



SUMMARY REPORT

Agenda Date: 7/11/2023

To: Sonoma County Board of Supervisors and Board of Commissioners of the Sonoma County Community Development Commission

Department or Agency Name(s): Sonoma County Community Development Commission

Staff Name and Phone Number: Martha Cheever, (707) 565-7521

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

Housing Authority Program and Service Delivery Enhancements

Recommended Action:

- A) Authorize the Executive Director of the Sonoma County Community Development Commission (SCCDC) to execute a Professional Services Agreement with Nan McKay & Associates Inspections, LLC to perform inspections of rental housing unit assisted under the Commission's programs for a term of November 1, 2023, through October 31, 2025, for an amount of \$170,000, with three one-year renewal options for a total amount not to exceed \$425,000 for the life of the agreement.
- B) Adopt a resolution authorizing budgetary adjustments to the Fiscal Year 2023-24 adopted budget reflecting additional expenditures of \$169,822 for the extension of a time-limited Community Development Program Coordinator and an Occupancy Specialist II from December 31, 2023, to June 30, 2025.
- C) Adopt a concurrent resolution amending the Department Position Allocation List of the Community Development Commission effective July 11, 2023.

Executive Summary:

The Sonoma County Community Development Commission (SCCDC) is requesting authorization to enter into an agreement with Nan McKay & Associates Inspections, LLC (NMA Inspections, LLC) to conduct federally mandated inspections of rental units. Federal regulations require that a housing quality standards (HQS) inspection be performed on all rental units that are assisted through housing authority programs: one inspection prior to the Housing Authority providing rental assistance and another either annually or biennially thereafter. Since 2010, the SCCDC has used private contractors to conduct the annual and biennial inspections. With the current contract due to expire, a Request for Proposals (RFP) was released and widely publicized on March 23, 2023. One proposal was received in response. The proposal submitted by NMA Inspections, LLC was determined to meet all of the requirements of the RFP.

In addition to the agreement for inspection services, the SCCDC is seeking to extend one full-time equivalent, time-limited Community Development Program Coordinator position and one full-time equivalent, time-limited Occupancy Specialist II position through June 30, 2025. Extension of the Occupancy Specialist II position will enable the Housing Authority to continue to issue new vouchers at the rapid pace needed. Extension of the Community Development Program Coordinator position will allow the continuation of the Sonoma County Housing Connector Program, which aims to house Sonoma County's unhoused

persons/families.

Discussion:

The Sonoma County Housing Authority (SCHA), a division of the Sonoma County Community Development Commission (SCCDC), administers the Housing Choice Voucher Program, the Mainstream Voucher Program, and the Veterans Affairs Supportive Housing (VASH) Program under contract with the US Department of Housing and Urban Development (HUD). These programs provide rental assistance to very low-income households enabling them to rent from private landlords utilizing a voucher from SCHA that subsidizes fair market rent rates based on family size. Through these programs, the Housing Authority provides rental assistance to approximately 3,200 low-income households, enabling them to obtain decent, safe, and sanitary housing in the private rental market.

Agreement for Housing Inspection Services

Federal regulations require that housing authorities conduct inspections of assisted rental units to ensure that these units meet certain housing quality standards (HQS) to ensure the health and safety of program participants. Since 2010, the SCCDC has used private contractors to conduct many of the required annual and biennial inspections. The current agreement is with NMA Inspections, LLC (formerly Sterling Management & Inspections, LLC) and is set to expire on October 31, 2023.

On March 23, 2023, the SCCDC issued a Request for Proposals (RFP) for housing inspection services. The Request for Proposals was emailed directly to qualified vendors, published nationally through the National Association of Housing and Redevelopment Officials (NAHRO), and publicized on the SCCDC website. In response to the RFP, one proposal was received from NMA Inspections, LLC. This proposal meets all the criteria outlined in the RFP, and staff are pleased with the performance of NMA Inspections, LLC under the existing agreement.

Funding for this agreement is available from HUD through the Housing Choice Voucher Program Administrative Fees. The SCCDC has sufficient funds in its current fiscal year budget to pay for the inspection services during the initial term of the Agreement.

Staff request that the Board of Commissioners authorize the SCCDC Executive Director to enter into an Agreement with NMA Inspections, LLC for a term of November 1, 2023, through October 31, 2025, for an amount not to exceed \$85,000 per year, with three one-year renewal options.

Extension of Time-Limited Positions to Support Housing Authority Efforts

In response to the number of new vouchers and programs that have been awarded to the Housing Authority, on August 24, 2021, three full-time equivalent, time-limited positions were added: one time-limited Community Development Specialist II (now titled Occupancy Specialist II), and two time-limited Community Development Associates (now titled Community Development Program Coordinator). A 1.0 FTE-equivalent Community Development Program Coordinator position was added to the FY 2023-24 budget to replace 1.0 time-limited position. The Housing Authority is now requesting to keep the two time-limited positions, currently scheduled to sunset on December 31, 2023, and extend them through June 30, 2025. The positions will be funded utilizing an American Rescue Plan (ARPA) grant received by the SCCDC and ongoing programmatic administrative fees. Since the addition of these positions, the Housing Authority's portfolio of rental assistance vouchers and programs has continued to grow, and the continuation of these positions is critical to maintaining current service levels.

Community Development Program Coordinator (1.0 FTE, Time-Limited) (Navigation), funded by the

American Rescue Plan Act (ARPA) grant and a combination of Housing Choice Voucher, Mainstream, and Emergency Housing Voucher Administrative Fees.

In 2019, the SCCDC stood up a Housing Navigation Program aimed at helping to house those in the County who are unhoused. Since the inception of the program, it has grown from 1.0 FTE to include 4.0 FTE Leased Housing Negotiator Inspector positions, 1.0 FTE Lead Occupancy Specialist, and 1.0 FTE Senior Office Assistant. The extension of this time-limited position allows for the continuation of direct supervision of this team. Duties of the position include coordinating the caseloads of all the housing navigators, ensuring that all funding requirements are being met, and ensuring that all appropriate documentation is being collected and processed. Additionally, this position has been integral in the development and roll-out of the ARPA-funded Centralized Housing Location Program, Sonoma County Housing Connector. There are no other allocations that can continue to provide the support necessary for this program to operate in a fully functional, effective, and impactful manner. If this position is not extended, the success of the new Sonoma County Housing Connector and the Housing Authority Housing Navigation Program may suffer due to lack of direct oversight.

Occupancy Specialist II (1.0 FTE, Time-Limited), funded by Housing Authority Administrative Fees, Mainstream Voucher Administrative Fees, and Emergency Housing Voucher Administrative Fees.

The Occupancy Specialist II (formerly titled Community Development Specialist II) is a critical Housing Authority role responsible for completing required eligibility intake and recertification exams for participants of the Housing Authority's various rental assistance programs. This position will continue to perform waitlist prescreening appointments, initial eligibility determinations, portability intakes (transfers in from another jurisdiction), processing Housing Authority transfer requests (transfers out to another jurisdiction), and annual recertification appointments for voucher holders. If this position is not extended, the Housing Authority's capacity to deploy its existing and new rental assistance vouchers effectively and quickly will be diminished.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

8/24/2021 Item #5: Adopted a personnel resolution adding time-limited positions to support Housing Authority efforts

10/23/2018 Item #7: Authorized the Executive Director to enter into a one-year agreement with NMA Inspection Services, LLC with an option for two additional years

10/20/2015 Item #10: Authorized the Executive Director to enter into a one-year agreement with Sterling Management & Inspections, LLC with an option for two additional years

FISCAL SUMMARY

Expenditures	FY 23-24 Adopted	FY 24-25 Projected	FY 25-26 Projected
Budgeted Expenses	\$85,000	\$434,834	
Additional Appropriation Requested	\$169,822		
Total Expenditures	\$254,822	\$434,834	
Funding Sources			
General Fund/WA GF			

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State/Federal	\$85,000	\$434,834	
Fees/Other			
Use of Fund Balance	\$169,822		
Contingencies			
Total Sources	\$254,822	\$434,834	

Narrative Explanation of Fiscal Impacts:

Agreement for NMA Inspections: This agreement will be fully funded using ongoing Housing Authority Administrative Fees in the amount of \$85,000 per year. **Position Extensions:** Expenditure appropriations are being requested for the FY 2023-24 budget in the amount of \$169,822; \$71,093 for the Time-Limited Occupancy Specialist position will be funded from on-going Administrative Fees provided from the Housing Choice Voucher Program. The Community Development Program Coordinator position will be funded 50% or \$49,365 by the American Rescue Plan Act Grant, 35% or \$34,555 by on-going Administrative Fees from the Housing Choice Voucher Program, and 15% or \$14,809 by the Emergency Housing Voucher Administrative Fees. Appropriations of \$349,434 in staff cost and \$85,400 in NMA Inspection Services for FY 2024-25 will be included in the FY 2024-25 budget development process.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

Approval to amend the Department Allocation List will maintain current staffing levels through the end of FY 2023-24.

Attachments:

- Attachment 1 - Professional Services Agreement with Nan McKay & Associates Inspections, LLC
- Attachment 2 - Budget Adjustment Resolution
- Attachment 3 - Personnel Resolution

Related Items "On File" with the Clerk of the Board:

N/A