEO

Received the following comments from the CEO:

- Letter sent from Governor Newsom to President Trump requesting 50,000 more housing vouchers;
- "Protecting Immigrant Families" flyer and its impact on immigrant populations;
- Housing Bill SB1, Article 34 is still alive;
- "A Picture of Preservation Need" flyer regarding the need to maintain affordable properties; and
- AB 1482 (Chiu) Tenant Protection Act of 2019: Rent Caps, is on the Governor's desk for signature.

14. Receive Comments from Commissioners

There were no comments from Commissioners.

LONG RANGE CALENDAR

October 23, 2019		
Minutes of 9/18/19	Julie D	Consent
Flat rent update	Tom D	Consent
1st Quarter write offs	Tom D	Consent
Unaudited Year End Financials 2018-2019	Jim G	Regular
Assignment of Points/Limited Preference to Mainstream Voucher Applicants	Janis/Irma	Consent

Review and Approve Proposed Lease for CalWorks families	Janis/Tom	Regular
November 2019		
NONE		
December 2019		
Minutes of 10/23/19	Julie D	Consent
1st Quarter Financials	Jim G	Regular
70th Anniversary Annual Plan and Resolution	Janis/Lisa	Regular - may move to 1/20

ADJOURNMENT

Next meeting is October 23, 2019 at 3:00 p.m.

Yolo County Housing **6.**

Meeting Date: 10/23/2019

Information

SUBJECT

Receive and File Correspondence from the U.S. Dept of Housing and Urban Development Designating YCH Housing Choice Voucher Program and a National High Performer (Holt, Jimenez-Perez)

Attachments

Staff Report

Att. A. Correspondence from HUD

Form Review

Form Started By: Julie Dachtler Started On: 10/18/2019 04:08 PM

Final Approval Date: 10/18/2019

Yolo County Housing

147 W. Main Street
WOODLAND, CA 95695

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

DATE: October 23, 2019

TO: YCH Housing Commission

FROM: Lisa A. Baker, CEO

PREPARED BY: Janis R. Holt, General Director

SUBJECT: **Receive and File Correspondence from the U.S. Department of Housing and Urban Development (HUD) confirming that Yolo County Housing is a High Performer in the Housing Choice Voucher (HCV) Program**

RECOMMENDED ACTION

That the Housing Commission:

1. Receive and File the Correspondence

BACKGROUND/DISCUSSION

YCH received correspondence from HUD that the Housing Choice Voucher (HCV) Program Section Eight Management Assessment Plan (SEMAP) scored **100%**, making it a federal high performer in the HCV program. This assessment verifies and validates the YCH self-assessment approved by the Commission in August of this year.

YCH has been a HUD Recognized High Performer for **ten consecutive years**.

FISCAL IMPACT:

None.

CONCLUSION:

Staff recommends that the Commission receive and file the correspondence.

Attachment: Correspondence from HUD

U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
One Sansome Street, Suite 1200
San Francisco, California 94104-4430
www.hud.gov
espanol.hud.gov

SEP 2 0 2019

Ms. Lisa Baker
Executive Director
Housing Authority of the County of Yolo
147 W. Main Street
Woodland, CA 95695

Dear Ms. Baker:

This letter provides the scoring information for the **Housing Authority of the County of Yolo's** Section 8 Management Assessment Program (SEMAP) for fiscal year ending **June 30, 2019**. SEMAP enables HUD to better manage the Housing Choice Voucher (HCV) program by identifying PHA capabilities and deficiencies related to the administration of the HCV program. As a result, HUD will be able to provide more effective program assistance to PHAs.

The **Housing Authority of the County of Yolo's** final score for fiscal year ending **June 30, 2019**, is **100%**. The Housing Authority's overall designation is **High**. The following are the scores for each indicator:

Indicator 1	Selection from Waiting List (24 CFR 982.54(d)(1) and 982.204(a))	**15**
Indicator 2	Reasonable Rent (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)	**20**
Indicator 3	Determination of Adjusted Income (24 CFR part 5, subpart F and 24 CFR 982.516)	**20**
Indicator 4	Utility Allowance Schedule (24 CFR 982.517)	**5**
Indicator 5	HQS Quality Control (24 CFR 982.405(b))	**5**
Indicator 6	HQS Enforcement (24 CFR 982.404)	**10**
Indicator 7	Expanding Housing Opportunities	**5**
Indicator 8	Payment Standards (24 CFR 982.503)	**5**
Indicator 9	Timely Annual Reexaminations (24 CFR 5.617)	**10**
Indicator 10	Correct Tenant Rent Calculations (24 CFR 982, Subpart K)	**5**
Indicator 11	Pre-Contract HQS Inspections (24 CFR 982.305)	**5**
Indicator 12	Annual HQS Inspections (24 CFR 982.405(a))	**10**
Indicator 13	Lease-Up	**20**
Indicator 14	Family Self-Sufficiency (24 CFR 984.105 and 984.305)	**10**
Indicator 15	Deconcentration Bonus	**N/A**

Thank you for your cooperation with the SEMAP process. Should you have any questions concerning your scores or required corrective actions, you may contact Rebecca Rudzianis, Portfolio Management Specialist, at (415) 489-6636.

Sincerely,

Gerard Windt
Director
Office of Public Housing

Yolo County Housing **7.**

Meeting Date: 10/23/2019

Information

SUBJECT

Receive and File Rental Assistance Demonstration (RAD) Program Update Report (Gillette, Baker)

Attachments

Staff Report

Form Review

Form Started By: Julie Dachtler Started On: 10/18/2019 04:10 PM

Final Approval Date: 10/18/2019

Yolo County Housing

147 W. Main Street Woodland: (530) 662-5428
WOODLAND, CA 95695 Sacramento: (916) 444-8982
TTY: (800) 545-1833, ext. 626

DATE: October 23, 2019

TO: YCH Housing Commission

FROM: Lisa A. Baker, Chief Executive Officer

PREPARED BY: Jim Gillette, Finance Director

SUBJECT: Receive and File RAD Process Update

RECOMMENDED ACTIONS:

Receive and file the RAD process update report.

BACKGROUND/DISCUSSION:

The Rental Assistance Demonstration (RAD) program is a federal housing program that was enacted as part of the Consolidated and Further Continuing Appropriations Act of 2012, administered by the Department of Housing and Urban Development (HUD). Broadly, the purpose of RAD is to provide a set of tools to address the unmet capital needs of deeply affordable, federally assisted public housing properties in order to maintain both the viability of the properties and their long-term affordability. Having done resident outreach and education, YCH has applied for RAD and is currently in the feasibility, environmental review and fiscal analysis stage of the process.

Significant milestones completed to date:

- August 2018: RAD application submitted to HUD
- October 2018: RAD application approved by HUD and Commitment to Housing Assistance Payments (CHAP) award letter received.
- January 2019: Consultant for RAD Physical Conditions Assessment (RPCA) and Phase I Environmental Review (Phase I) hired after RFP process
- May 2019: RAD process consultant hired through RFP process to help guide staff through the RAD process with the best deal possible for YCH.
- June 2019: Staff receives notice of additional flexibility to RAD process due to pending announcement of a new Streamlined Voluntary Conversion (SVC) funding

option for up to 250 units. Formal announcement of this program issued from HUD on September 9, 2019.

- June to September: Initial financial, environmental work by YCH RAD team. Drone survey of properties for elevations being completed prior to easement, boundary and lot line work.
- October 3, 2019: Initial meeting of RAD subcommittee to discuss current status, options, and anticipated timing to complete the RAD process.

Current and Next Steps:

Initial analysis of feasibility showed a funding shortfall in AMP III in West Sacramento due to lower rents paid by elderly and disabled tenants. Subsequent to this, HUD has come out with Revision 4 to the RAD program. This creates a new tool called Voluntary Streamlined Conversion. With the advent of this new tool, staff and consultants have been modelling alternative strategies. These new opportunities appear to present a sustainable path forward. An initial concept discussion was held with the Board's RAD subcommittee on October 3, 2019. With the input received from the members, staff is moving forward with the Agency's RAD team on finalizing a draft plan designed to cause minimum disruption to residents and maximize value on exit so that the units can be maintained and appropriate capital reserves established.

The proposed plan will be designed to not only accomplish the above, but also to create developable land for projects. The final property and program types may vary to some degree, but the strategy to use a combination of PBRA, PBV, Section 18 disposition (primarily of vacant land and non-RAD eligible units) and Streamline Voluntary Conversion. Once the draft plan has been completed and tested for viability, staff will bring the proposed plan forward, 1st to the RAD Subcommittee for additional input and then to the Board. The goal is to exit the public housing program by November 2020. However, once the process is underway, staff also anticipates coming back to the Board to consider funding for preliminary planning for projected new developments on newly created lots as a way to "hit the ground running" once RAD has been completed.

Significant Open Items and Expected Date of Completion:

The following significant items or processes need to be completed in order to obtain final HUD approval and officially exit the public housing program by October 2020:

- Complete the feasibility analysis of using the various programs and obtain preliminary HUD approval by March 2020.
- Wind down the Energy Performance Contract (EPC) program used to fund $1.6 million of energy upgrades to public housing units with an equipment loan secured by the upgrades that was to be repaid over 25 years with a specific public housing

funding program for this purpose. The associated debt will need to be repaid or refinanced by August 2020.

- Final municipal approval of any lot-line adjustments or lot splits (to remove excess property and refine property being moved into the new programs from public housing) and resolve any title issues prior to closing escrow on the removal of this property from public housing. Must be approved by October 2020.
- Finalized plan with MRI-Tenmast to migrate enterprise data for new programs and structure by October 2020. Migration of tenant data and changes in program types in the Agency's Enterprise system is a complex process and will involve conversion and process mapping. Staff was able to get a sense of the work needed at MRI/Tenmast's conference session at this year's National NAHRO. Good to know they have been working on these issues already.
- Based on limitations and regulatory requirements of the various conversion programs, closing will need to be done in a specific order or, if a variance is provided by HUD, simultaneously in November 2020 in order to minimize the carry costs necessary for funding transitions that begin on January 1 of each year.

FISCAL IMPACT:

As the public housing program has been grossly underfunded over the last few decades and funding levels have continued to decline, operators are being forced to look at other available options for long-term viability to maintain affordability for the community. To this end, it appears that HUD is now providing sufficient flexibility with the programs it has made available to public housing operators to exit the program with options for long-term viability and potential expansion of affordable housing options in the communities that they serve.

CONCLUSION:

Staff recommends that the Housing Commission review and file the RAD process update report.

Yolo County Housing **8.**

Meeting Date: 10/23/2019

Information

SUBJECT

Receive and File Report on the Status of Reporting Unaudited Year End Financial information to HUD and Audit Update (Gillette, Baker)

Attachments

Staff Report

Att. A. Unaudited Consolidated Balance Sheet

Att. B. Revenue & Expense Reports

Form Review

Form Started By: Julie Dachtler

Started On: 10/18/2019 04:48 PM

Final Approval Date: 10/18/2019

Yolo County Housing

147 W. Main Street Woodland: (530) 662-5428
WOODLAND, CA 95695 Sacramento: (916) 444-8982
TTY: (800) 545-1833, ext. 626

DATE: October 23, 2019

TO: YCH Housing Commission

FROM: Lisa A. Baker, Chief Executive Officer

PREPARED BY: Jim Gillette, Finance Director

SUBJECT: Receive and File Report on Unaudited Financial Report Submitted to HUD and Status of Audit Report for the Year Ending June 30, 2019

RECOMMENDED ACTIONS:

Receive and file the unaudited financial report for the fiscal year ending June 30, 2019.

BACKGROUND/DISCUSSION:

Annually each housing authority is required to submit to HUD its "Unaudited" Financial Data Schedule (FDS) by the end of the second month after the housing authority's year end with an automatic fifteen-day extension prior to imposing penalties. YCH's Unaudited FDS has been submitted to HUD as required. A summary of the results is included in this document with the printed FDS reports attached. Depreciation is a "non-cash" expense which spreads the cost of capital assets over their useful life, but which has no useful meaning for a public agency not subject to income tax and is therefore ignored in the analysis.

This staff report is designed to provide you with a status update and preliminary information at the program level of what the final audit report will look like when it is issued. The final audit report for YCH will contain a more detailed Management Discussion and Analysis (MD&A) based on the final numbers, so the analysis shown here is done at a very high level.

This unaudited financial report attached is due to HUD within 60 days after the end of the fiscal year and the final audited report is due 9 months after the end of the fiscal year (March since YCH has a June year end). Staff has made a concerted effort to issue the final audit reports much earlier than they are required by HUD to ensure that information is more timely and relevant to the reader. Staff anticipates issuance of the final audit report for FY 2018 - 2019 by the end of November.

Below is a program by program general overview of revenue and expenses. A more detailed discussion and analysis will be incorporated into the Management Discussion and Analysis (MD&A) section of the audited financial statements which will be issued in the next few months.

- **Project Total (Low Income Public Housing/AMPs):**
    - The three public housing Asset Management Projects (AMPs) received an Operating Subsidy ($1,242,426) and Capital Funds ($388,076) from HUD during the year. These funds are used to subsidize the costs of running the public housing sites during the year.
    - This program shows a combined excess operating revenue over operating expenses (excluding depreciation) of $155,933 on revenue of $3,717,361
    - Income earned in the AMPs is restricted for use within the AMPs.
    - Cash held in trust by the City of Winters for YCH related to the El Rio Villas lift station maintenance contract and a reserve for the solar power charges to tenants will be recognized in the final FY2019 financial statements. The amounts to be reflected in the final financial statements are currently being discussed with the external auditors and are expected to be a material increase to fund balance from the amounts shown in the unaudited financials.

- **Rural Rental Assistance Payments (Davis Solar Homes):**
    - Consists of 7 units (3 duplexes and 1 single-family home) in the City of Davis.
    - This program experienced operating revenue over operating expenses (excluding depreciation) of $18,345. These funds will be retained in an operating reserve until needed.

- **Resident Opportunity and Supportive Services (ROSS Grant):**
    - Is a reimbursement program for specific types of expenses related to self-sufficiency programs within our public housing portfolio. Any small

difference between operating revenue and operating expenses is the result of timing differences between the actual expenses incurred and the billing for the related reimbursements.

- This grant will terminate at the end of January 2020 and be replaced with a slightly different Family Self Sufficiency (FSS) grant program for non-public housing tenants that has just been awarded. This change has been made in preparation for the pending RAD conversion that will essentially end YCH participation in the public housing program.

- **Housing Choice Voucher (HCV) Program:** Though the administration and management of this program is combined in the attached reports, we have highlighted the notable items below:
  - Revenue for the HCV administration and management portion of the program from HUD during the year was $1,210,251 offset by operating expenses of $1,363,690, which equates to a decrease in unrestricted administrative fund balance (UNP) of $153,439. The primary reason for this decrease is administrative operating costs which increased $60,595 from the prior year. Higher salaries, pension, and OPEB costs make up the majority of this amount. Management fees also increased due to a greater amount of administrative fee revenues being charged by COCC based on HUD's admin fee formula. Management is aware of the shortfall in HCV administrative funding and will propose adjustments in the FY 2020 mid-year budget.
  - Housing Assistance Payments (HAP) funded by HUD during the year were $12,039,693 with HAP payments of $11,993,727 which translated into an increase in the HAP reserves (NRP). With an increase in funding over the prior year, and considering difficult leasing markets, we gained a net of five vouchers in FY19. Our HAP expenses continue to increase primarily due to landlord rent increases driven by our payment standards effective December 1, 2018. As of this report date, we are still experiencing rent increase requests from landlords as a result of the last payment standard increase.

- **Discretely Presented Component Unit (New Hope Crosswood Associates LP/Crosswood Apartments):**
  - Is a tax credit partnership where a subsidiary of New Hope CDC is the sole general partner and therefore the entire financial picture for this project is included in our financials even though our ownership interest is only 0.01%.
  - The numbers presented are from the December 31, 2018 audit report.

- Crosswood had a decrease in fund balance of $124,575 on operating revenues of $497,327 driven by a decrease in assets, primarily cash. This was due to debt service payments which resulted in a net decrease in long-term debt of $151,072 from the prior year.

- **Blended Component Unit (New Hope CDC development and program activity, plus Cottonwood Meadows Senior Apartments):**
  - Excess of operating revenue over operating expenses (excluding depreciation) of $376,100 is primarily driven by development fee revenue recognized for West Beamer Place of $192,026 with the remaining revenue used to pay the principal portion of the debt service payments where the cost is shown on the balance sheet.
  - Expected development and other fee revenue for various development projects is recognized when earned (rather than as actually received) using a net present value calculation. Therefore only adjustments related to the actual timing of cash receipts is recognized in the current and future years, which are expected to be minor.

- **State & Local** (**Pacifico**, **ADMH/Helen Thompson Homes, IGT House, 3 migrant centers)**:
  - These are all cost reimbursement programs where YCH is reimbursed for costs plus a management fee. Any increase in fund balance is typically for funding into replacement or operational reserves which are restricted for use only within the originating program.
  - Excess of operating revenue over operating expenses (excluding depreciation) for the state and local program was $37,724 on revenue of $2,140,611. In addition, a total of $112,019 of reserves was spent on capital improvement work (shown as extraordinary maintenance in the table) at the Madison migrant center and one of the Helen Thompson homes.

- **Business Activities (Woodland Community Center II):**
  - Is a development project related to the demolition of a building and future construction of a new community building in partnership with the City of Woodland with costs capitalized on the balance sheet. This project is currently on hold pending new direction and potential modifications to the plan based on expected future uses for this property.

- **COCC (General Fund and administration building):**

- Excess of operating revenue over operating expenses (excluding depreciation) was $617,607 on revenues of $3,300,438 is due mainly to the increase in capital assets (net of depreciation) of $439,527 related to the final costs of the solar array project at the AMP sites which were placed in service in FY 2019. The majority of this cost had been recorded as a fixed asset on the balance sheet in FY 2018.
- Building of the solar arrays with the remaining $1,782,298 in the construction escrow is the primary driver of the decrease in cash compared to the prior fiscal year.
- Fee revenue of $1,982,954 is offset by fee expenses paid by the programs, which are eliminated on consolidation.
- Administrative expenses decreased $135,184 primarily due to the change in IT management from an employee to a contracted service. The cost of the contracted service in FY 2019 to Matsom and Isom was $50,368, which included start-up costs.

FISCAL IMPACT:

Overall, YCH has been able to maintain operating revenue plus housing assistance payments slightly above operating expenses plus extraordinary maintenance across the portfolio. The combination of fairly abnormal capital improvement activities during the year, as noted above, drove an increase to fund balance (excluding depreciation) of $1,121,665.

YCH will continue to prepare its budget forecasts in conservative manner as funding levels remain uncertain.

Although this is the “Unaudited FDS,” staff expects the final report should have no significant changes, other than the recognition of the additional funds held in trust for YCH by the City of Winters and any adjustment to net solar receiveables, at the conclusion of the audit other than reclassification entries for presentation purposes and the items noted above.

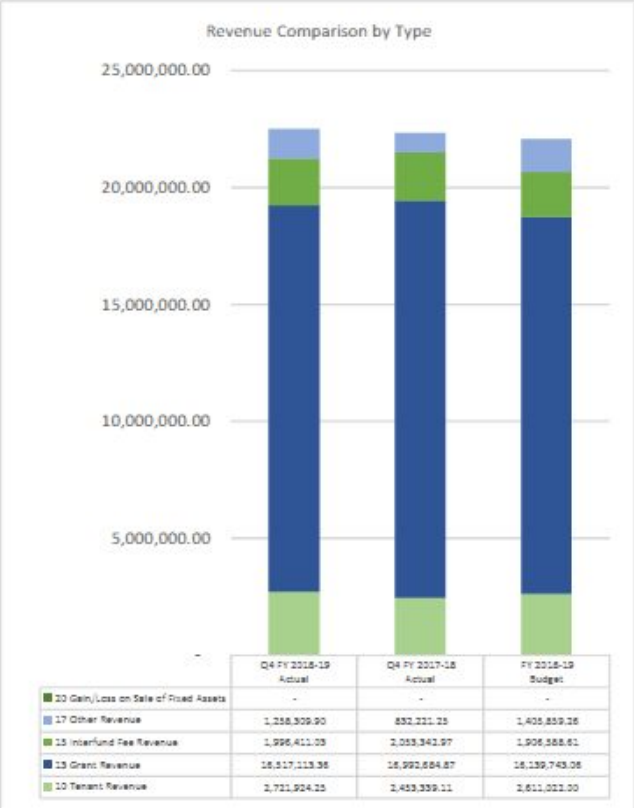
ATTACHMENTS:

Agency Wide Unaudited Consolidated Balance Sheet and Revenue & Expense Reports

Yolo County Housing
Budget Comparison Report

Fund(s): All Primary Government

Description	Q4 FY 2018-19 Actual	Q4 FY 2017-18 Actual	FY 2018-19 Budget	FY 2018-19 Budget Variance
Tenant Revenue	2,721,924.25	2,453,339.11	2,611,022.00	(110,902.25)
Grant Revenue	16,517,113.36	16,992,684.87	16,139,743.06	(377,370.30)
Interfund Fee Revenue	1,996,411.03	2,053,342.97	1,906,588.61	(89,822.42)
Other Revenue	1,258,309.90	832,221.25	1,405,859.26	147,549.36
Gain/Loss on Sale of Fixed Assets	-	-	-	-
Transfer In	397,464.04	1,246,225.57	509,934.99	112,470.95
Total Revenue	**22,891,222.58**	**23,577,813.77**	**22,573,147.92**	**(318,074.66)**
Administrative Expense	4,937,773.86	4,744,208.75	4,876,312.88	(61,460.98)
General & Taxes Expense	777,886.49	678,425.60	729,755.28	(48,131.21)
Rehabilitation & Repairs Expense	30,233.16	879,230.02	100,850.00	70,616.84
Maintenance Expense	2,482,177.00	2,274,373.69	2,323,084.36	(159,092.64)
Insurance Expense	353,125.37	327,616.32	351,880.95	(1,244.42)
Utilities Expense	1,100,544.31	1,195,403.00	1,207,532.80	106,988.49
Housing Assistance Payments	11,887,094.81	11,582,767.26	11,592,000.00	(295,094.81)
Debt Service & Depreciation Expense	1,249,887.89	222,880.46	356,281.91	(893,605.98)
Other Expense & Transfer Out				
Total Expense	**22,818,722.89**	**21,904,905.10**	**21,537,698.18**	**(1,281,024.71)**
Net Income (Loss)	**72,499.69**	**1,672,908.67**		



This graph is a visual demonstration of the entity-wide budget comparison. As indicated by the colors, YCH has not experienced dramatic deviations in revenue or expense between FY 2018 (middle column) and FY 2019 (right column).

Housing Authority of the County of Yolo (CA044)
WOODLAND, CA

Entity Wide Balance Sheet Summary

Submission Type: Unaudited/Single Audit Fiscal Year End: 06/30/2019

	Project Total	10.427 Rural Rental Assistance Payments	14.218 Community Development Block Grants/Entitlement Grants	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	$1,149,432	$60,292	$0		$387,579	$70,230	$659,886	$585,002		$53,580	$2,966,001		$2,966,001
112 Cash - Restricted - Modernization and Development						$174,211		$904,575			$1,078,786		$1,078,786
113 Cash - Other Restricted					$114,336					$7,709	$122,045		$122,045
114 Cash - Tenant Security Deposits	$180,454	$3,608				$12,948	$21,712	$52,439			$271,161		$271,161
115 Cash - Restricted for Payment of Current Liabilities													
100 Total Cash	$1,329,886	$63,900	$0	$0	$501,915	$257,389	$681,598	$1,542,016	$0	$61,289	$4,437,993	$0	$4,437,993
121 Accounts Receivable - PHA Projects													
122 Accounts Receivable - HUD Other Projects	$58,709			$24,569							$83,278		$83,278
124 Accounts Receivable - Other Government					$1,783			$288,650		$84,374	$374,807		$374,807
125 Accounts Receivable - Miscellaneous	$11,131						$272,864			$0	$283,995		$283,995
126 Accounts Receivable - Tenants	$19,747	$37				$4,402	$9,687	$8,105			$41,978		$41,978
126.1 Allowance for Doubtful Accounts -Tenants	-$9,512	$0				$0	-$4,778	-$3,659		$0	-$17,949		-$17,949
126.2 Allowance for Doubtful Accounts - Other	$0			$0	$0	$0	$0	$0		$0	$0		$0
127 Notes, Loans, & Mortgages Receivable - Current	$97,516										$97,516		$97,516
128 Fraud Recovery													
128.1 Allowance for Doubtful Accounts - Fraud													
129 Accrued Interest Receivable													
120 Total Receivables, Net of Allowances for Doubtful Accounts	$177,591	$37	$0	$24,569	$1,783	$4,402	$277,773	$293,096	$0	$84,374	$863,625	$0	$863,625
131 Investments - Unrestricted													
132 Investments - Restricted													
135 Investments - Restricted for Payment of Current Liability													
142 Prepaid Expenses and Other Assets	$140,450	$2,055		$1,055	$33,968	$19,188	$25,364	$91,085		$22,602	$335,767		$335,767
143 Inventories	$12,829										$12,829		$12,829
143.1 Allowance for Obsolete Inventories	$0										$0		$0
144 Inter Program Due From										$639,701	$639,701	-$639,701	$0
145 Assets Held for Sale													
150 Total Current Assets	$1,660,756	$65,992	$0	$25,624	$537,666	$280,979	$984,735	$1,926,197	$0	$807,966	$6,289,915	-$639,701	$5,650,214
161 Land	$3,185,656	$40,839				$90,000	$239,463	$427,887		$3,528,120	$7,511,965		$7,511,965
162 Buildings	$11,286,430					$5,962,720	$1,372,522	$797,953		$3,995,354	$23,414,979		$23,414,979
163 Furniture, Equipment & Machinery - Dwellings	$149,961				$26,763					$21,729	$198,453		$198,453
164 Furniture, Equipment & Machinery - Administration	$26,731				$61,026	$5,647	$77,110	$6,723		$518,706	$695,943		$695,943
165 Leasehold Improvements	$17,308,569	$423,182				$324,504	$234,903	$45,120		$3,831,937	$22,168,215		$22,168,215
166 Accumulated Depreciation	-$22,039,364	-$349,771			-$69,164	-$668,950	-$730,604	-$147,195		-$2,950,590	-$26,955,638		-$26,955,638
167 Construction in Progress	$755,715						$154,071	$169,980	$125,974	$19,622	$1,225,362		$1,225,362
168 Infrastructure													
160 Total Capital Assets, Net of Accumulated Depreciation	$10,673,698	$114,250	$0	$0	$18,625	$5,713,921	$1,347,465	$1,300,468	$125,974	$8,964,878	$28,259,279	$0	$28,259,279
171 Notes, Loans and Mortgages Receivable - Non-Current							$683,434			$989,817	$1,673,251		$1,673,251

172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due													
173 Grants Receivable - Non Current													
174 Other Assets						$24,237					$24,237		$24,237
176 Investments in Joint Ventures							$149			$38,395	$38,544	-$38,395	$149
180 Total Non-Current Assets	$10,673,698	$114,250	$0	$0	$18,625	$5,738,158	$2,031,048	$1,300,468	$125,974	$9,993,090	$29,995,311	-$38,395	$29,956,916
200 Deferred Outflow of Resources	$328,537	$1,652			$185,764		$11,853	$169,154		$309,967	$1,006,927		$1,006,927
290 Total Assets and Deferred Outflow of Resources	$12,662,991	$181,894	$0	$25,624	$742,055	$6,019,137	$3,027,636	$3,395,819	$125,974	$11,111,023	$37,292,153	-$678,096	$36,614,057
311 Bank Overdraft	$0		$0								$0		$0
312 Accounts Payable <= 90 Days					$5,433	$10,983		$195,749		$155,477	$367,642		$367,642
313 Accounts Payable >90 Days Past Due													
321 Accrued Wage/Payroll Taxes Payable										$1,414	$1,414		$1,414
322 Accrued Compensated Absences - Current Portion	$2,901	$144		$484	$9,915		$988	$7,834		$31,652	$53,918		$53,918
324 Accrued Contingency Liability													
325 Accrued Interest Payable						$115,300	$2,076				$117,376		$117,376
331 Accounts Payable - HUD PHA Programs													
332 Account Payable - PHA Projects													
333 Accounts Payable - Other Government	$120,069							$240,704			$360,773		$360,773
341 Tenant Security Deposits	$168,722	$3,595				$12,948	$19,160	$49,236		$3,150	$256,811		$256,811
342 Unearned Revenue	$6,031						$153,145	$240,000		$366	$399,542		$399,542
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$38,614										$38,614		$38,614
344 Current Portion of Long-term Debt - Operating Borrowings	$19,075					$59,119	$51,924			$123,274	$253,392		$253,392
345 Other Current Liabilities	$96,258				$13,655	$2,910		$227,851		$187,336	$528,010		$528,010
346 Accrued Liabilities - Other	$68,081	$33			$12,290	$10,585	$318	$4,243		$10,034	$105,584		$105,584
347 Inter Program - Due To		$4,743		$20,482	$159,864		$20,391	$434,221			$639,701	-$639,701	$0
348 Loan Liability - Current						$53,427	$0				$53,427		$53,427
310 Total Current Liabilities	$519,751	$8,515	$0	$20,966	$201,157	$265,272	$248,002	$1,399,838	$0	$512,703	$3,176,204	-$639,701	$2,536,503
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$1,025,989										$1,025,989		$1,025,989
352 Long-term Debt, Net of Current - Operating Borrowings	$506,822					$2,880,672	$1,841,910			$2,216,014	$7,445,418		$7,445,418
353 Non-current Liabilities - Other					$20,840			$369,664			$390,504	-$38,395	$352,109
354 Accrued Compensated Absences - Non Current	$8,703	$433		$1,451	$29,742		$2,964	$23,504		$94,956	$161,753		$161,753
355 Loan Liability - Non Current						$1,458,434	$0				$1,458,434		$1,458,434
356 FASB 5 Liabilities													
357 Accrued Pension and OPEB Liabilities	$1,553,298	$9,673		$3,720	$949,692		$55,735	$870,111		$1,804,640	$5,246,869		$5,246,869
350 Total Non-Current Liabilities	$3,094,812	$10,106	$0	$5,171	$1,000,274	$4,339,106	$1,900,609	$1,263,279	$0	$4,115,610	$15,728,967	-$38,395	$15,690,572
300 Total Liabilities	$3,614,563	$18,621	$0	$26,137	$1,201,431	$4,604,378	$2,148,611	$2,663,117	$0	$4,628,313	$18,905,171	-$678,096	$18,227,075
400 Deferred Inflow of Resources	$58,418	$399		$4,140	$37,404		$358	$33,145		$48,616	$182,480		$182,480
508.4 Net Investment in Capital Assets	$8,918,857	$114,250	$0	$0	$4,970	$2,760,635	$1,347,146	$1,029,980		$6,428,218	$20,604,056		$20,604,056
511.4 Restricted Net Position	$0		$0								$0		$0
512.4 Unrestricted Net Position	$71,153	$48,624	$0	-$4,653	-$501,750	-$1,345,876	-$468,479	-$330,423	$125,974	$5,876	-$2,399,554		-$2,399,554
513 Total Equity - Net Assets / Position	$8,990,010	$162,874	$0	-$4,653	-$496,780	$1,414,759	$878,667	$699,557	$125,974	$6,434,094	$18,204,502	$0	$18,204,502
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$12,662,991	$181,894	$0	$25,624	$742,055	$6,019,137	$3,027,636	$3,395,819	$125,974	$11,111,023	$37,292,153	-$678,096	$36,614,057

Housing Authority of the County of Yolo (CA044)
WOODLAND, CA

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit Fiscal Year End: 06/30/2019

	Project Total	10.427 Rural Rental Assistance Payments	14.218 Community Development Block Grants/Entitlement Grants	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$2,037,669	$56,952	$0			$203,321	$359,837		$0	$0	$2,657,779	-$178,586	$2,479,193
70400 Tenant Revenue - Other	$27,891	$37				-$11,529	$9,881				$26,280		$26,280
70500 Total Tenant Revenue	$2,065,560	$56,989	$0	$0	$0	$191,792	$369,718	$0	$0	$0	$2,684,059	-$178,586	$2,505,473
70600 HUD PHA Operating Grants	$1,242,426			$94,845	$13,203,978	$295,881					$14,837,130		$14,837,130
70610 Capital Grants	$388,076									$9,389	$397,465		$397,465
70710 Management Fee										$909,598	$909,598	-$909,598	$0
70720 Asset Management Fee										$89,444	$89,444	-$89,444	$0
70730 Book Keeping Fee										$161,438	$161,438	-$161,438	$0
70740 Front Line Service Fee										$822,474	$822,474	-$822,474	$0
70750 Other Fees													
70700 Total Fee Revenue										$1,982,954	$1,982,954	-$1,982,954	$0
70800 Other Government Grants								$1,735,578			$1,735,578		$1,735,578
71100 Investment Income - Unrestricted	$4,014	$163			$1,313	$35	$775	-$15		$27,398	$33,683		$33,683
71200 Mortgage Interest Income													
71300 Proceeds from Disposition of Assets Held for Sale													
71310 Cost of Sale of Assets													
71400 Fraud Recovery					$286						$286		$286
71500 Other Revenue	$17,285				$2,054	$8,731	$297,937	$405,048		$1,280,697	$2,011,752		$2,011,752
71600 Gain or Loss on Sale of Capital Assets													
72000 Investment Income - Restricted						$888					$888		$888
70000 Total Revenue	$3,717,361	$57,152	$0	$94,845	$13,207,631	$497,327	$668,430	$2,140,611	$0	$3,300,438	$23,683,795	-$2,161,540	$21,522,255
91100 Administrative Salaries	$281,178	$1,617	$0	$1,147	$426,358	$26,943	$34,227	$71,175	$0	$737,420	$1,580,065		$1,580,065
91200 Auditing Fees	$35,025	$499			$11,327	$15,700	$13,249	$3,984		$10,441	$90,225		$90,225
91300 Management Fee	$467,025	$5,208			$242,050	$36,228	$19,320	$211,815			$981,646	-$947,322	$34,324
91310 Book-keeping Fee	$38,288				$123,150	$4,052					$165,490	-$161,438	$4,052
91400 Advertising and Marketing	$1,076				$1,357	$6,844	$385			$520	$10,182		$10,182
91500 Employee Benefit contributions - Administrative	$257,869	$6,138		$5,171	$265,420	$9,112	$19,840	$85,732		$457,119	$1,106,401		$1,106,401
91600 Office Expenses	$205,315	$948		$1,960	$189,234	$25,148	$11,563	$57,685		$166,328	$658,181	-$271,600	$386,581
91700 Legal Expense	$1,753						$302	$4,553		$35,978	$42,586		$42,586
91800 Travel	$4,228	$47		$2,052	$4,245		$1	$4,735		$8,352	$23,660		$23,660
91810 Allocated Overhead		$522									$522		$522
91900 Other	$167,488				$42,117	$12,388	$714	$87,161		$23,911	$333,779		$333,779
91000 Total Operating - Administrative	$1,459,245	$14,979	$0	$10,330	$1,305,258	$136,415	$99,601	$526,840	$0	$1,440,069	$4,992,737	-$1,380,360	$3,612,377
92000 Asset Management Fee	$51,720										$51,720	-$51,720	$0
92100 Tenant Services - Salaries	$33,797			$57,066	$24,646			$42,461			$157,970		$157,970
92200 Relocation Costs													
92300 Employee Benefit Contributions - Tenant Services	$5,722			$28,522	$9,481						$43,725		$43,725

92400 Tenant Services - Other	$8,978					$6,557		$610			$16,145		$16,145
92500 Total Tenant Services	$48,497	$0	$0	$85,588	$34,127	$6,557	$0	$43,071	$0	$0	$217,840	$0	$217,840
93100 Water	$198,091	$6,203				$19,161	$12,766	$124,812		$3,859	$364,892		$364,892
93200 Electricity	$60,923					$2,416	$3,834	$163,666		$22,901	$253,740		$253,740
93300 Gas	$8,216					$5,338	$950	$64,810		$2,225	$81,539		$81,539
93400 Fuel							$22,870				$22,870		$22,870
93500 Labor													
93600 Sewer	$279,269	$3,787				$23,822		$117,745		$999	$425,622		$425,622
93700 Employee Benefit Contributions - Utilities													
93800 Other Utilities Expense													
93000 Total Utilities	$546,499	$9,990	$0	$0	$0	$50,737	$40,420	$471,033	$0	$29,984	$1,148,663	$0	$1,148,663
94100 Ordinary Maintenance and Operations - Labor	$573,656	$1,871			$425	$14,478	$24,319	$263,763		$438,881	$1,317,393	-$729,460	$587,933
94200 Ordinary Maintenance and Operations - Materials and Other	$198,841	$4,793			$318	$3,396	$15,842	$229,958		$12,907	$466,055		$466,055
94300 Ordinary Maintenance and Operations Contracts	$364,291	$3,594			$1,952	$33,312	$26,659	$116,523		$62,202	$608,533		$608,533
94500 Employee Benefit Contributions - Ordinary Maintenance								$112,587		$199,038	$311,625		$311,625
94000 Total Maintenance	$1,136,788	$10,258	$0	$0	$2,695	$51,186	$66,820	$722,831	$0	$713,028	$2,703,606	-$729,460	$1,974,146
95100 Protective Services - Labor													
95200 Protective Services - Other Contract Costs	$1,783					$1,055	$216	$5,266		$9,341	$17,661		$17,661
95300 Protective Services - Other													
95500 Employee Benefit Contributions - Protective Services													
95000 Total Protective Services	$1,783	$0	$0	$0	$0	$1,055	$216	$5,266	$0	$9,341	$17,661	$0	$17,661
96110 Property Insurance	$82,921	$1,400				$14,997	$5,228	$109,680		$11,572	$225,798		$225,798
96120 Liability Insurance	$18,511	$285			$6,997		$5,031	$14,230		$177	$45,231		$45,231
96130 Workmen's Compensation	$5,610	$46		$522	$6,397	$2,074	$595	$15,230		$43,179	$73,653		$73,653
96140 All Other Insurance	$8,160				$1,546			$5,595		$10,199	$25,500		$25,500
96100 Total insurance Premiums	$115,202	$1,731	$0	$522	$14,940	$17,071	$10,854	$144,735	$0	$65,127	$370,182	$0	$370,182
96200 Other General Expenses	$4,500	$1,580			$3,000	$29,431	$12,704	$19,498		$383,797	$454,510		$454,510
96210 Compensated Absences	-$1,657	$269		$536	$414		$964	$4,779		-$3,133	$2,172		$2,172
96300 Payments in Lieu of Taxes	$126,836										$126,836		$126,836
96400 Bad debt - Tenant Rents	$18,348				$3,256	$73	$4,670	$16,919			$43,266		$43,266
96500 Bad debt - Mortgages													
96600 Bad debt - Other										$2,361	$2,361		$2,361
96800 Severance Expense													
96000 Total Other General Expenses	$148,027	$1,849	$0	$536	$6,670	$29,504	$18,338	$41,196	$0	$383,025	$629,145	$0	$629,145
96710 Interest of Mortgage (or Bonds) Payable													
96720 Interest on Notes Payable (Short and Long Term)	$53,667					$122,977	$56,081	$147,915		$42,257	$422,897		$422,897
96730 Amortization of Bond Issue Costs						$8,566					$8,566		$8,566
96700 Total Interest Expense and Amortization Cost	$53,667	$0	$0	$0	$0	$131,543	$56,081	$147,915	$0	$42,257	$431,463	$0	$431,463
96900 Total Operating Expenses	$3,561,428	$38,807	$0	$96,976	$1,363,690	$424,068	$292,330	$2,102,887	$0	$2,682,831	$10,563,017	-$2,161,540	$8,401,477
97000 Excess of Operating Revenue over Operating Expenses	$155,933	$18,345	$0	-$2,131	$11,843,941	$73,259	$376,100	$37,724	$0	$617,607	$13,120,778	$0	$13,120,778
97100 Extraordinary Maintenance								$112,019			$112,019		$112,019

97200 Casualty Losses - Non-capitalized													
97300 Housing Assistance Payments					$11,887,105						$11,887,105		$11,887,105
97350 HAP Portability-In					-$11						-$11		-$11
97400 Depreciation Expense	$615,537	$15,524			$5,922	$173,053	$52,412	-$10,765		$271,341	$1,123,024		$1,123,024
97500 Fraud Losses													
97600 Capital Outlays - Governmental Funds													
97700 Debt Principal Payment - Governmental Funds													
97800 Dwelling Units Rent Expense													
90000 Total Expenses	$4,176,965	$54,331	$0	$96,976	$13,256,706	$597,121	$344,742	$2,204,141	$0	$2,954,172	$23,685,154	-$2,161,540	$21,523,614
10010 Operating Transfer In													
10020 Operating transfer Out													
10030 Operating Transfers from/to Primary Government													
10040 Operating Transfers from/to Component Unit													
10050 Proceeds from Notes, Loans and Bonds													
10060 Proceeds from Property Sales													
10070 Extraordinary Items, Net Gain/Loss													
10080 Special Items (Net Gain/Loss)													
10091 Inter Project Excess Cash Transfer In													
10092 Inter Project Excess Cash Transfer Out													
10093 Transfers between Program and Project - In													
10094 Transfers between Project and Program - Out													
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-$459,604	$2,821	$0	-$2,131	-$49,075	-$99,794	$323,688	-$63,530	$0	$346,266	-$1,359	$0	-$1,359
11020 Required Annual Debt Principal Payments	$57,689	$0	$0	$0	$3,456	$59,119	$51,924	$0	$0	$123,274	$295,462		$295,462
11030 Beginning Equity	$9,449,614	$160,053	$0	-$2,522	-$447,705	$1,539,334	$554,979	$763,087	$125,974	$6,087,828	$18,230,642		$18,230,642
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors						-$24,781					-$24,781		-$24,781
11050 Changes in Compensated Absence Balance													
11060 Changes in Contingent Liability Balance													
11070 Changes in Unrecognized Pension Transition Liability													
11080 Changes in Special Term/Severance Benefits Liability													
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents													
11100 Changes in Allowance for Doubtful Accounts - Other													
11170 Administrative Fee Equity					-$496,780						-$496,780		-$496,780
11180 Housing Assistance Payments Equity					$0						$0		$0
11190 Unit Months Available	5172	84			20919	576	564			0	27315		27315
11210 Number of Unit Months Leased	5105	84			16714	569	558			0	23030		23030
11270 Excess Cash	$689,241										$689,241		$689,241
11610 Land Purchases	$0									$0	$0		$0
11620 Building Purchases	$0									$0	$0		$0
11630 Furniture & Equipment - Dwelling Purchases	$0									$0	$0		$0
11640 Furniture & Equipment - Administrative Purchases	$0									$0	$0		$0
11650 Leasehold Improvements Purchases	$0									$3,831,937	$3,831,937		$3,831,937
11660 Infrastructure Purchases	$0									$0	$0		$0
13510 CFFP Debt Service Payments	$0									$0	$0		$0
13901 Replacement Housing Factor Funds	$0									$0	$0		$0

Yolo County Housing **9.**

Meeting Date: 10/23/2019

Information

SUBJECT

Review, Approve and Adopt Resolution Amending Housing Choice Voucher Payment Standards in Accordance with Federal Requirements (Holt, Jimenez-Perez)

Attachments

Staff Report

Att. A. Resolution

Form Review

Form Started By: Julie Dachtler Started On: 10/18/2019 04:56 PM

Final Approval Date: 10/18/2019

Yolo County Housing

147 W. Main Street
WOODLAND, CA 95695

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

DATE: October 23, 2019 YCH

TO: Housing Commission

FROM: Lisa Baker, CEO

PREPARED BY: Irma Jiménez-Pérez, Housing Assistance Supervisor
Janis Holt, General Director

SUBJECT: **Review, Approve and Adopt Resolution Amending Housing Choice Voucher Payment Standards in Accordance with Federal Requirements**

RECOMMENDED ACTIONS:

1. Adopt the Resolution Amending the Payment Standard for the Housing Choice Voucher Program; and

2. Authorize the CEO to Implement new Payment Standards Effective December 1, 2019

BACKGROUND / DISCUSSION:

Yolo County Housing (YCH) must establish a Payment Standard schedule to calculate the monthly housing assistance payment sent to landlords on behalf of families participating in the Housing Choice Voucher (HCV) program. HUD publishes the Fair Market Rents (FMR) for each market area in the United States. Part 982.503 of Title 24 of the Code of Federal Regulations (24 CFR) requires that housing agencies adopt a payment standard for the FMR areas in the Agency's jurisdiction for each unit size (the unit size is measured by the number of bedrooms). By law, without federal approval and without a waiver, payment standards must be no less than 90% and no more than 110% of the FMR. A single payment standard may be established for the whole FMR area of YCH's jurisdiction or a separate payment standard may be established for each designated part of the FMR area.

In October 2007, the Board of Commissioners created two separate payment standards. One payment standard was created for the area covered by the City of Davis and one for the remaining cities and unincorporated areas in Yolo County.

Fair Market Rent HUD Rent Calculation Formula

HUD published FY 2020 FMRs became effective on October 1, 2019. The methodology used by HUD for the FY 2019 FMRs includes rent data collected by the Bureau of the Census by the American Community Survey (ACS). This rent data is collected over a five-year period, from 2013 through 2017. HUD calculates a recent mover adjustment factor by comparing a 2017 1-year 40th percentile recent mover 2-bedroom rent to the 2013-2017 5-year 40th percentile adjusted standard quality gross rent. If the recent mover and non-mover rent estimates are not reliable, HUD uses the recent mover for a larger geographic area. Rents are calculated as of 2018 using the relevant (regional or local) change in gross rent Consumer Price Index (CPI) from annual 2017 to annual 2018. These values are then inflated from 2018 to FY 2020 using a trend factor based on the forecast of gross rent changes through 2020. FY 2020 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the State minimum. FY2020 FMRs may not be less than 90% of FY2019 FMRs.

Discussion

The FMR set by HUD for all bedroom sizes of rental units in Yolo County increased. As a result, YCH must amend its standards in order to meet the 90% minimum threshold.

Determining how to set Payment Standards is a difficult task. On the one hand, housing programs are not entitlement programs, which means that a person is not automatically entitled to benefits if they meet the eligibility threshold (Medi-Cal, SSI, Cal-Fresh assistance are examples of an entitlement program). Nationally, according to the Urban Institute and the Center for Budget and Policy Priorities, only one out of four eligible Americans will ever receive housing assistance.

On the other hand, YCH can only fund vouchers at the lower of either the total contract amount authorized, or the amount of funding provided. Here in Yolo, the total contract is for 1,800 vouchers, but current funding will only support approximately 1,416 households, which means that YCH is losing the ability to serve 384 families at current rents and Payment Standards. Higher Payment Standards across the board would result in an additional loss families the Agency could serve. Adding to the difficulty, YCH is not paid on a percentage of contract or flat fee for service delivery; instead, it receives its funding based on total number of units leased on the first of each month. As units under lease declines, regardless of reason, revenue to fund operations also declines.

The Board has always chosen to maximize the total number of families that can be served in order to assist as many in need as possible. In order to achieve this directive of the best mix between assisting individuals households, serving as many families as possible and maximizing earned revenue, staff do a number of things:

- Analyze the local rental market,
- Analyze the successful leasing rate for those issued vouchers,
- Look at eligibility and participant data on program attrition.

Currently, families are having a more difficult time finding a qualifying rental. In a down real estate market, almost 90% of all vouchers issued will be successful in finding units. In an extremely tight market, such as the Bay Area, successful leasing rates can be as low as 10%. In Yolo, almost half of voucher holders can find a unit and the majority of those who will be successful will find a unit within 60 to 90 days.

Successful leasing is a combination of factors, not just Payment Standard levels. These include: credit and criminal history, willing landlords, the regulatory environment, market factors. To help improve leasing ability by families, YCH has created the Rent Ready program and is currently offering it to voucher holders. Graduates receive a Rent Ready Certificate to use when applying for housing. In addition, Leasing and HCV staff are working to engage private market rentals and maintain affordable units participation in the program through both its regular staff and the new Lease and Rental Coordinator position. Finally, the State has put controls on rent increases and has passed legislation to make it illegal to discriminate against a family solely on the basis of having a Housing Voucher. It is too early to tell if these measures will help stabilize the market and staff will continue to analyze data to determine if this is having a positive effect on family selection.

Based on these criteria and to maximize the use of funds as funding allows, staff is recommending that the Commission authorize YCH to update the zero-bedroom payment standard for all areas of Yolo county, except the City of Davis, and to maintain current payment standards for all other unit sizes. If market conditions worsen and leasing ability continues to fall, staff will re-evaluate Payment Standards to see if an additional increase should be recommended.

The recommended percentages of the Fair Market Rent (FMR), as allowed by HUD regulations, is as follows:

<u>For all areas of Yolo County except the City of Davis</u>
Zero bedroom units at 90%
1 and 2 bedroom units at 95%
3 bedrooms at 93%
4, 5 and 6 bedroom units at 92%

<u>City of Davis only</u>
Zero bedrooms at 94%
1 and 2 bedroom units at 104% approximately
3, 4, 5 and 6 bedrooms at 95 % approximately

The following tables demonstrate the **<u>current</u> FY 2019 FMR and Payment Standards**:

FY 2019 Current Yolo, CA HUD Metro FMR Area by Unit Bedrooms effective 10/1/2018

Bedroom Size	0	1	2	3	4	5	6
FMR	$953	$1,015	$1,342	$1,935	$2,357	$2,711	$3,064

Payment Standards effective 12/01/2018

Bedroom Size	0	1	2	3	4	5	6
City of Davis	$953	1,117	$1,476	$1,935	$2,357	$2,711	$3,064
All Other County Areas	$858	$1,015	$1,342	$1,896	$2,239	$2,575	$2,911

FY 2020 Yolo, CA HUD Metro FMR Area by Unit Bedrooms effective 10/1/2019

Bedroom Size	**0**	**1**	**2**	**3**	**4**	**5**	**6**
FMR	**$1,010**	**1,066**	**1,404**	**2,025**	**2,432**	**2,797**	**3,162**

Proposed Payment Standards effective 12/01/2019

Bedroom Size	**0**	**1**	**2**	**3**	**4**	**5**	**6**
City of Davis	**$953**	**1,116**	**$1,476**	**$1,935**	**$2,357**	**$2,711**	**$3,064**
All Other County Areas	**909**	**$1,015**	**$1,342**	**$1,896**	**$2,239**	**$2,575**	**$2,911**

The proposed Payment Standards are calculated conservatively, but also with the objective of remaining competitive in this tight rental market. They were set at different percentages taking into consideration the change in existing tenant rent burden last year occasioned by landlord rent increases. Staff analysis determined that the Payment Standard structure would support the goal of maintaining affordable housing for current voucher families <u>and</u> expand rental housing options to assist new voucher holders in lease up.

Historically, each time the Agency Payment Standard has increased, landlords have increased the rent to match and, consequently, the total cost of housing assistance payments and family's share of the rent have also increased. Last year, when Payment Standards increased to the maximum amount allowed for 1 and 2-bedroom units with the objective of reducing rent burden on existing voucher tenants and expanding leasing, the increase did not resolve the tenant rent burden issue as landlords immediately increased rents as soon as the Payment Standards were updated.

Staff has been consistently issuing new vouchers into the rental market over the last several months, including tenant-based vouchers, project-based vouchers, Veterans Administration Supportive Housing (VASH) vouchers, Mainstream vouchers and Family Unification Program vouchers and Getting to Zero (GTZ) interim vouchers. In addition, families who have exercised their federal right to use their voucher in our jurisdiction (Portability) and who have recently ported to our jurisdiction have also been able to find units using the current Payment Standard.

FISCAL IMPACT:

YCH has an Annual Contribution Contract (ACC) with HUD to lease up to 1,800 vouchers; the current funding supports assistance for approximately **1,416 housing assistance payment contracts.** Staff estimates that the proposed Payment Standard change will not have a significant increase in our per-unit cost, meaning that there will be minimal impact to revenue or loss of leasing ability. Housing Assistance Payments (HAP) are pass through funds that can only be used to make rental assistance payments on behalf of qualifying families. The proposed increase to the zero-bedroom payment standard for all areas of Yolo County will keep YCH in compliance with HUD regulations, by updating it to 90% of FY 2020 FMR.

CONCLUSION:
Staff recommends that the Housing Commission approve the recommended action and authorize the CEO to implement.

Attachment: Resolution

YOLO COUNTY HOUSING
RESOLUTION NO. 19-

(Resolution regarding Updates to the Payment Standard for the Housing Choice Voucher Program in Accordance with Federal Regulations for Fair Market Rents)

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") requires public housing authorities to adopt a payment standard for each Fair Market Rent (FMR) area in the agency's jurisdiction for each unit size; and

WHEREAS, the new payment standards must be applied at the first annual re-examination following the change of the payment standard amount, unless the use of decreased payment standard results in a decrease of the Housing Assistance Payment made on behalf of the family. In this case, the new payment standard will be applied at the second annual re-examination; and

WHEREAS, the Housing Commission of the Housing Authority of the County of Yolo (informally known as Yolo County Housing) has determined that an adjustment to increase the payment standards, for all unit sizes, will be effective December 1, 2019;

NOW, THEREFORE, BE IT RESOLVED, ORDERED AND FOUND by the Housing Commission of the Housing Authority of the County of Yolo that the adopted payment standard adjustments will be effective December 1, 2019 as outlined in the payment standard staff report of October 23, 2019.

PASSED AND ADOPTED by the Housing Commission of the Housing Authority of the County of Yolo, State of California, this 23rd day of October, 2019 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Will Arnold, Chair
Housing Commission of the
Housing Authority of the County of Yolo

Approved as to Form:

By _____

Attest: Hope Welton, Agency Counsel

Julie Dachtler, Clerk
Housing Commission of the
Housing Authority of the County of Yolo

By _____

Yolo County Housing **10.**

Meeting Date: 10/23/2019

Information

SUBJECT

Review, Approve and Adopt Resolution Setting Flat Rent Schedule in Conventional Rental Housing (Holt, Dogias)

Attachments

Staff Report

Att. A. Resolution

Form Review

Form Started By: Julie Dachtler Started On: 10/18/2019 05:02 PM

Final Approval Date: 10/18/2019

Yolo County Housing

147 W. Main Street
WOODLAND, CA 95695

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

DATE: October 23, 2019

TO: YCH Board of Commissioners

FROM: Lisa A. Baker, Chief Executive Officer

PREPARED BY: Tom Dogias, Real Estate Services Supervisor

SUBJECT: **Review, Approve and Adopt Resolution Setting Flat Rent Schedule in Conventional Rental Housing**

RECOMMENDED ACTIONS:

That the Board of Commissioners:

1. Review, approve and adopt resolution for the revised flat rent schedule, and
2. Authorize the CEO to implement.

BACKGROUND / DISCUSSION

As per the Code of Federal Regulations at 24 CFR, Section 960.253;

Once a year, the PHA (Public Housing Agency) must give each family the opportunity to choose between the two methods for determining the amount of tenant rent payable monthly by the family. The family may choose to pay either an income-based rent or flat rent as their tenant rent. Income based rent is calculated as thirty (30%) percent of adjusted annual income. The flat rent is based on the market rent charged for comparable units in the private unassisted rental market. It is equal to the estimated rent for which the PHA could lease the public housing unit.

The flat rent is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient. Additionally, this is expected to decrease the instance of fraud committed by residents whose rents increase as they earn more money. Another benefit of flat rent is that it reduces administrative burden of conducting rent adjustments when income fluctuates, especially in a seasonal economy.

In the last two years, there has been a large increase in rental rates in Yolo County. Per HUD requirements, once a year, the PHA must re-evaluate their Agency's Flat Rents. This is to make sure they reflect correctly changes in the local or federal Fair Market Rents(FMR). In order to complete this task, HUD allows the PHA three options to determine Flat Rent:

Option 1: HUD determined FMR (Fair Market Rents) X 80% - Utility Allowance

Option 2: SAFMR (Small Area Fair Market Rents) X 80% - Utility Allowance: Areas where HUD does not publish a SAFMR, HUD will permit PHA to use 80% of the unadjusted rent to satisfy this option.

Option 3: Flat Rent Exception: If a PHA does not believe 80% of FMR or SAFMR is reflective of its local market, a PHA may submit an exception flat rent based on a PGA produced market analysis.

In reviewing the options, staff has determined that the use of Option 1 would allow YCH to bring flat rents closer in line with the local rental market while bringing the PHA's Flat Rents in line with HUD's minimum requirements. This will result in an increase in flat rents for 2020 in most bedroom sizes with the exception of zero and 1-bedroom apartments.

Currently in the YCH public housing portfolio, the number of families paying flat rent are:

- 1 families in 0 or 1 bedroom units
- 15 families in 2 bedroom apartments
- 8 families in 3 bedroom apartments
- 1 families in 4 bedroom apartments
- 0 families in 5 bedroom apartments
- 25 Total families paying flat rent out of 431 units (5.8%)

Based on this analysis, Option 1 will help maximize revenue from tenants that are higher income earners paying flat rent.

In Option 1, HUD requires the flat rent be 80% of the Fair Market Rents minus the utility allowance. Utility allowance across the portfolio vary based on the location and size of the unit, therefore separate flat rent schedules are required for each Asset Management Property (AMP) and in one case within the phases of one campus within that AMP. Applying the Agency's Utility Allowances to finalize the Flat Rent amount, YCH has determined the following separate flat rents for each location:

2019 HUD FMR's and 80% of FMR Calculation (before applying Utility Allowance)

	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
2020 HUD Fair Market Rent	$1,010	$1,066	$1,404	$2,025	$2,432	$2,797
80% of HUD FMR	**$808**	**$853**	**$1,123**	**$1,620**	**$1,945**	**$2,237**

Flat Rent Tables by AMP/Property/Bedroom Size and Year after applying applicable Utility Allowance:

AMP 1 (Yolano/Donnelly)	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
Current Flat Rent 2019	NA	**$728**	**$988**	**$1,431**	**$1,748**	NA
Proposed 2020 Flat Rents	NA	**$740**	**$1,034**	**$1,522**	**$1,830**	NA
Increase/(Decrease)	NA	$74	$54	$86	$113	NA

Flat Rent Tables by AMP/Property/Bedroom Size and Year after applying applicable Utility Allowance:

AMP 1 (Ridgecut homes)	2 Bdrm	3 Bdrm
Current Flat Rent 2019	**$988**	**$1431**
Proposed 2020 Flat Rents	**$975**	**$1419**
Increase/(Decrease)	($13)	($12)

AMP 1 (Yolo)	2 Bdrm	3 Bdrm
Current Flat Rent 2019	**$988**	**$1431**
Proposed 2020 Flat Rents	**$1032**	**$1508**
Increase/(Decrease)	$44	$77

AMP 2 (El Rio Villa 1)	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
Current Flat Rent 2019	**$738**	**$987**	**$1,432**	**$1,748**
Proposed 2020 Flat Rents	**$784**	**$1,035**	**$1,510**	**$1,815**
Increase/(Decrease)	$46	$48	$78	$67

AMP 2 (El Rio Villa 2)	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
Current Flat Rent 2019	**$738**	**$987**	**$1,432**	**$1,748**
Proposed 2020 Flat Rents	**$786**	**$1,035**	**$1,503**	**$1,805**
Increase/(Decrease)	$48	$48	$71	$57

AMP 2 (El Rio Villa 3)	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
Current Flat Rent 2019	**$738**	**$987**	**$1,432**	**$1,748**	**$2,028**
Proposed 2020 Flat Rents	**$780**	**$1,034**	**$1,510**	**$1,812**	**$2,089**
Increase/(Decrease)	$42	$47	$78	$64	$61

AMP 2 (El Rio Villa 4)	3 Bdrm
Current Flat Rent 2019	**$1,432**
Proposed 2020 Flat Rents	**$1,509**
Increase/(Decrease)	$77

AMP 2 (Esparto)	2 Bdrm	3 Bdrm
Current Flat Rent 2019	**$987**	**$1,432**
Proposed 2020 Flat Rents	**$1,100**	**$1,315**
Increase/(Decrease)	$113	($117)

AMP 3 (Las Casitas)	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
Current Flat Rent 2019	**$747**	**$993**	**$1445**	**$1768**
Proposed 2020 Flat Rents	**$789**	**$1042**	**$1516**	**$1819**
Increase/(Decrease)	**$42**	**$49**	**$71**	**$51**

AMP 3 (Riverbend Manor 1)	0 Bdrm	1 Bdrm	2 Bdrm
Current Flat Rent 2019	**$698**	**$728**	**$941**
Proposed 2020 Flat Rents	**$727**	**$752**	**$992**
Increase/(Decrease)	$29	$24	$51

AMP 3 (Riverbend Manor 2	0 Bdrm	1 Bdrm
Current Flat Rent 2019	**$671**	**$710**
Proposed 2020 Flat Rents	**$698**	**$720**
Increase/(Decrease)	$27	$10

Families paying Flat Rent may, at any time, request a switch to payment of income-based rent if unable to pay flat rent due to financial hardship. The purpose of Flat Rents is to help higher income families make an easier transition from subsidized housing into future market rate housing. This would then open the door to giving another disadvantaged family the same opportunity they were afforded.

The Housing Opportunity Through Modernization Act of 2016 (HOTMA) will help in this process by requiring higher income families to pay Fair Market Rents. Families that have an income that exceeds the applicable income limit of 120% of Annual Median Income (AMI) for two consecutive years will be subject to paying the higher rent or being terminated from program participation. This will happen only if a family is found to be making 120% of the median income or more for two consecutive years. HUD will be issuing additional guidance to housing authorities on implementation later this year. YCH tracks these higher income families that meet the definition and who currently pay flat rent.

In order to provide residents with sufficient notice of flat rent schedule changes, it is recommended that flat rent increases become effective January 1, 2020. Residents who choose a flat rent would see a change at their annual recertification date (due on the anniversary month of the resident's initial move-in date). In accordance with federal requirements, at the time of annual recertification, each family has the choice of choosing either the flat rent option or an income-based rent equal to 30% of adjusted income.

FISCAL IMPACT

Currently YCH has (25) Public Housing units out of 431 that pay flat rents. Fiscal impact to the Agency is unknown due to family rental payment choice, but total impact is probably *de minimus*.

CONCLUSION

Staff recommends approval by resolution of the proposed Flat Rent schedule for Low Rent Public Housing to be effective January 1 , 2020.

Attachment: Resolution

YOLO COUNTY HOUSING
RESOLUTION NO. 19-
(Resolution regarding Adoption of Annual Flat Rent Schedule in Accordance with Federal Regulations)

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") requires public housing authorities to adopt a flat rent option for residents consistent with the annual Fair Market Rent; and

WHEREAS, public housing residents will be given the option to choose either the flat rent or income based rent amount at their annual reexamination; and

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") requires the agency to calculate tenant rental payment for "mixed families" based on the flat rent.

NOW, THEREFORE, BE IT RESOLVED, ORDERED AND FOUND by the Housing Commission of the Housing Authority of the County of Yolo adopts the flat rent schedule to be effective January 1, 2019 as outlined in the flat rent staff report of October 23,2019.

PASSED AND ADOPTED, by the Housing Commission of the Housing Authority of the County of Yolo, State of California, this 23rd day of October 2019 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Will Arnold, Chair
Housing Commission of the
Housing Authority of the County of Yolo

Approved as to Form:

By _____
Hope Welton, Agency Counsel

Attest:
Julie Dachtler, Clerk
Housing Commission of the
Housing Authority of the County of Yolo
By _____

Yolo County Housing **11.**

Meeting Date: 10/23/2019

Information

SUBJECT

Review and Approve final Concept for Master Leasing of 1811 Merkeley Avenue in Partnership with County HHSA for CalWORKs Families (Baker, Holt)

Attachments

Staff Report

Form Review

Form Started By: Julie Dachtler Started On: 10/18/2019 05:03 PM

Final Approval Date: 10/18/2019

Yolo County Housing

147 W. Main Street
WOODLAND, CA 95695

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

DATE: October 23, 2019

TO: YCH Housing Commission

FROM: Lisa A. Baker, CEO

SUBJECT: Review and Approve final Concept for Master Leasing of 1811 Merkeley Avenue in Partnership with County HHSA for CalWORKs Families

RECOMMENDED ACTION

That the Housing Commission:

1. Review and Approve the final Concept for Master Leasing of the subject property;
2. Authorize the CEO to execute final documents, subject to Agency Legal Counsel approved of said documents; and
3. Have the final documents brought back before the Board at its meeting of December 18, 2019

BACKGROUND/DISCUSSION

At the end of calendar year 2017, YCH and HHSA began work with a private landlord on a rehabilitation project of 12 units at 1811 Merkeley Avenue. The concept YCH and HHSA developed is based on the successful Helen Thomson and IGT house model, expanded and adapted to private owner master leasing at scale for higher unit counts.

Unfortunately, for a variety of reasons, the project did not materialize. The owner subsequently put the property back on the market and it was acquired by new owners. The new owners and HHSA had a preliminary conversation about the master lease model. HHSA then reached out to YCH to see if the concept remained viable and if YCH had a continued interest in pursuing the addition of rental units aimed at homeless families participating in the CalWORKs program to its portfolio in West Sacramento.

After meeting with HHSA and the property owners, as well as apprising the Board of the opportunity, YCH determined this was a viable concept - both for expanding the “toolkit” of options through scaled up master leasing, as well as for the ability to add service enriched housing to families and breaking the cycle of homelessness.

At this time, HHSA, YCH and the owners have reached agreement on the monthly lease rental costs. YCH and HHSA have reached agreement on the annual costs and tasks for YCH and HHSA. YCH and the property owners have reached agreement on final lease

terms. The rehabilitation of the property has been completed. The units are ready to be occupied.

HHSA and the County contracts office are working through the MOU terms between the agencies. YCH legal counsel is finalizing the master lease agreement. The rehabilitation work is complete and the owners have received City sign-off and there are families selected to move in, the property is currently vacant and, therefore, at risk of vandalism. To help stabilize these families and reduce the risk of vandalism or unauthorized occupancy by others, staff would like approval to move forward with the project as soon as details can be finalized. Staff would seek approval of Agency Legal Counsel on the documents and bring the fully executed documents to the Board at its December meeting for ratification.

FISCAL IMPACT:

None.

CONCLUSION:

Staff recommends that the Board authorize the CEO to move forward with implementation as outlined in the staff report.