

# Yolo County Housing Yolo County, California

December 14, 2016

## MINUTES

The Yolo County Housing met on the 14th day of December, 2016, in regular session in its Chambers in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California at 4:00 p.m.

Present: Mark Johannessen; Tom Stallard; Karen Vanderford; Jennifer Wienecke-Friedman;  
Will Arnold

Absent: Helen Thomson

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

### CALL TO ORDER

1. Pledge of Allegiance.
2. Consider approval of the agenda.

Minute Order No. 16-27: Approved agenda as submitted.

MOTION: Arnold. SECOND: Stallard. AYES: Arnold, Johannessen, Stallard,  
Wienecke-Friedman. ABSENT: Thomson, Vanderford.

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.

## CONSENT AGENDA

Minute Order No. 16-28: Approved Consent Agenda Item Nos. 4 - 8.

MOTION: Stallard. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Wienecke-Friedman. ABSENT: Thomson, Vanderford.

4. Approval of Minutes from the meeting of October 26, 2016

Approved the minutes of October 26, 2016 on Consent.

5. Review, Approve and Authorize the CEO to Execute Intergovernmental Agreement with the City of Davis (Baker, Holt)

Approved **Agreement No. 16-06** on Consent.

6. Receive and File Compliance Review Monitoring Letter from U.S. Department of Housing and Urban Development (Baker, Holt)

Approved recommended action on Consent.

7. Review, Approve and Authorize the CEO to Execute Commercial Lease for 145 W. Main Street, Woodland, CA with Dr. Jeffrey P. Robinson (Gillette)

Approved recommended action on Consent.

8. Receive and File Staff Report Regarding HUD's Small Area Fair Market Rent Rule (SAFMR) and Potential Impacts to the Housing Choice Voucher Program and Rental Markets (information only) (Holt, Jimenez-Perez)

Approved recommended action on Consent.

## REGULAR AGENDA

9. Review and Approve Position Description and Salary Range for Management Analyst Position (Holt)

Minute Order No. 16-29: Approved recommended action.

MOTION: Arnold. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Wienecke-Friedman. ABSENT: Thomson, Vanderford.

10. Consider Appointment of an Ad Hoc Fundraising Subcommittee (Brock, Baker)

Minute Order No. 16-30: Approved creating an Ad Hoc Fundraising Subcommittee and Commissioners Arnold and Stallard offered to serve on the subcommittee.

MOTION: Arnold. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Vanderford, Wienecke-Friedman. ABSENT: Thomson.

11. Review and Approve Date for January Commission Meeting (Baker)

Approved setting the next meeting for January 25, 2017 at 4:00 p.m.

12. Receive Verbal Update from CEO on Status of Governance Change (Baker)

Received verbal update from CEO on the status of governance change noting the final pieces are coming together. She is hopeful it will be final by January 25, 2017.

13. Receive Verbal Update from CEO on Community Center and Boxing Club (Baker)

Received verbal update from CEO on the Community Center and Boxing Club. They are working on the items in the letter sent by the Commission to the City of Woodland. In addition, they have done a work analysis to see what needs to be done to meet minimum standards. At this time they have received final quotes with the final package being put together in order to move forward making repairs. Both City of Woodland and YCH are working diligently together on making repairs. Fred Ichtertz confirmed there are conceptual plans of the interior at this time. It was also noted they are trying to raise \$2 million for this project.

14. Receive comments from CEO Baker

CEO noted during her comments they are working with Probation and Parole for intergovernmental transfer funds to be able to acquire an existing single family home and create a 'Step Up Rent Ready Program,' for folks exiting incarceration. This program allows skill building but also for them to overcome issues with private landlords. Once they secure a piece of property, they will be returning to the Board for action. This whole subject about private landlords not renting to those who have prior criminal convictions has become a national conversation. This is the fastest driver to homelessness. They would really like to start working with the partners in the community to address this issue and would like to make inroads against that.

15. Receive comments from Commissioners

Commissioner Wienecke-Friedman commented that at a recent Community Services Action Board, to which she is appointed, they are seeking additional members to fill vacancies on this Board. Specifically they are looking for those representing low income or community service positions.

**ADJOURNMENT**

Next meeting is TBD.

\_\_\_\_\_  
Mark Johannessen, Vice-Chair  
Yolo County Housing

\_\_\_\_\_  
Julie Dachtler, Clerk  
Yolo County Housing

# YOLO COUNTY HOUSING

## AGENDA

### REGULAR MEETING

December 14, 2016

4:00 p.m.



**YOLO COUNTY HOUSING**  
HOUSING COMMISSION

WILL ARNOLD  
MARK JOHANNESSEN  
TOM STALLARD  
HELEN MACLEOD THOMSON  
KAREN VANDERFORD  
JENNIFER WIENECKE-FRIEDMAN

**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.

### CONSENT AGENDA

4. Approval of Minutes from the meeting of October 26, 2016
5. Review, Approve and Authorize the CEO to Execute Intergovernmental Agreement with the City of Davis (Baker, Holt)
6. Receive and File Compliance Review Monitoring Letter from U.S. Department of Housing and Urban Development (Baker, Holt)
7. Review, Approve and Authorize the CEO to Execute Commercial Lease for 145 W. Main Street, Woodland, CA with Dr. Jeffrey P. Robinson (Gillette)
8. Receive and File Staff Report Regarding HUD's Small Area Fair Market Rent Rule (SAFMR) and Potential Impacts to the Housing Choice Voucher Program and Rental Markets (information only) (Holt, Jimenez-Perez)

### REGULAR AGENDA

9. Review and Approve Position Description and Salary Range for Management Analyst Position (Holt)
10. Consider Appointment of an Ad Hoc Fundraising Subcommittee (Brock, Baker)
11. Review and Approve Date for January Commission Meeting (Baker)
12. Receive Verbal Update from CEO on Status of Governance Change (Baker)
13. Receive Verbal Update from CEO on Community Center and Boxing Club (Baker)
14. Receive comments from CEO Baker

15. Receive comments from Commissioners

**ADJOURNMENT**

Next meeting is TBD.

I declare under penalty of perjury that the foregoing agenda was posted by December 9, 2016 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.

I declare under penalty of perjury that the foregoing agenda will be posted no later than Friday, December 9, 2016 by 5:00 p.m. as follows:

- On the Yolo County website: [www.yolocounty.org](http://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  
Yolo County, California

To: Co. Counsel ✓  
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-28 Item No. 4, of the Yolo County Housing meeting of December 14, 2016.

MOTION: Stallard. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Wienecke-Friedman.  
ABSENT: Thomson, Vanderford.

4.

Approval of Minutes from the meeting of October 26, 2016

Approved the minutes of October 26, 2016 on Consent.

# Yolo County Housing Yolo County, California

October 26, 2016

## MINUTES

The Yolo County Housing met on the 26th day of October, 2016, in regular session in its Chambers in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California at 4:00 p.m.

Present: Cecilia Aguiar-Curry; Mark Johannessen; Tom Stallard; Helen Thomson; Karen Vanderford; Jennifer Wienecke-Friedman; Will Arnold

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

### CALL TO ORDER

1. Pledge of Allegiance.
2. Consider approval of the agenda.

Minute Order No. 16-23: Approved agenda as submitted noting the incorrect staff report was attached to Agenda Item No. 11 and that a hard copy of the correct staff report was distributed to each member to replace it.

MOTION: Wienecke-Friedman. SECOND: Johannessen. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

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: Family Self Sufficiency Graduate, Vicki Archuleta.

Janis Holt, General Managing Director, presented Family Self Sufficiency Graduate, Vicki Archuleta.

5. Presentation: Outstanding Risk Control Award - 4 Stars - HAI Group.

Janis Holt, General Managing Director, presented the Outstanding Risk Control Award - 4 Stars - HAI Group.

6. Presentation: Low Loss Achievement Award for 2012, 2013, 2014 - HAI Group.

Janis Holt, General Managing Director, presented the Low Loss Achievement Award for 2012, 2013, 2014 - HAI Group.

7. Certificate of Completion in Procurement and Contract Management awarded to Tom Dogias, Real Estate Services Supervisor.

Janis Holt, General Managing Director, presented a Certificate of Completion in Procurement and Contract Management awarded to Tom Dogias, Real Estate Services Supervisor.

8. Presentation: National Association of Housing and Redevelopment Official (NAHRO) National Award of Excellence for Bridge to Housing.

Lisa Baker, CEO, presented the National Association of Housing and Redevelopment Official (NAHRO) National Award of Excellence for Bridge to Housing.

## CONSENT AGENDA

Minute Order No. 16-24: Approved Consent Agenda Item Nos. 9-12.

MOTION: Thomson. SECOND: Johannessen. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

9. Approval of Minutes from the meeting of September 14, 2016.

Approved the minutes from the meeting of September 14, 2016 on Consent.

10. Review, Approve and Adopt PEMHCA Resolution effective January 1, 2017. (Holt)

Approved **Resolution No. 16-11** on Consent.

11. Review, Approve and Authorize Opening and Closing of the Housing Choice Voucher Wait lists. (Holt, Jimenez-Perez)

Approved recommended action on Consent.

12. Receive and File Unaudited Financial Report for the Year Ending June 30, 2016. (Gillette and Baker)

Approved recommended action on Consent.

## REGULAR AGENDA

13. Review and Approve Strategy for Potential Housing Choice Voucher Funding Shortfall. (Baker, Holt, Gillette)

Minute Order No. 16-25: Approved recommended action.

MOTION: Thomson. SECOND: Arnold. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

14. Review and Approve Memorandum of Understanding between Mercy Housing, Yolo County Housing and New Hope CDC for Development of 180 W. Beamer MESA development and authorize the CEO to execute. (Baker)

Minute Order No. 16-26: Approved recommended action by **Agreement No. 16-05**.

MOTION: Stallard. SECOND: Thomson. AYES: Aguiar-Curry, Arnold, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

15. Receive Verbal Update from CEO on Status of Governance Change. (Baker)

Received Verbal Update from CEO on Status of Governance Change noting they are in the final stretch and hope to have the change completed by January 2017.

16. Receive Verbal Update from CEO on Community Center and Boxing Club. (Baker)

Received verbal update from the CEO on the Community Center and Boxing Club. They are getting ready to take down the old building, which should be completed by the end of November. Estimates for the new building have been determined and they will be coming back in December to form an ad-hoc subcommittee to work on the fundraising aspect. Cost is between \$1.8 to \$2 million and in order to keep the costs down, they are using metal pre-fab with an agricultural feel.

17. Receive comments from CEO. (Baker)

CEO Lisa Baker reported that they had a recent incident at the Pacifico property but there was a good outcome through the restorative justice from Neighborhood Court. She also reported they had an incident the day prior at the El Rio Villas, whereby, YCH is unfortunately stuck with the costs of the damages. Regarding the boxing club in Woodland that is currently being taken down, she is happy to report that high speed infrared security cameras have been installed, and they will be able to view video feed remotely. The cameras will cover the Head Start, computer center, TANA, boxing club and child center. They will also be putting in No Loitering signs at the parks. She noted they are working with the City of Winters in applying for grants. Also talking with Sutter Hospital and the City of Davis about a shelter-in-place transition to permanent housing to partner with the New Pathways Project. Grant application going in now. For Pacifico project they expect the appraisal to be done by the 31st, so hopefully the rehab can begin soon. Spoke of Esperanza II for affordable housing and they are also finalizing engineering quotes for the Westucky project. She also spoke of the settlement with PG&E that was approved by CPUC, noting this will help them out in their energy improvement projects in the near future.

18. Receive comments from Commissioners.

No comments from the Board of Commissioners.

**CLOSED SESSION**

19. **Public Employment, Employee Appointment or Evaluation**  
Pursuant to Government Code Section 54957  
Position title: Chief Executive Officer

Public Report of action taken in Closed Session.

**ADJOURNMENT**

Next meeting is December 14, 2016 at 4:00 p.m.

  
Julie Dachtler, Clerk  
Yolo County Housing



Cecilia Aguiar-Curry, Chair  
Yolo County Housing

Yolo County Housing  
Yolo County, California

To: Co. Counsel ✓  
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-28 Item No. 5, of the Yolo County Housing meeting of December 14, 2016.

MOTION: Stallard. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Wienecke-Friedman.  
ABSENT: Thomson, Vanderford.

5.

Review, Approve and Authorize the CEO to Execute Intergovernmental Agreement with the City of Davis (Baker, Holt)

Approved **Agreement No. 16-06** on Consent.



# **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:** December 14, 2016  
**TO:** YCH Housing Commission  
**FROM:** Lisa A. Baker, CEO  
**PREPARED BY:** Janis Holt, General Director  
**SUBJECT: REVIEW AND APPROVE INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF DAVIS FOR AFFORDABLE HOUSING SERVICES.**

## **RECOMMENDED ACTION**

That the Housing Commission:

1. Review and Approve Intergovernmental Agreement with the City of Davis; and
2. Authorize the CEO to execute the Agreement.

## **BACKGROUND/DISCUSSION**

The City of Davis contacted Yolo Housing to assist with the management and administration of the City's affordable housing program and to provide a range of related services. YCH has existing intergovernmental agreements for similar services with the County of Yolo and the City of Winters and offered that same level of expertise and experience to the City of Davis.

On December 6, 2016, the Davis City Council approved the Intergovernmental Agreement outlining the affordable housing services to be provided by YCH in four categories: Affordable Housing Monitoring Services, Financial Services, Grant Management Services, and Consultation Services.

The Agreement's term is one year but can be renewed for two additional years based on a mutually agreeable schedule of costs and tasks.

## **FISCAL IMPACT**

These are contract fee services.

## **CONCLUSION**

Staff recommends that the Commission authorize YCH to enter into an Intergovernmental Agreement with the City of Davis for affordable housing services.

**Attachment:** Intergovernmental Agreement.

**Intergovernmental Agreement for Affordable Housing Services  
Between the City of Davis and Yolo Housing Authority**

This agreement is made this 14th day of Dec., 2016 by and between the **CITY OF DAVIS**, a political subdivision of the State of California (“City”) and the **HOUSING AUTHORITY OF THE COUNTY OF YOLO**, a public body corporate and politic (“Yolo Housing”) (collectively with City, the “parties”).

**RECITALS**

**WHEREAS**, the City participates in various affordable housing programs within the State of California and federally through the U.S. Department of Housing and Community Development, and receives funding following the approval of City grant applications; and

**WHEREAS**, Yolo Housing administers a variety of public housing programs within Yolo County and it has substantial expertise in local affordable housing programs and other relevant housing and social service related matters; and

**WHEREAS**, the City would like Yolo Housing to assist in the management and administration of the City’s affordable housing program and provide a range of related services, as set forth more specifically below; and

**WHEREAS**, under Federal procurement guidelines set forth in 24 CFR Section 85.36, public entity interagency contracts for common supplies and services are encouraged and such contracts are exempt from the competitive procurement requirements that otherwise apply under guidelines;

**NOW, THEREFORE**, in consideration of the foregoing, the parties agree as follows:

**AGREEMENT**

**1. Services to be Provided by Yolo Housing.** During the term of this Agreement, Yolo Housing will manage the Affordable Housing and Grants program, as requested in writing by the City. In this capacity, Yolo Housing will provide program planning and grants management, oversee project delivery and compliance requirements, meet reporting requirements, as well as provide collaborative technical assistance and expertise in researching, writing and planning for the Affordable Housing and Grants Program, all as outlined in **Exhibit A** and as authorized by the City. Notwithstanding the foregoing, for all existing (including housing loan funds and program income funds) and future grants that are within the scope of this agreement, the City and its City Manager shall retain responsibility for accounting and other fiscal aspects of grant management, including but not limited to housing loan funds and program income funds for accounts related to the Affordable Housing and Grants Program.

The City may also request that Yolo Housing assume similar management responsibilities for other City programs relating to Affordable Housing and Grants during the term of this Agreement. If Yolo Housing accepts such responsibilities, Exhibit A shall be amended to describe the nature and extent of the additional responsibilities assumed by Yolo Housing. Such an amendment may be approved by the City Manager (or designee) and the Chief Executive Officer of Yolo Housing provided that any amendment that would result in compensation to Yolo Housing in excess of the not to exceed amount set forth below must be approved by the City Council.

a. City's Representative. The City hereby designates the City Manager to act as its representative for the performance of this Agreement. The City Manager shall have the power to act on behalf of the City for all purposes under this Agreement.

b. Yolo Housing's Representative. Yolo Housing hereby designates hereby designates Lisa Baker, to act as its representative for the performance of this Agreement. Yolo Housing's Representative shall serve as the City's primary source of contact for carrying out performance under this Agreement and shall have full authority to represent and act on behalf of Consultant for all purposes under this Agreement.

**2. Compensation and Expenses to Be Paid by the City of Davis.** In addition to the costs set forth in Section 4, below, for the professional services provided during the term of this Agreement, services provided by Yolo Housing will be billed at the following hourly rates (which represent total costs for employees), which represent its standard billing rates for staff and do not exceed the actual costs in providing services under this Agreement:

- a) Senior Manager: \$120
- b) General Director: \$84
- c) Grants Manager: \$61
- d) Assistant Grants Manager: \$50
- e) Facilities (Davis-Bacon): \$80
- f) Real Estate and Housing Assistance: \$47
- g) Eligibility: \$37

The billing rates for staff may be adjusted for the second and third years by mutual agreement of the parties.

Yolo Housing may increase or decrease the expenditures for each line item in Attachment A as long as the total amount expended under the contract does not exceed the total compensation. Adjustments beyond 15% requires agreement from the City Manager or his designee.

In addition, any administrative expenses required and incurred in the implementation of this Agreement and scope of work, such as mileage, postage, office supplies, printing, etc., will be billed to the City at actual costs. The maximum amount of compensation payable to Yolo Housing during the initial term of this Agreement shall not exceed \$108,150. In the event that

this Agreement is extended as permitted under Section 8, the maximum amount of compensation payable to Yolo Housing shall not exceed \$108,150 for each one year extension.

**3. Staff.** The allocation of responsibilities between the parties is described in Exhibit A for the Affordable Housing and Grants work covered by this Agreement. Exhibit A may be augmented by the parties from time to time to include other work that Yolo Housing assists with at the City's request, each of which shall constitute an approved Scope of Work.

Generally, the City will continue to have a role in the administration and management of Affordable Housing and Grants covered by this Agreement. Yolo Housing will provide only those services requested by the City, consistent with Exhibit A. Yolo Housing shall invoice the City for work performed or services rendered by such personnel and the City shall be responsible for paying such costs as provided for in Section 4, below.

**4. Payment for Services.**

A. Lump Sum Payment. If a project or task indicates lump sum payment, then Yolo Housing shall be compensated for work performed or services provided under the Agreement on a lump sum basis for each task as described in an approved Scope of Work, or in any addenda attached and made part of the Agreement, by making periodic or progress payments upon completion of each task or item of work.

Within fifteen (15) calendar days of the receipt of Yolo Housing's invoice (addressed as indicated in subsection B, below) and accompanying deliverable(s) or other satisfactory evidence of performance (such as a written progress report), the City shall either authorize payment for services performed or advise Yolo Housing in writing of any concerns that it has with the invoice and any need for further documentation. The City shall use reasonable efforts to ensure that it processes payment of each invoice with thirty (30) calendar days after payment of an invoice is approved. The parties acknowledge and agree that the invoicing and payment process described in this Section is different from the process that the City will follow in obtaining reimbursement from grant funders.

B. Periodic or Monthly Reimbursement Payment. If a project or task indicates periodic reimbursement based on invoices, then Yolo Housing shall be compensated for work performed or services provided via regular invoice in the following manner.

At the time specified in an approved Scope of Work or, if no time is specified, on a monthly basis, Yolo Housing will submit an invoice to the City for services rendered under the Agreement to the following address:

City of Davis  
Attention: City Manager  
23 Russell Boulevard  
Davis, CA 95616

The invoice submitted pursuant to this Section shall show the Agreement number, if any, hours worked by each person who performed services during the billing period allocated in one-quarter of an hour increments, the hourly rate of pay for each person who performed services, the dates on which the services were performed, a description of the services performed, and such other information as the City may reasonably require.

Within fifteen (15) calendar days of receipt of Yolo Housing's invoice, the City shall either authorize payment for services performed or advise Yolo Housing in writing of any concerns that it has with the invoice and any need for further documentation. The City shall use reasonable efforts to ensure that it processes payment of each invoice with thirty (30) calendar days after payment of an invoice is approved.

**5. Applicable Laws.** In the performance of the services covered by this Agreement, Yolo Housing shall comply with all applicable laws, including those set forth in **Exhibit B**.

**6. Indemnification/Hold Harmless.** Yolo Housing shall indemnify, defend, and hold harmless the City of Davis, its City Council, officials, consultants, agents, and employees from and against any and all loss, damages, liability, claims, suits, costs and expenses, including reasonable attorney's fees, arising from Yolo Housing's performance of this Agreement, with the exception of matters that are based upon the negligent or intentional acts or omissions of the City, its City Council, officials, consultants, agents and employees.

The City shall indemnify, defend, and hold harmless Yolo Housing, its board, commission, officials, consultants, agents, and employees from and against any and all loss, damages, liability claims, suits, costs and expenses, including reasonable attorneys' fees arising from the City's performance of this Agreement, with the exception of matters that are based on the negligent or intentional acts or omissions of Yolo Housing, its board, commission, officials, consultants, agents, and employees.

**7. Insurance.** On or before the commencement of the term of this Agreement, each party shall furnish to the other party certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage. Such certificates, which do not limit each party's indemnification, shall also contain substantially the following statement: "Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days' advance written notice to the [insert name of other party] by certified mail." It is agreed that each party shall maintain in force at all times during the performance of this Agreement all appropriate coverage of insurance required by this Agreement with an insurance company that is acceptable to the other party and licensed to do insurance business in the State of California. Endorsements naming the other party as additional insured shall be submitted with the insurance certificates.

A. **Coverage.** Each party shall maintain the following insurance coverage:

(i) Workers' Compensation: Statutory coverage as required by the State of California.

(ii) Liability: Commercial general liability coverage in the following minimum limits:

Bodily Injury:	\$1,000,000	each occurrence
	\$2,000,000	aggregate- all other
Property Damage:	\$1,000,000	each occurrence
	\$2,000,000	aggregate

If submitted, combined single limit policy with aggregate limits in the amounts of \$1,000,000 will be considered equivalent to the required minimum limits shown above.

(iii) Automotive: Comprehensive automotive liability coverage in the following minimum limits:

Bodily Injury:	\$1,000,000	each occurrence
	\$2,000,000	aggregate - all other
Property Damage:	\$1,000,000	each occurrence
	\$2,000,000	aggregate– all other
or		
Combined Single Limit:	\$1,000,000	each occurrence

B. Subrogation Waiver. Each party agrees that in the event of loss due to any of the perils for which it has agreed to provide comprehensive general and automotive liability insurance, it shall look solely to its insurance for recovery. Yolo Housing hereby grants to the City, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Yolo Housing or the City with respect to the services of Yolo Housing herein, a waiver of any right to subrogation, which any such insurer of said Yolo Housing may acquire against the City by virtue of the payment of any loss under such insurance. The City hereby grants to Yolo Housing, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Yolo Housing or the City with respect to the services of the City herein, a waiver of any right to subrogation, which any such insurer of said City may acquire against Yolo Housing by virtue of the payment of any loss under such insurance.

C. Failure to Secure. If a party at any time during the term hereof should fail to secure or maintain the foregoing insurance, the non-compliant party shall be permitted to obtain such insurance in the non-compliant party's name or as an agent of the non-compliant party and shall be compensated by the non-compliant party for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

D. Additional Insured. The City, its City Council, officers, and employees shall be named as an additional insured under all insurance coverages, except any professional liability

insurance, required by this Agreement. Yolo Housing, its board, officers, and employees shall be named as an additional insured under all insurance coverages, except any professional liability insurance, required by this Agreement. The naming of an additional insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

**8. Term.** The term of this Agreement shall begin on \_\_\_\_\_ and end on \_\_\_\_\_, unless sooner terminated as hereinafter provided. Thereafter, the Agreement may be renewed by the parties for two additional terms of one year each, based on a mutually agreeable schedule of costs and tasks.

**9. Termination of Agreement.** This Agreement may be terminated by either party at any time for convenience by giving the other party ninety (90) calendar days advance written notice. Upon termination, Yolo Housing shall promptly submit its final invoice(s) to the City.

**10. Notice.** During the term of this Agreement, all notices shall be made in writing and either served personally, sent by first class mail, or sent by facsimile provided confirmation of delivery is obtained at the time of facsimile transmission, addressed as follows:

To: Yolo Housing

Yolo Housing  
Attention: Chief Executive Officer  
147 W. Main Street  
Telephone Number: (530) 662-5428  
Fax Number: (530) 662-5429

To City of Davis:

City of Davis  
Attention: City Manager  
23 Russell Boulevard  
Davis, CA  
Telephone Number: (530) 757-5602  
Fax Number: (530) 758-0204

Any party may change the address to which notice is to be given by providing the other party with written notice of such change at least fifteen (15) calendar days prior to the effective date of the change.

Service of notices shall be deemed complete on the date of receipt if personally served or if served using facsimile machines provided confirmation of delivery is obtained at the time of facsimile transmission. Service of notices sent by first class mail shall be deemed complete on the fifth (5<sup>th</sup>) day following deposit in the United States mail.

**11. Assignment and Subcontracting.** The services and obligations required of Yolo Housing under this Agreement are not assignable in whole or in part. In addition, Yolo Housing shall not subcontract any portion of the services required of it by this Agreement without the express written consent of the City.

**12. Governing Law.** This Agreement shall be deemed to be executed within the State of California and construed in accordance with and governed by laws of the State of California. Any action or proceeding arising out of this Agreement shall be filed and resolved in a court of competent jurisdiction located in Woodland, California.

**13. Severability.** If any provision of this Agreement is adjudicated by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall continue in full force and effect.

**14. Amendment.** Except as otherwise expressly provided in Section 1, above, this Agreement and the exhibits hereto may only be amended in writing signed by both parties, and any purported amendment shall be of no force or effect. This Agreement may be amended to both extend the term and conditions, as well as to add tasks. Yolo Housing will not begin new tasks without express written permission of the City.

**15. Entire Agreement.** This Agreement and its exhibits constitutes the entire agreement between the City and Yolo Housing and supersedes all prior negotiations, representations, or agreements, whether written or oral.

[Signatures on following page]

**SIGNATURE PAGE FOR INTERGOVERNMENTAL AGREEMENT**  
**Between the City of Davis and Yolo Housing Authority**

IN WITNESS WHEREOF, the parties hereto have executed this agreement in duplicate on the day and year first above written.

**CITY OF DAVIS**, A Municipal Corporation of  
the State of California

By: \_\_\_\_\_  
Dirk Brazil  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
HARRIET A. STEINER  
City Attorney

**YOLO COUNTY HOUSING**, A Public Entity  
Both Corporate and Politic of the State of California\_\_

Tax I.D. Number: \_\_\_\_\_  
DUNS # \_\_\_\_\_  
By: \_\_\_\_\_  
Lisa A. Baker  
Chief Executive Officer

**ATTACHMENT A  
 SCOPE OF SERVICES**

**Affordable Housing Monitoring**

<b>Task</b>	<b>Description</b>	<b>Cost Summary (estimate)</b>	<b>Total</b>
Local Requirements	Monitor affordable housing complexes within the local affordable housing ordinance. Percent of units monitored each year, file inspection on required documentation	360 Hours Staff Time x \$47.00/hr = \$16,920 Office Supplies = \$180	\$17,100
State Requirements	Currently only one site, will age out of monitoring soon. File inspection and site visit to location year	10 Hours Staff Time x \$47.00/hr = \$470	\$ 470.00
Federal Requirements	Required for sites with HOME-designated units (59 total), can be combined with local requirement monitoring for applicable sites	Staff Time, Travel, Supplies, etc. for 25% of units or 15 = \$1,425 30 Hours Staff Time x \$47.00/hr = \$1,410 Office Supplies = \$15	\$ 1,425.00
Pacifico Contract Oversight	Until project ownership transfers to YCH	24 Hours RES Supervisor Staff Time x \$47.00/hr = \$1,128	\$ 1,128.00
Affordable Rental Initial Tenant Selection	Currently handled through the lottery, usually by developer, with some city staff oversight. Possibly incorporate into an existing tenant waitlist rather than project specific lottery.	30 Hours HCV Supervisor Staff Time x \$47.00/hr = \$1,410 (includes Set Up Wait List in TenMast, Public Notice, Advertising, Outreach) 50 Hours Housing Specialist I Staff Time x \$37/hr = \$1,850 (includes 2 hours x 20 pulled from wait list 40 total, 10 hours outreach, flyer distribution, etc.) 10 Hours General Director x \$84/hr = \$840 (includes Public Notice - \$500, Office Supplies - \$50)	Paid by the developer

**Financial Services**

<b>Task</b>	<b>Description</b>	<b>Cost Summary (estimate)</b>	<b>Total</b>
Owner-Occupancy Deed Restriction Questions and Declarations	When realtors/buyers contact staff, respond as to whether or not home is restricted and what the restriction means	Assuming 30 minutes per call, assuming 20 contacts = 10 hours at Assistant Grant Manager rate of \$50 = \$500	\$500.00 annual estimate
Affordable Rental Document Generation	Involves the development of the affordable housing covenant and title documentation needed to ensure rental projects adhere to city guidelines.	Assuming no changes to program (i.e. policy changes), estimate an average of 15 hours per project from start to finish, including appropriate file documentation and recording. Total cost per project: \$860 10 hours at Grants Manager at \$61 = \$610 5 hours at the Assistant Level at \$50 = \$250	\$ 860.00/per project  (may be multiple per year)
Affordable Housing Loans – Creation, Servicing	Involves the development of the documentation needed to generate and document loans for affordable housing projects.	Total cost per file (including eligibility) = \$154. Without eligibility = \$80 Initial eligibility 2 hours at Eligibility rate of \$37 = \$74 Development of draft documentation, q and a with client and file set up at 1 hour at Assistant Grants Manager rate of \$50 = \$50 Finalize documentation, Grants Manager, .5 hr at \$61= \$30  <i>Price includes assumptions: eligibility has been determined, established program and documents, minimal engagement with client and that minimal assessment of the program is needed</i>	\$ 154.00/per loan creation  (estimate multiple per year)
Affordable Housing Inquiries	When contacted, provide information about city's affordable housing program.	Assumes 30 minutes per call at an average of 15 calls per month x 12 months – 90 hours  Assistant Grants Manager at 90 hours per year at \$50 per hour	\$4,500 annual estimate

**Grants Services**

<b>Task</b>	<b>Description</b>	<b>Cost Summary (estimate)</b>	<b>Total</b>
HOME Program Administration	HOME eligibility and selection review and documentation, contract administration, sub-recipient monitoring, assess project vs program option considering HOME commitment and expenditure requirements and make recommendations, monitor commitments and expenditures	Costs will be charged according to cost schedule on page 2 and federal HOME grant requirements. Costs will be on a time and materials basis, billed to City for reimbursement as part of regular invoices. Total amount to be reimbursed by HOME funds will not exceed \$28,000 over a 12-month period.	\$ 28,000.00  Note: based on current HOME administration allocation

Intergovernmental Agreement for Affordable Housing 2016  
 City of Davis – Yolo Housing

**Consultation Services**

<b>Task</b>	<b>Description</b>	<b>Cost Summary (estimate)</b>	<b>Total</b>
CDBG Program Administration Consultation	On a project basis, assist staff in eligibility determination, documentation and progress monitoring, including monitoring commitment and expenditure requirements  <i>Note: After 6 months, program to be reviewed and updates/changes made if necessary</i>	Costs will be reimbursed on a time and materials basis, based on the hourly rates listed below. These numbers are include total hours spent on Consultation Services and HOME Program Administration combined.  Assistant Grants Manager at 300 hrs per year at \$50 an hour = \$15,000  Grants Manager at 600 hrs per year at \$61 an hour = \$36,600  Senior Manager (Baker) at 120 hrs per year at \$120 = \$14,400.	Not to exceed \$38,000
Affordable Housing Policy Reviews and Ordinance Updates	Meet with city staff to discuss updates to AH policy and ordinance if needed		
Affordable Housing Construction Meetings and/or Construction Monitoring Oversight	On a consultant basis, in conjunction with City monitor, observe draw meetings and evaluate draw for allowable/reasonable costs. Number of draw meetings depends on the project, usually a couple hours a month		
Affordable Housing Plan Reviews with housing projects	Depends on the size of the project and the agreement with the developer. Some sites would have a payment of in-lieu fees; other sites would require on-site units. Would consult with City staff to develop recommendation to council. May also involve discussions with developer about city requirements /proposal /etc.		
Affordable Housing Land RFPs and Project Development	On an as-needed basis, staff does not anticipate land-dedication sites in the near future		
<b>Administration Fee</b>	Fee for Yolo Housing administration of contract.	Administration fee is 3% of the total amount of \$105,000, or \$3,150. Will be included on each invoice to City.	\$3,150
<b>TOTAL NOT TO EXCEED</b>			<b>\$108,150</b>

**Reporting:** Yolo Housing shall submit a quarterly summary of activities under this contract to the Davis City Manager.

**ATTACHMENT B  
CERTIFICATIONS AND ASSURANCES**

Certification and Assurance: Yolo County Housing, by executing this certification, hereby assures and certifies that it will comply with all of the applicable requirements of the following, as the same may be amended from time to time, including adding appropriate provisions to all contracts between Grantee and Subgrantees or Contractors:

1. Compliance with Community Development Block Grant regulations found at 24 CFR Part 570, Subpart I, State CDBG Program
2. Compliance with applicable OMB Circulars, including A-133 and A-87 as required
3. Compliance with Executive Order 11246 of September 24, 1965, entitled “Equal Employment Opportunity,” as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees)
4. Compliance with the Copeland “Anti-Kickback” Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair)
5. Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of \$2000 awarded by grantees and subgrantees when required by Federal grant program legislation)
6. Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers)
7. Notice of awarding agency requirements and regulations pertaining to reporting.
8. Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract
9. Awarding agency requirements and regulations pertaining to copyrights and rights in data.
10. Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
11. Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.
12. Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000).
13. Compliance with additional regulations and requirements for grants, as outlined by the regulation and/or grant agreement, to include, but not be limited to federal HOME regulations in addition to federal uniform administrative requirements outlined above in this section.

The information contained in this certification is true and accurate, to the best of my knowledge.

Signature of Authorized Certifying Official:

Title:

WARNING: Section 1001 of the Title 18 of the United States Code (Criminal Code and Criminal Procedure, 72 Stat.967) applies to this certification. 18 U.S.C. 1001, among other things, provides that whoever knowingly and willfully makes or uses a document or writing knowing the same to contain any false, fictitious or fraudulent statement or entry, in any matter within jurisdiction of any department or agency of the United States, shall be fined no more than \$10,000 or imprisoned for not more than five years, or both.

Yolo County Housing  
Yolo County, California

To: Co. Counsel ✓  
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-28 Item No. 6, of the Yolo County Housing meeting of December 14, 2016.

MOTION: Stallard. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Wienecke-Friedman.  
ABSENT: Thomson, Vanderford.

6.

Receive and File Compliance Review Monitoring Letter from U.S. Department of Housing and Urban Development (Baker, Holt)

Approved recommended action on Consent.



## **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:** December 14, 2016  
**TO:** YCH Housing Commission  
**FROM:** Lisa A. Baker, CEO  
**PREPARED BY:** Janis Holt, General Director  
**SUBJECT:** **Receive and File Compliance Review Monitoring Letter from the U.S. Department of Housing and Urban Development (HUD)**

### **RECOMMENDED ACTION**

That the Housing Commission:

1. Receive and File the Monitoring Letter

### **BACKGROUND/DISCUSSION**

The Department of Housing and Urban Development (HUD) field office staff conducted a Comprehensive Compliance Monitoring Review on the 1st week of May 2016 and at the end of August 2016 for Yolo County Housing (YCH). The review team reviewed various areas of the Agency's operations and programs including financial management, procurement, purchasing, maintenance, public housing and voucher program compliance. At the conclusion of the compliance review, HUD staff conducted an exit interview with the management team where the items outlined in this correspondence were discussed.

HUD congratulated YCH on its on time rent collection, high occupancy percentages and overall compliance. There were no financial findings with the exception of the General Depository Agreement, no program findings, no procurement findings, no maintenance or operations findings.

The only finding, was completed and is closed. This related to the requirement for an updated form of the General Depository Agreement, which was brought to the Housing Commission for approval and execution on September 14, 2016, and was subsequently closed by HUD as of October 18, 2016.

The final review resulted in five concerns outlined in the letter. These are being addressed as follows. There are no additional items that require Commission approval as all relate to internal operations procedures.

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

Concern #1: Update to bank reconciliation policy to ensure that the individual(s) who conduct bank reconciliation sign and date reports.

- *The bank reconciliation procedure has been updated. Item Complete.*

Concern #2: YCH did not provide written policies and procedures for writing off tenant accounts.

- *Policies are in place such as the Accounts Receivable Write-Off Policy. Staff will provide the Commission approved policy and are also taking this time to update internal procedures prior to sending forward.*

Concern #3: Current Procurement Policy Summary refers to position titles that are no longer existent in the organization.

- *Update to procurement summary has been completed with current position titles.*

Concern #4: Lack of formal, written document outlining internal control procedures for the Procurement Policy.

- *Staff has a Procedures Flow Chart Summary for Procurement Implementation and the Procurement Summary. Staff is creating an additional internal procedure guideline to accompany the Policy and Flow Chart. This is currently in review.*

Concern #5: Currently YCH does not use a Procurement File Checklist which is recommended in the HUD Procurement Handbook.

- *Procurement File Checklist has been drafted and is under review. It will be added to all contract/procurement files.*

Staff will be providing their response to the concerns by the deadline of December 30, 2016.

**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

NOV 18 2016

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

Re: Compliance Monitoring Review Report

Dear Ms. Baker:

Enclosed are the results of the Compliance Monitoring Review that HUD field office staff completed at the Housing Authority of the County of Yolo on May 2-5 and August 30-31, 2016. Staff reviewed the performance of the Authority's programs and compliance with HUD program requirements and regulations.

The objective was to perform a limited review focused on compliance with program requirements and regulations. While performance issues may be noted in such a review, the primary focus is compliance. This review touched on multiple areas of compliance in an effort to provide the Housing Authority with feedback for sustained compliance, rather than examining any one area exhaustively.

The review team was comprised of various staff from the San Francisco and Seattle Offices of Public Housing. The results of the review are enclosed in the attached report. Our review resulted in **one finding (closed), five concerns, and two observations/comments**. A **finding** is defined as a condition that is not in compliance with statutory, regulatory, handbook or other explicit HUD requirements and requires corrective action by the Housing Authority. A **concern** is defined as a deficiency in performance not based on compliance with an explicit statutory, regulatory, handbook or other HUD requirement but, nevertheless, requires an appropriate corrective action by the Housing Authority.

**Please respond to the findings and concerns no later than close of business on December 30, 2016.** If you have questions, please contact Emad Mnati, Portfolio Management Specialist, at emad.k.mnati@hud.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gerard Windt", with a long horizontal stroke extending to the right.

Gerard Windt  
Director  
Office of Public Housing

Attachment

cc: Cecilia Aguiar-Curry, Chair, Board of Commissioners  
c/o Housing Authority of the County of Yolo  
147 West Main Street  
Woodland, CA 95695-3312

# Compliance Monitoring Review

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## Housing Authority of the County of Yolo

May 2-5 & August 30-31, 2016

### Executive Summary

The San Francisco Office of Public Housing conducted a Compliance Monitoring Review of the Housing Authority of the County of Yolo's (YCH) programs and compliance with HUD program requirements and regulations.

The review team was comprised of both San Francisco and Seattle field office staff and found the Housing Authority to be strong in several areas, including:

- YCH proactively manages day-to-day operations and responds quickly to requests for information from the public and HUD staff.
- YCH maintains a high occupancy rate of 98-99% in its public housing program, and a high HCV voucher utilization/lease-up rate of over 100% (HAP/BA).

As further detailed in this report, the Authority also has areas in which it can improve, including:

- YCH will need to execute required HUD forms or update policies and procedures to clarify and document staff responsibilities or required actions.

### Background

The Housing Authority of the County of Yolo (YCH) is located in Woodland, California. It operates both a Housing Choice Voucher (Section 8) program and a low rent Public Housing program throughout Yolo County, consisting of 431 public housing units and 1,737 vouchers. The objective of the review was to ensure that YCH is effective in the administration of both programs in accordance with HUD program regulations and guidelines.

### Results

Detailed results of the Compliance Monitoring Review are presented below, by area/program:

#### Finance

YCH provided reviewers with financial records, statements, and other documents, including accounts receivables and payables ledgers, bank statements, invoices, and budgets. Reviewers determined overall that the YCH adequately maintains statements, accounting records and source documentation.

- **Finding 1 (Closed):** YCH did not have on file the required executed General Depository Agreement, form HUD-51999. Section 13(b) of the Consolidated ACC for HCV, "The Authority must enter an agreement with the depository institution in the form required by HUD." Section 9(a) of the ACC for PH, "the Authority should deposit and invest all

funds and investment securities received by or held for the account of the authority in connection with the development, operation and improvement of the projects under an ACC with HUD in accordance with the terms of the General Depository Agreement. The GDA shall be in the form prescribed by HUD and must be executed by the Authority and the depository.”

- **Corrective Action (Closed):**
  - Execute the General Depository Agreement, form HUD-51999, between YCH and the depository, where the program funds will be deposited.
  - *The HUD San Francisco Office of Public Housing acknowledges receipt of an executed General Depository Agreement via email on October 18, 2016.*
- **Concern 1:** HUD reviewed YCH’s reconciliation reports for July 2014 through January 2015 for YCH’s bank accounts. YCH policy states the Housing Authority will reconcile all bank accounts monthly. However, these reports were not dated nor were they signed by the person that reconciled them. As a result, reviewers could not establish when or who reconciled these bank accounts.
  - **Corrective Action:** YCH should update its bank reconciliations policy and procedures to ensure that the person preparing bank reconciliations dates and signs these reports.

## Public Housing and Housing Choice Voucher

The HUD review team reviewed YCH’s voucher utilization, reporting, Public Housing and HCV policies, payment standards, utility allowance schedule(s), tenant files, year-to-date financial statements, work orders, unit/development conditions, and other supporting materials. Based on this review, the review team reports the following findings, concerns, and observations.

- **Observation 1:** At all three of its low-rent public housing developments, YCH has consistently maintained a 98-99% occupancy rate. In its Housing Choice Voucher program, YCH successfully leases up 82% of issued vouchers, maintains a 99% PIC reporting rate, and a 0% late re-examination rate. These metrics reflect positively on YCH staff and their collective effort at managing its waiting list, voucher issuances, unit conditions, and general community outreach efforts.
- **Concern 2:** YCH did not provide written policies or procedures for writing off tenant accounts.
  - **Corrective Action:** YCH should either provide or develop and implement procedures to address delinquent accounts, eviction procedures for nonpayment of rents, procedures for writing off uncollectible tenant accounts, and procedures for reporting debts owed by past tenants in EIV.
- **Observation 2:** YCH may want to clarify in its Procurement flowchart (P-2), next to the “Yes – Non-Competitive. Submit to Board box” so that it states “Notify HUD field office of non-competitive emergency procurement”.
- **Concern 3:** YCH’s Procurement Policy Summary (P-2) refers to the Operations Manager

in several locations within the document. However, this is a position that was eliminated in August 2014.

- **Corrective Action:** Update Procurement Policy Summary to reflect current organization chart.
- **Concern 4:** YCH did not have a formal, written document outlining its internal control procedures for the Procurement Policy.
  - **Corrective Action:** Develop and implement written internal control procedures for YCH's procurement actions.
- **Concern 5:** YCH does not use a Procurement File Checklist, which ensures that various procurement file components are kept on-file, such as the Statement of Work, Independent Cost Estimate, bid selection rationale, etc. This checklist should include dates and signatures/initials when they have been completed so that these actions are documented as a part of each procurement file.
  - **Corrective Action:** Develop a Procurement File Checklist to be included with each procurement file that ensures all appropriate procurement steps have been completed. Some examples are in HUD Procurement Handbook 7460.8 (REV-2) appendices or the Housing Authority may choose to develop their own checklist.

## Conclusion

The San Francisco Office of Public Housing would like to thank YCH staff for their courtesy and cooperation shown to the review team during our visits. As described in this report, the Housing Authority of the County of Yolo performs effectively in a number of areas, and serves important housing needs throughout Yolo County. We also appreciate YCH's responsiveness to HUD's recommendations in areas where compliance is lacking or performance can be improved. Within 45 calendar days of the transmittal date of this report, please respond to each of the cited corrective actions. For your convenience, a summary of the report's corrective actions is provided below.

## Corrective Action Summary

- **Finding 1 (Closed):** YCH did not have on file the required executed General Depository Agreement, form HUD-51999. Section 13(b) of the Consolidated ACC for HCV, "The Authority must enter an agreement with the depository institution in the form required by HUD." Section 9(a) of the ACC for PH, "the Authority should deposit and invest all funds and investment securities received by or held for the account of the authority in connection with the development, operation and improvement of the projects under an ACC with HUD in accordance with the terms of the General Depository Agreement. The GDA shall be in the form prescribed by HUD and must be executed by the Authority and the depository."
  - **Corrective Action (Closed):**
    - Execute the General Depository Agreement, form HUD-51999, between YCH and the depository, where the program funds will be deposited.

- *The HUD San Francisco Office of Public Housing acknowledges receipt of an executed General Depository Agreement via email on October 18, 2016.*
- **Concern 1:** HUD reviewed YCH's reconciliation reports for July 2014 through January 2015 for YCH's bank accounts. YCH policy states the Housing Authority will reconcile all bank accounts monthly. However, these reports were not dated nor were they signed by the person that reconciled them. As a result, reviewers could not establish when or who reconciled these bank accounts.
  - **Corrective Action:** YCH should update its bank reconciliations policy and procedures to ensure that the person preparing bank reconciliations dates and signs these reports.
- **Concern 2:** YCH did not provide written policies or procedures for writing off tenant accounts.
  - **Corrective Action:** YCH should either provide or develop and implement procedures to address delinquent accounts, eviction procedures for nonpayment of rents, procedures for writing off uncollectible tenant accounts, and procedures for reporting debts owed by past tenants in EIV.
- **Concern 3:** YCH's Procurement Policy Summary (P-2) refers to the Operations Manager in several locations within the document. However, this is a position that was eliminated in August 2014.
  - **Corrective Action:** Update Procurement Policy Summary to reflect current organization chart.
- **Concern 4:** YCH did not have a formal, written document outlining its internal control procedures for the Procurement Policy.
  - **Corrective Action:** Develop and implement written internal control procedures for YCH's procurement actions.
- **Concern 5:** YCH does not use a Procurement File Checklist, which ensures that various procurement file components are kept on-file, such as the Statement of Work, Independent Cost Estimate, bid selection rationale, etc. This checklist should include dates and signatures/initials when they have been completed so that these actions are documented as a part of each procurement file.
  - **Corrective Action:** Develop a Procurement File Checklist to be included with each procurement file that ensures all appropriate procurement steps have been completed. Some examples are in HUD Procurement Handbook 7460.8 (REV-2) appendices or the Housing Authority may choose to develop their own checklist
- **Observation 1:** At all three of its low-rent public housing developments, YCH has consistently maintained a 98-99% occupancy rate. In its Housing Choice Voucher program, YCH successfully leases up 82% of issued vouchers, maintains a 99% PIC reporting rate, and a 0% late re-examination rate. These metrics reflect positively on YCH staff and their collective effort at managing its waiting list, voucher issuances, unit conditions, and general community outreach efforts.

- **Observation 2:** YCH may want to clarify in its Procurement flowchart (P-2), next to the “Yes – Non-Competitive. Submit to Board box” so that it states “Notify HUD field office of non-competitive emergency procurement”.

Yolo County Housing  
Yolo County, California

To: Co. Counsel ✓  
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-28 Item No. 7, of the Yolo County Housing meeting of December 14, 2016.

MOTION: Stallard. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Wienecke-Friedman.  
ABSENT: Thomson, Vanderford.

7.

Review, Approve and Authorize the CEO to Execute Commercial Lease for 145 W. Main Street, Woodland, CA with Dr. Jeffrey P. Robinson (Gillette)

Approved recommended action on Consent.



# Yolo County Housing

**Lisa A. Baker, Chief Executive Officer**

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

DATE: December 14, 2016  
TO: YCH Housing Commission  
FROM: Lisa A. Baker, CEO  
James D. Gillette, Finance Director  
SUBJECT: **Review, Approve and Authorize the CEO to Execute Commercial Lease for 145 W. Main Street, Woodland, CA with Dr. Jeffrey P. Robinson**

## **RECOMMENDED ACTIONS:**

That the Housing Commission review the new commercial lease agreement for the chiropractic office and authorize the CEO to execute the lease, subject to final review and approval by legal counsel.

## **BACKGROUND / DISCUSSION:**

The current 10 year lease agreement for the chiropractic office in the front of the admin building is set to terminate on January 26, 2017. The tenant in this agreement was actually two doctors who held the property as joint tenants. This agreement contemplated a single five-year option to extend this lease based on mutually agreeable terms by the parties.

Unfortunately, one of the joint tenants (Dr. Robert Burk) passed away prior to the end of the lease. As a result, an extension of the lease agreement was not practical. Therefore, a new lease agreement has been negotiated on essentially the same terms and conditions as those the prior lease extension would have provided. The main difference is that the lease is now for a single tenant, includes an additional 5-year extension, and contains a small increase in the amount of security deposit.

**FISCAL IMPACT:**

In an effort to be conservative, revenue for this lease after its termination was not included in the FY 2016-2017 budget. Therefore, the fiscal impact of this new lease would be to increase revenues for the admin building by approximately \$14,000 for the year.

**CONCLUSION:**

Staff recommends that the Commission approve the lease and authorize the CEO to execute the final approved version of this lease agreement

**Attachment:** California Commercial Lease Agreement

## California Commercial Lease Agreement

This Commercial Lease Agreement ("Lease") is made and effective 12/15/2016, by and between Housing Authority of the County of Yolo ("Landlord") and Jeffrey P. Robinson ("Tenant").

Landlord is the owner of land and improvements commonly known and numbered as 2,800 sf at 145 W. Main Street, Woodland, CA 95695

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

### 1. Term.

A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Lease Term" beginning 1/1/2017 and ending 12/31/2021. Landlord shall use its best efforts to give Tenant possession as early as possible at the beginning of the Lease term. If Landlord is unable to timely provide the Leased Premises, rent shall abate for the period of delay. Tenant shall make no other claim against Landlord for any such delay.

Tenant and Landlord agree to one (1) five (5) year option to extend this Lease at the conclusion of the Initial Lease Term.

### 2. Rental.

A. Tenant shall pay to Landlord during the Initial Term rental of \$34,800 per year, payable in installments of \$2,900.00 per month (Base Rent). Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at 147 W. Main Street, Woodland, CA 95695 or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

Commencing with the 13<sup>th</sup> month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers ("CPI") for Sacramento (the city nearest the location of the premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjusted Base Rent shall be based on an alternate index that most closely reflects the CPI.

### 3. Use

Leased Premises for the sole use as a chiropractic office.

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device.

### 4. Sublease and Assignment.

Tenant shall not sublet or encumber all or any part of the Leased Premises, or assign or transfer this Lease or any interest in it, without prior written consent of Landlord, such consent not to be

unreasonably withheld or delayed. Unless such consent is obtained, any subletting, assignment, transfer, or encumbrance of the premises, agreement, or tenancy, by voluntary act of Tenant, operations of law, or otherwise, shall be null and void, and, at the option of Landlord, terminate this agreement. Any proposed sublessee, assignee, or transferee shall submit to Landlord an application and credit information for Landlord's approval, and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one sublease, assignment, or transfer, shall not be construed as consent to any subsequent sublease, assignment, or transfer, and does not release Tenant of Tenant's obligation under this Lease.

#### **5. Repairs and Maintenance.**

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, or major mechanical systems, subject to the obligations of the parties otherwise set forth in this Lease.

Tenant shall professionally maintain the Premises including hearing, air conditioning, electrical, plumbing and water systems, if any, and keep glass, windows and doors in operable and safe condition. If tenant fails to maintain the Leased Premises, Landlord may contract for or perform such maintenance, and charge Tenant for Landlord's cost.

Landlord shall maintain the Roof, foundation, exterior walls, common areas, landscaping, and fire suppression system.

#### **6. Alterations and Improvements.**

Tenant, at Tenant's expense, shall have the right following Landlord's consent to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

#### **7. Property Taxes**

Landlord shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the Lease term on the Leased Premises, and all personal property taxes with respect to Landlord's personal property, if any, on the Leased Premises. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the Leased Premises.

#### **8. Insurance .**

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its

expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.

C. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the Building with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than \$2,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building. Tenant should consider obtaining a commercial renters policy to cover any loss of personal property that is not covered by Landlord's property policy.

#### 9. Utilities

Tenant shall pay all charges for gas, electricity, telephone and other services and utilities used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts within fifteen (15) days of invoice. Tenant acknowledges that the Leased Premises are designed to provide standard office use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

#### 10. Signs

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

#### 11. Entry

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

#### 12. Parking

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord and eight (8) reserved vehicle parking spaces fronting Main Street. The right to parking is included in the Base Rent charged. Landlord reserves the right to designate additional parking areas within the Building or in reasonable proximity thereto, for Tenant and Tenant's agents and employees.

### **13. Building Rules**

Tenant will comply with the rules of the Building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing. The initial rules for the Building are attached hereto as Exhibit "A" and incorporated herein for all purposes.

### **14. Damage and Destruction.**

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

### **15. Default.**

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

### **16. Quiet Possession.**

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

### **17. Condemnation.**

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party

shall have any rights in or to any award made to the other by the condemning authority.

**18. Subordination.**

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

**19. Security Deposit**

Tenant agrees to pay landlord the amount of \$3,000 as security deposit.

The Security Deposit shall be held by Landlord without liability for interest and as security for the performance by Tenant of Tenant's covenants and obligations under this Lease, it being expressly understood that the Security Deposit shall not be considered an advance payment of rental or a measure of Landlord's damages in case of default by Tenant. Unless otherwise provided by mandatory non-waivable law or regulation, Landlord may commingle the Security Deposit with Landlord's other funds. Landlord may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of rent or to satisfy any other covenant or obligation of Tenant hereunder. Following any such application of the Security Deposit, Tenant shall pay to Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. If Tenant is not in default at the termination of this Lease, the balance of the Security Deposit remaining after any such application shall be returned by Landlord to Tenant. If Landlord transfers its interest in the Premises during the term of this Lease, Landlord may assign the Security Deposit to the transferee and thereafter shall have no further liability for the return of such Security Deposit.

20. **Notice**.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord to:

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Lisa A. Baker  
CEO, Yolo County Housing  
147 W. Main Street  
Woodland, CA 95695

(530) 669-2219

---

If to Tenant to:

---

Jeffrey P. Robinson, DC  
145 W. Main Street  
Woodland, CA 95695

(530) 668-5577

---

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

21. **Brokers**

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

22. **Waiver**.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

23. **Memorandum of Lease** .

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

24. **Headings.**

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

25. **Successors**

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

26. **Consent.**

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

27. **Performance .**

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lessor of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

28. **Compliance with Law.**

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

29. **Final Agreement.**

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

30. **Governing Law.**

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of California.

31. **Dispute Resolution.**

**A. MEDIATION:** Tenant and landlord agree to mediate any dispute or claim arising between them out of this agreement, or any resulting transaction, before resorting to arbitration or court action, subject to paragraph 31B below. Paragraphs 31B(2) and 31B(3) apply whether or not the arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the parties involved. If for any dispute or claim to which this paragraph applies, if any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after the request has been made, then that party shall not be entitled to recover

attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

- B. ARBITRATION OF DISPUTES:** (1) Tenant and Landlord agree that any dispute or claim in Law or equity arising between them out of this Lease or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 31B(2) and 31B(3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part II, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right of discovery in accordance with Code of Civil Procedure 1283.05. (2) EXCLUSIONS FROM MEDIATION AND ARBITRATION: The following matters are excluded from Mediation and Arbitration hereunder: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code 2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions. (3) BROKERS: Tenant and Landlord agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration, prior to, or within a reasonable time after the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DIPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTUORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARVITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Tenant's Initials \_\_\_\_/\_\_\_\_ Landlord's Initials \_\_\_\_/\_\_\_\_

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

\_\_\_\_\_

Landlord:

Housing Authority of the County of Yolo

\_\_\_\_\_  
Lisa A. Baker, CEO

Tenant:

\_\_\_\_\_  
Jeffrey P. Robinson

DRAFT

Yolo County Housing  
Yolo County, California

To: Co. Counsel ✓  
Yolo County Housing ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-28 Item No. 8, of the Yolo County Housing meeting of December 14, 2016.

MOTION: Stallard. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Wienecke-Friedman.  
ABSENT: Thomson, Vanderford.

8. Receive and File Staff Report Regarding HUD's Small Area Fair Market Rent Rule (SAFMR) and Potential Impacts to the Housing Choice Voucher Program and Rental Markets (information only) (Holt, Jimenez-Perez)

Approved recommended action on Consent.



## **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:** December 14, 2016  
**TO:** YCH Housing Commission  
**FROM:** Lisa A. Baker, CEO  
**PREPARED BY:** Janis Holt, General Director  
**SUBJECT:** **Receive and File Staff Report on HUD Small Area Fair Market Rent Rule (SAFMR) and Potential Impacts to the HCV and Rental Markets**

### **RECOMMENDED ACTION**

That the Housing Commission:

1. Receive and File Report from CEO on HUD Small Area Fair Market Rent Rule (SAFMR)

### **BACKGROUND/DISCUSSION**

Effective January 17, 2017, HUD's final rule for the Small Area Fair Market Rents (SAFMR) will apply to the Housing Choice Voucher (HCV) in certain metropolitan areas. The proposed Sacramento--Roseville--Arden-Arcade metropolitan area will include Yolo County (which will no longer have its own MSA) and was selected for required implementation of the SAFMR. There are five (5) areas in California that will be required to use the SAFMR - all other areas have the option to continue with their current MSA and Fair Market Rents or to use the SAFMR at their discretion.

According to the regulation, the final rule is supposed to "establish a more effective means for HCV tenants to move into areas of higher opportunity and lower poverty by providing the tenants with subsidy adequate to make such areas accessible and reduce the number of voucher families that reside in areas of high poverty concentration. The result of determining rents on the basis of an entire metropolitan area is that a voucher subsidy may be too high or may be too low to cover rent in a given neighborhood".

The SAFMR provides that in lieu of determining rents based on an entire metropolitan area, rents will be determined on the basis of ZIP codes for those selected metropolitan areas. The selection of the SAFMR was based on the criteria of the MSA: 2,500+ vouchers under lease; the standard quality rental stock of the area where the SAFMR is more than 110% of the metropolitan FMR; and the percentage of voucher holders living in concentrated low income areas relative to all renters within these areas over the

entire MSA exceeds a specified threshold. Sacramento--Roseville--Arden-Arcade MSA was one of twenty-four (24) areas selected across the country and is **required** to use the Small Area FMR's. The SAFMR does not take into consideration rural regional variation.

During the comment period, several PHA's provided input to HUD, including YCH. As a result of those comments, the final rule incorporated the following revisions to the final rule:

1. **Provide PHA's with Option to Hold Tenants under HAP Contract Harmless** - Consistent with the Housing Opportunity Through Modernization Act (HOTMA), PHA's have the option to hold families under a current (HAP) contract harmless from payment standard reductions that are currently required at the family's 2nd annual recertification **if** the family's payment standard falls outside the basic rate as a result of a decrease in localized fair market rent.
2. **Provide Flexibility in Payment Standard Reduction** - Should a PHA choose not to hold the payment standard at its current level for families under HAP contract in an area experiencing a payment standard reduction, the PHA may set the payment standard for families that remain under HAP contract at any amount between the current payment standard and new normally applicable payment standard amount, and may further reduce payment standards gradually over time.
3. **Ensuring Sufficient Available Units in Transition to Small Area FMR's** - Limits the annual decrease in Small Area FMRs to no more than 10% of the area's FMR in the prior fiscal year to ensure that a suitable amount of units remain available during the transition.
4. **Consideration of Vacancy Rates When Calculating SAFMR's** - The final rule added that those localized areas (zip code) that experience vacancy rates of 4% or lower will be exempt from Small Area FMR.
5. **Treatment of Project-Based Vouchers (PBV's)** - The final rule exempts all current and future PBV's from the SAFMR at this time.

Due to the complexity of the implementation of the Small Area FMR's, there will be an increased administrative burden to YCH. The final rule added changes to the exception payment standard requirements, timing of transition to the new FMR's and increased rent reasonableness trigger from 5% to 10% in order to address this increased burden, but staff are uncertain how much reduced impact will actually occur.

The SAFMR is advisory only in 2017 and is expected to be required in 2018. The timing of transition to the new FMR's will be three (3) months from the date when the new FMR's go into effect in which to update payment standards. Once established, the new FMR's and Payment Standards will be presented to the Commission for approval.

In the initial evaluation of the YCH portfolio, cities that would be most impacted would be West Sacramento and Woodland. A snapshot of those impacts are:

- West Sacramento - 693 HAP contracts. Zip code 95605 shows 93% of the gross rents for 1 and 2 bedroom units and 83% of 3 bedroom units under lease are higher than the SAFMR.
- Woodland - 448 HAP contracts. Zip code 95695 shows 94% of gross rents for 1 bedroom units, 95% of 2 bedroom units and 89% of 3 bedroom units under lease are higher than the SAFMR. Zip code 95776 shows 60% of 1 bedroom, 35% of 2 bedroom units, and 11% of 3 bedroom units are higher than the SAFMR.
- Davis - 336 HAP contracts. The SAFMR is higher than the current FMR in the 95618 zip code. Although the SAFMR is lower than our current FMR for 95616, staff believe that the impact in the Davis area will be minimal.
- Winters - 4 HAP contracts. SAFMR is higher for 1 bedroom units only, all other size units are lower than the current FMR.
- Unincorporated - SAFMR is lower for all bedroom sizes with the greatest impact to 2 bedroom units.

Staff will continue to evaluate the potential impacts to our tenants and landlords for this rule and seek the Commissioners support in the implementation of tenant protections such as the hold harmless for all current HAP contracts.

HUD is expected to issue implementation guidance and provide additional information and support during this fiscal year. Staff will bring present updates and seek guidance from the Housing Commission during the SAFMR implementation process.

**FISCAL IMPACT:**

Potential fiscal impact during and after implementation of the rule due to increased administrative cost burden. Potential fiscal impact over time due to potential lost participation of units in the market place.

**CONCLUSION:**

Information item only.

Yolo County Housing  
Yolo County, California

Meeting Date: December 14, 2016

To: County Counsel ✓  
Yolo County Housing ✓

9.

Review and Approve Position Description and Salary Range for Management Analyst Position (Holt)

Minute Order No. 16-29: Approved recommended action.

MOTION: Arnold. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Wienecke-Friedman. ABSENT: Thomson, Vanderford.



## **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:** December 14, 2016  
**TO:** YCH Housing Commission  
**FROM:** Lisa A. Baker, CEO  
**PREPARED BY:** Janis Holt, General Director  
**SUBJECT:** **REVIEW AND APPROVE POSITION DESCRIPTION AND SALARY RANGE FOR MANAGEMENT ANALYST**

### **RECOMMENDED ACTION**

That the Housing Commission approves the position description and salary range for the Management Analyst position.

### **BACKGROUND/DISCUSSION**

With over 66 years of experience providing housing and infrastructure development and management throughout the jurisdiction, Yolo County Housing (YCH) has continued to partner with private and public partners in collaboration to provide housing and community development in a service-enriched environment. Through these agreements, we have been able to assist our government partners with grants management (such as HOME and CDBG), affordable housing development, home ownership strategies, NEPA environmental requirements, labor compliance, inspection services and contract monitoring. YCH has been able to build and diversify functions in their grants management division by providing grant management and compliance services to the County of Yolo and the City of Winters. In order to meet the deliverables in these agreements, the Commission approved the position description and salary range for the Senior Management Analyst in August 2014.

In accordance with past and current practices as outlined above, YCH proposes to enter into an inter-governmental agreement with the City of Davis to provide affordable housing and grant services. As a result of the expansion of our services in this division, YCH needs to add an additional Management Analyst to the organizational chart (draft position description attached). As is the case with this classification, this is an exempt, confidential position.

Since this is not a senior position (i.e. such as Senior Management Analyst) Staff conducted a salary review for comparable positions in areas with similar demographics.

Position descriptions and salaries were reviewed for such positions in the local area as follows:

- Administrative Analyst I, City of West Sacramento, \$59,508 - \$72,324
- Management Analyst I, City of Woodland, \$60,328 - \$73,329
- Associate Management Analyst, County of Yolo, \$56,781 - \$69,015
- Management Analyst, County of Yolo, \$64,996 - \$78,991
- Management Analyst, Sacramento Housing and Redevelopment Agency, \$63,285 - \$91,669
- Management Analyst, County of Butte, \$54,350 - \$72,841
- Administrative Analyst I, County of Sutter, \$57,867 - \$79,206

Average **entry** level salary based on the salary survey is \$59,587; the median **entry** level salary is \$59,508. Staff recommends the median entry level salary of \$59,508 with the five step scale as presented below.

<b>Position</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>
Management Analyst	\$59,508	\$62,483	\$65,607	\$68,888	\$72,332

### **FISCAL IMPACT**

The position will be funded through existing and new intergovernmental agreements with our partners and through future expansion of our programs.

### **CONCLUSION**

Staff recommends that the Housing Commission approve the position description and salary range for Management Analyst.

**Attachment:** Management Analyst Position Description

## MANAGEMENT ANALYST

*Class specifications are intended to present a description list of the range of duties performed by employees in the class. Specifications are **not** intended to reflect all duties performed within the job.*

### **DEFINITION**

Under general direction, performs a variety of complex administrative studies and analysis in support of assigned department including those requiring a strong level of expertise in a specific area; ensures compliance of agency contracts and agreements with federal, state, and local laws; responsible for timely and accurate federal, state, and local reporting; create analytical, statistical and narrative reports.

### **SUPERVISION RECEIVED AND EXERCISED**

Receives direction from the Senior Management Analyst and/or the Finance Director and serves at the will of the Chief Executive Officer.

### **ESSENTIAL FUNCTION STATEMENTS**

*Essential and other important responsibilities and duties may include, but are not limited to, the following:*

#### Grants Management Functions

1. Perform analytical studies of policies, procedures, organization operations, services, finances and procedural matters
2. Advise and assist department head and management staff in fiscal, organizational and procedural matters.
3. Research and analyze laws, policies and other regulatory requirements and changes.
4. Plan and conduct special studies and projects.
5. Evaluate priority of assignments and projects to ensure follow up and completion through workload planning and scheduling.
6. Researches, develops, reviews and prepares grant applications including monitoring existing programs for compliance with regulations..

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7. Compiles materials and prepares and/or assists in the preparation of reports, manuals and publications.
8. Review legal contracts and documents and submit revisions.
9. Serve as the administrative program specialist on grant funding such as CDBG and HOME funds.

#### Compliance Functions

1. Ensure strict compliance of agency programs with Federal and State guidelines and regulations.
2. Responsible for the compilation , preparation and submission of assigned reports to federal, state, and/or local authorities in a timely and accurate manner.
3. Provide quality control and conduct quality control tests, such as inspections, HOME, portfolio management for the department as required by HUD or other funding partner. Prepare certification documents as required.
4. Maintains various department records and statistics.

#### Common Essential Functions

1. Confer and serve as liaison between departments and with other agencies.
2. In accordance with Government Code 3100, perform the duties as disaster services worker as assigned in the event of a declared disaster or state of emergency by the Yolo County Housing CEO, Yolo County OES and/or the State of California DHS.
3. Perform all duties in a safe and conscientious manner following the YCH Injury Illness and Prevention Guidelines, reporting all injuries within 24 hours to your supervisor or member of the management team; reporting any safety concerns to your supervisor, member of the management team, or member of the YCH safety committee.
4. Abide by the YCH Risk Control Policy Statement assuring the highest level of safety and well being of residents, tenants, employees, volunteers and visitors, abiding by all applicable laws and regulations which govern the health and safety of all, and employing risk control methods where feasible to prevent and control losses. Report any observed or reported health, safety, and risk concerns to your supervisor, a member of the management team, or member of the YCH risk control committee.

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5. Perform other related duties as assigned.

## **QUALIFICATIONS**

### **Knowledge of:**

- Principles and practices of grant writing, grant management, and grant reporting to local, state or federal funding sources.
- Principles and practices of program compliance and administration.
- Principles and practices of government financing and budgeting.
- Purposes, functions and organization of local governmental agencies and the functioning of their governing boards.
- Pertinent Federal, State, and local codes, laws, and regulations.

### **Ability to:**

- Prepare, review, and present clear and concise reports and correspondence.
- Devise and implement innovative approaches to maximize efficiencies.
- Establish and maintain effective working relationships with those contacted in the course of work.
- Communicate clearly and concisely, both orally and in writing.
- Operate a personal computer using various applications and related programs, including standard, as well as proprietary software.
- Deal diplomatically and sensitively with clients, other agency representatives, and the general public.
- Maintain confidentiality.
- Interpret and apply agency policies, rules and regulations.
- Interpret and apply Federal, State, and local policies, laws and regulations.
- Drive from site to site.

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### **Experience and Training Guidelines**

*Any combination of experience and training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain knowledge and abilities would be:*

#### **Experience:**

- Two years of housing and/or community development experience or grant writing with government grants management experience. Ideal candidate will have at least two (2) years in a public housing authority, community development agency or non-profit.
- Demonstrated proficiency in preparation of spreadsheets and narrative reports.

#### **Education:**

- Bachelor's degree from an accredited college or university with major course work in housing/community development, business administration, non profit administration or a related field is required. Masters degree a plus, or
- An Associate's degree with three years experience in a public housing authority or governmental or nonprofit housing or community development agency may be substituted for the Bachelor's degree.

#### **Physical Demands:**

Essential functions may require maintaining physical condition necessary for sitting or standing for prolonged periods of time in both indoor office and external housing environment. Have the hand strength and manual dexterity to operate keyboard equipment. Must be able to stretch, bend, and lift up to 25 pounds and climb stairs. Reasonable accommodations for physical requirements will be considered and made on a case-by-case basis. Requests for reasonable accommodations can be made to the Chief Executive Officer or designee.

#### **Special Requirements:**

- Must have access to an automobile or other means of transportation, when and if required to travel on YCH business.
- Must possess current automobile insurance in accordance with California law and, a valid California driver's license, including a driving record acceptable to the YCH insurance company.

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- Must be insurable by YCH insurance carriers.
- Provide required proof of legal right to work in the United States.
- Public employees under Government Code 3100-3109 are required to perform duties as disaster service workers in the event of a natural, man-made, or war-caused emergency. To prepare for this service, employees in this classification code are required to complete, at a minimum, NIMS 100 Certification within their first year of employment.

*Yolo County Housing is an equal opportunity employer.*

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

Yolo County Housing  
Yolo County, California

Meeting Date: December 14, 2016

To: County Counsel ✓  
Yolo County Housing ✓

10.

Consider Appointment of an Ad Hoc Fundraising Subcommittee (Brock, Baker)

Minute Order No. 16-30: Approved creating an Ad Hoc Fundraising Subcommittee and Commissioners Arnold and Stallard offered to serve on the subcommittee.

MOTION: Arnold. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Vanderford, Wienecke-Friedman. ABSENT: Thomson.



## ***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:** December 14, 2016

**TO:** Housing Commission

**FROM:** Lisa A. Baker, Chief Executive Officer

**PREPARED BY:** Colleen Brock, Senior Management Analyst

**SUBJECT:** **CONSIDER APPOINTMENT OF AN AD HOC FUNDRAISING COMMITTEE**

### **RECOMMENDED ACTIONS:**

It is recommended that the Housing Commission:

1. Appoint and Approve an Ad Hoc Fundraising Committee
2. Authorize CEO to convene Fundraising Committee

### **BACKGROUND/DISCUSSION**

In 2010, the YCH Board of Commissioners passed a resolution authorizing the CEO to apply for a \$1,666,366 federal grant via CFCF funding which would allow YCH to build a community building at Yolano Donnelly to provide a location for much needed adult education and job training services for the residents and the community. The proposed structure would be 6,000 square feet, single story, green and energy efficient, and fully ADA accessible. The facility could hold up to 200 people. Plans included two offices and two storage areas for use by partner agency staff for the provision of services to residents, 20 computer stations set up in two computer labs with internet and online classroom access, large kitchen area which will be used for nutrition and healthy cooking courses as well as a break room area, and shop/classroom area that would be

easily converted into a job training classroom to prepare residents for competitive jobs in the future economy.

Unfortunately the grant was not funded and other grant funding opportunities have been scarce. YCH was successful in receiving CDBG funds from the City of Woodland to help with the planning, drawings and site preparation; however, the project still requires funding for construction.

Because of this, staff recommends that the Housing Commission create an Ad Hoc Committee to help see this staff through an ambitious capital campaign to raise the approximately \$2,000,000 in necessary funding. Based on staff's fundraising experience, a Capital Campaign of this size traditionally requires approximately 2 years to meet successfully meet all project goals.

### **FISCAL IMPACT**

There is no fiscal impact to creating the Ad Hoc Committee, but there may be fiscal impact to implementing a Capital Campaign. Total expenses over the fundraising period could total approximately \$30,000 for design, printing, postage, compiling donor lists, mileage and staff time - although no budget has been set at this time. Possible funding could come from Community and Foundation grants, governmental grants, businesses, community donors and granting of naming rights.

### **CONCLUSION**

YCH has the opportunity to provide much needed services to our residents, our voucher residents and other rental units, as well as to the community of Woodland and surrounding Yolo County in an area where few services currently exist. The creation of the Ad Hoc Fundraising Committee is the first step to seeing this dream come true.

**Attachments:** None

Yolo County Housing  
Yolo County, California

Meeting Date: December 14, 2016

To: County Counsel ✓  
Yolo County Housing ✓

11.

Review and Approve Date for January Commission Meeting (Baker)

Approved setting the next meeting for January 25, 2017 at 4:00 p.m.



## *Yolo County Housing*

Lisa A. Baker, Chief Executive Officer

147 W. Main Street  
WOODLAND, CA 95695

Woodland: (530) 662-5428

Sacramento: (916) 444-8982

TTY: (800) 545-1833, ext. 626

**DATE:** December 14, 2016  
**TO:** YCH Housing Commission  
**FROM:** Lisa A. Baker, CEO  
**SUBJECT:** **Review and Approve Date and Time of January meeting**

### **RECOMMENDED ACTIONS:**

Staff recommends that the Housing Commission Review and Approve a date and time for the January meeting and authorize the CEO to bring back a proposed annual calendar.

### **BACKGROUND / DISCUSSION**

YCH is required to meet at regular times. According to the by-laws of the YCH at "Article III – Meetings," the Authority is required to hold an annual meeting. Staff proposes that the Commission select mutually agreeable dates for the meetings. For 2016, meetings have been held the 2<sup>nd</sup> or 3<sup>rd</sup> Wednesday of the month at 4 p.m.

At this time, not all the proposed meeting and travel schedules are available for 2017. As a result, staff offers the following alternatives for the Commission to choose from for the January meeting and will bring back a proposed calendar for the remainder of 2017 at the January meeting. Possible dates and times in January:

- Wednesday, January 18, 2017 at 4:00 (the regular meeting date)
- Wednesday, January 25, 2017 at 4:00

### **FISCAL IMPACT**

No fiscal impact. Meeting at regular times will keep YCH in compliance with the requirements of its funding partners and will allow YCH to conduct business and make required reporting submissions on a timely basis.

### **CONCLUSION**

In accordance with the Authority's by-laws, current practice and the needs of YCH, staff proposes that the Housing Commission select a date for the January 2017 meeting.

# New Hope Community Development Corporation Yolo County, California

December 14, 2016

## MINUTES

The New Hope Community Development Corporation met on the 14th day of December 2016, in regular session in its Chambers in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California at 4:00 p.m.

Present: Mark Johannessen; Karen Vanderford; Jennifer Wienecke-Friedman; Tom Stallard;  
Will Arnold

Absent: Helen Thomson

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

### 4:00 P.M. CALL TO ORDER

1. Consider approval of the agenda.

Minute Order No. 16-07: Approved agenda as submitted.

MOTION: Wienecke-Friedman. SECOND: Arnold. AYES: Arnold, Johannessen, Stallard,  
Vanderford, Wienecke-Friedman. ABSENT: Thomson.

2. Public Comment: Opportunity for members of the public to address the New Hope Development Corporation on subjects not otherwise on the agenda relating to New Hope Development Corporation 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.

## CONSENT AGENDA

Minute Order No. 16-08: Approved Consent Agenda Item No. 3.

MOTION: Stallard. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Vanderford, Wienecke-Friedman. ABSENT: Thomson.

3. Approval of Minutes from the meeting of October 26, 2016

Approved the minutes for the meeting of October 26, 2016 on Consent.

## REGULAR AGENDA

4. Review and Approve Proposed Rent Increase for Cottonwood Meadows

Minute Order No. 16-09: Approved recommended action.

MOTION: Arnold. SECOND: Stallard. AYES: Arnold, Johannessen, Stallard, Vanderford, Wienecke-Friedman. ABSENT: Thomson.

## ADJOURNMENT

Next meeting to be determined

\_\_\_\_\_  
Mark Johannessen, Vice-President  
New Hope Community Development Corporation

\_\_\_\_\_  
Lisa Baker, Secretary to the  
New Hope Community Development Corporation

# **NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**

## **AGENDA**

**December 14, 2016**



**NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**

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

LISA A. BAKER  
EXECUTIVE DIRECTOR

HOPE WELTON  
AGENCY COUNSEL

**Reminder: Please turn off cell phones.**

**4:00 P.M. CALL TO ORDER**

1. Consider approval of the agenda.
2. Public Comment: Opportunity for members of the public to address the New Hope Development Corporation on subjects not otherwise on the agenda relating to New Hope Development Corporation business. The Board reserves the right to impose a reasonable limit on time afforded to any topic or to any individual speaker.

**CONSENT AGENDA**

3. Approval of Minutes from the meeting of October 26, 2016

**REGULAR AGENDA**

4. Review and Approve Proposed Rent Increase for Cottonwood Meadows

**ADJOURNMENT**

Next meeting to be determined

I declare under penalty of perjury that the foregoing agenda was posted December 9, 2016 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.

I declare under penalty of perjury that the foregoing agenda will be posted no later than by December 9, 2016 by 5:00 p.m. as follows:

- On the Yolo County website: [www.yolocounty.org](http://www.yolocounty.org).

Julie Dachtler, Clerk  
New Hope Development Corporation

**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 24 hours prior to the meeting. The Clerk of the Board may be reached at (530) 666-8195 or at the following address:

Clerk of the New Hope Development Corporation  
625 Court Street, Room 204  
Woodland, CA 95695

New Hope Community  
Development Corporation  
Yolo County, California

To: Co. Counsel ✓  
New Hope CDC ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 16-08: Item No. 3, of the New Hope Community Development Corporation meeting of December 14, 2016.

MOTION: Stallard. SECOND: Wienecke-Friedman. AYES: Arnold, Johannessen, Stallard, Vanderford, Wienecke-Friedman. ABSENT: Thomson.

3.

Approval of Minutes from the meeting of October 26, 2016

Approved the minutes for the meeting of October 26, 2016 on Consent.

# New Hope Community Development Corporation Yolo County, California

October 26, 2016

## MINUTES

The New Hope Community Development Corporation met on the 26th day of October, 2016, in regular session in its Chambers in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California at 4:00 p.m.

Present: Cecilia Aguiar-Curry; Mark Johannessen; Helen Thomson; Karen Vanderford;  
Jennifer Wienecke-Friedman; Tom Stallard

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

### 4:00 P.M. CALL TO ORDER

1. Consider approval of the agenda.

Minute Order No. 16-05: Approved agenda as submitted.

MOTION: Thomson. SECOND: Aguiar-Curry. AYES: Aguiar-Curry, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

2. Public Comment: Opportunity for members of the public to address the New Hope Development Corporation on subjects not otherwise on the agenda relating to New Hope Development Corporation 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.

**CONSENT AGENDA**

Minute Order No. 16-06: Approved Consent Agenda Item Nos. 3 and 4.

MOTION: Stallard. SECOND: Thomson. AYES: Aguiar-Curry, Johannessen, Stallard, Thomson, Vanderford, Wienecke-Friedman.

3. Review and Approve Minutes of May 11, 2016.

Approved the minutes of May 11, 2016 on Consent.

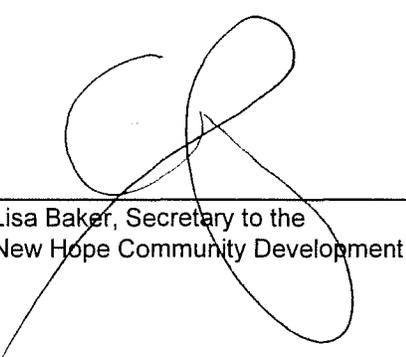
4. Review and Approve Memorandum of Understanding with Mercy Housing, Yolo County Housing and New Hope CDC for Development of the 180 W Beamer MHSA development and Authorize the Executive Director to execute. (Baker)

Approved **Agreement No. 16-01** on Consent.

**ADJOURNMENT**

Adjourned in memory of Juan Brava.

Next meeting to be determined

  
\_\_\_\_\_  
Lisa Baker, Secretary to the  
New Hope Community Development Corporation

  
\_\_\_\_\_  
Cecilia Aguiar-Curry, President  
New Hope Community Development Corporation

New Hope Community  
Development Corporation  
Yolo County, California

Meeting Date: December 14, 2016

To: County Counsel ✓  
New Hope CDC ✓

4.

Review and Approve Proposed Rent Increase for Cottonwood Meadows

Minute Order No. 16-09: Approved recommended action.

MOTION: Arnold. SECOND: Stallard. AYES: Arnold, Johannessen, Stallard, Vanderford, Wienecke-Friedman. ABSENT: Thomson.



**Corporation**

## ***New Hope Community Development***

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

DATE: December 14, 2016  
TO: Board of Directors  
FROM: Lisa A. Baker, Executive Director  
PREPARED BY: Tom Dogias, Real Estate Services Supervisor  
SUBJECT: **Review and Approve Rent Increase to Cottonwood Meadows**

### **RECOMMENDED ACTIONS:**

That the Board of Directors:

1. Review and approve the proposed rent increase to \$774 for Cottonwood Meadows, and
2. Authorize the Executive Director to implement proposed rent increases.

### **BACKGROUND / DISCUSSION**

#### ***I. Background***

The **Rental Housing Construction Program (RHCP)** was created in 1979 as part of a \$100 million legislative package that funded several programs with the Department of Housing and Community Development (**HCD**). The RHCP goal is to efficiently and effectively facilitate the development and long-term operation of affordable rental housing for low-income households. **Cottonwood Meadows Senior Apartments** has been part of this program from inception with **fourteen (14)** of its forty-seven (47) units designated as **RHCP units**. These units are solely allocated to low and very low income seniors or disabled persons. The remaining thirty-two (32) rented units and one (1) manager unit are considered market rate units, which allows NHDCDC to survey the Woodland rental market and lease the units at competitive rents.

Over the last decade, NHDCDC has maintained the same rental rate of \$641 for the **non-RHCP** One (1) bedroom units. In that decade, the economic environment has changed and inflation

has **increased 19%**. Which in turn means utilities have also increased (i.e. water, sewer, garbage, gas, and electric). Without a rental increase to adjust for inflationary increases, fiscal sustainability becomes increasingly difficult.

Adding to this property's woes, this property was refinanced over a decade ago by the prior Administration - not to make repairs to the property, but to provide capitalization for a failed commercial endeavor. As a result, the property suffers from a combination of over indebtedness and low rents.

## **II. Property Condition**

As the Board of Directors knows, the Cottonwood Meadows complex has a list of needed maintenance repairs and capital improvements that has been underfunded to date. New Hope has been fortunate to be supported by the City of Woodland through CDBG funds to help meet the property's most pressing needs.

The most recent Physical Needs Assessment (PNA) for Cottonwood Meadows resulted in **\$1,122,872 of rehabilitation work** needed over five years. In its current status, this amount of rehabilitation is infeasible. As a result, staff has re-evaluated the PNA with a focus on critical items that need to be addressed, including replacement of siding and any potential dry rot repair, rehabilitation of stairwells and roof replacement. Through CDBG grants awarded from the City of Woodland, and the use of capital reserves (**\$75,000**), NHCDC will be able to repair the stairwells and approximately 50% of the siding replacement. However this still results in a substantial shortfall in the overall capital needs. Due to unforeseen cost increases, NHCDC was unable to move forward on the planned roof repair when bid proposals came in three times higher than expected.

## **III. Financial Condition and Market Conditions**

The multi-family housing sector in the Woodland area has **increased rents up to 35%** over the past 10 years, allowing other properties to better compensate for the inflationary increases in the economy and maintenance issues for aging buildings. NHCDC is not looking to make a profit, but is searching for a fiscally intelligent way to complete deferred maintenance on an aging building and provide for much needed capital improvements.

As part of the financing for this property, HCD provided an interest-free loan of \$368,800 which is due on January 30, 2017, while the bank debt is not due until December 15, 2030. HCD has agreed to extend the due date of this loan until December 15, 2030 assuming that we can show that the project will cash flow and be properly maintained for another 14 years.

Due to the current low rental rates (\$641) on the 32 non-RHCP units, the property is operating at a deficit of approximately \$25,000 per year and must still provide additional funds to address the capital needs noted previously. Because of this, it is imperative that Cottonwood Meadows increase rents from \$631 to \$774 (a 21% increase), in order to reach and maintain positive operating cash flow position without the use of reserves or a significant equity infusion from somewhere else.

#### **IV. Rent Study and Comparables**

Increased rents for the **non-RHCP units** is a necessary part of the long term plan to provide decent, affordable housing at Cottonwood Meadows. As a result, NHCDC property management staff conducted an internal rent study in July 2016 and commissioned an independent Rent Reasonableness Report from an external consultant through MK Housing Compliance Solutions (MK) in November 2016 to determine the reasonable rental rates on the non-RHCP units.

The internal study which was conducted in July 2016 resulted in the following comparables:

<b><u>Location</u></b>	<b><u>Property Name</u></b>	<b><u>Year Built</u></b>	<b><u>Property Address</u></b>	<b><u>1X1</u></b>
Woodland	Courtside Village Apartments	1998	255 Sonoma Way	\$865.00
Woodland	The Greenery	1971	505 West Cross	\$870.00
Woodland	Heritage Oaks Apartments	1985	186 Muir	\$759.00
Woodland	Walnut Manor Apartment	1978	507 Cottonwood	\$675.00
Woodland	Franciscan Apartments	1984	14 West Cross	\$795.00

Utilizing these five samples, the average rent for a one bedroom, one bath unit is **\$792.80**.

MK Housing Solutions completed a comparable rent study on three properties with similar amenities:

<b><u>Location</u></b>	<b><u>Property Name</u></b>	<b><u>Year Built</u></b>	<b><u>Property Address</u></b>	<b><u>1X1</u></b>
Woodland	Heritage Oaks Apartments	1985	186 Muir	\$768.00
Woodland	Walnut Manor Apartment	1978	507 Cottonwood	\$795.00
Woodland	Franciscan Apartments	1984	14 West Cross	\$700.00

MK Housing Compliance Solutions reviewed the five comparable units provided by the initial rent study conducted in July of 2016 and the average rent of the three comparable/sample units for her report. As a result of the rent reasonableness study, MK Housing Compliance Solutions recommended a reasonable rent for Cottonwood Meadows units at **\$774.00**.

The market study shows there is a significant gap between Cottonwood's existing rent schedule and actual market rent, as well as gap compared to HUD's current Fair Market Rent (FMR) of \$870 (before utility allowance). This gap is attributed to a combination of **zero** rent increases

by NHCDC over the last 10 years and the **continuous** increase in rents in the City of Woodland. As a result, the surrounding market rents increased while Cottonwood Meadows remained at a steady \$641 rental rate.

Staff is recommending that the Commission approve the monthly rent of **\$774.00** from the reasonable rent study conducted by MK Housing Compliance Solutions.

The monthly rent of \$774 would immediately apply to **all new tenants** at move-in and be effective March 1, 2017 for **all existing tenants**.

In order to ameliorate potential impacts to families residing at Cottonwood Meadows, NHCDC would consider individual circumstances of each current resident family on a case by case basis and consider an **internal subsidy** of up to \$133 (the difference between current rent of \$641 and proposed rent of \$774) to offset the impact of the rent increase. Management would take applications and income verification from families requesting internal subsidy from January 16, 2017 through February 15, 2017.

### **FISCAL IMPACT**

Increasing the rent will generate sufficient revenue to help offset operating and maintenance expenses and provide HCD with a viable plan which will encourage them to approve a 14 year extension on the \$368,800 loan which would otherwise be due on January 30, 2017.

<b>Current monthly Rent Collection (for 332 non-RHCP units) at \$641 a month</b>	<b>\$20,512</b>
<i>Proposed increase Rent Collection (for 32 non-RHCP units) at \$774</i>	<i>\$24,768</i>
Difference (Minimum \$4,166 required to cover costs)	<b>\$ 4,256</b>

NHCDC continues to thoroughly explore options and next steps to determine the best course of action to meet the backlog of rehabilitation needs and to ultimately reposition this asset.

### **CONCLUSION**

Staff recommends the Commission approve the proposed monthly rent increase on 32 units to \$774 for Cottonwood Meadows for all new tenants immediately and existing tenants on March 1, 2017.

