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RE: Future of the Sacramento Housing And Redevelopment Joint Powers Authority

Honorable Chair Don Nottoli and Members of the Sacramento County Board of Supervisors:

Sacramento Housing Alliance (SHA) is the region's only housing advocacy agency, operating since 1989 and representing over 40 member organizations, including housing advocates, developers, financial institutions, and construction companies. Given our role as Sacramento's only housing advocacy agency and as a member based organization, SHA is uniquely positioned to assess and speak to the broad regional needs for housing. The board and staff of Sacramento Housing Alliance are extremely concerned at the prospect of re-allocating staff and resources to study the SHRA JPA at a time when there is so much productive focus on addressing our housing and homeless crises. Such a study, which appears duplicative of the efforts the City undertook in 2014, will threaten the momentum that has been toward addressing these crises. Staff from both SHRA and the County are working together with advocates, developers, funders and providers to ensure that priorities for addressing the crises are comprehensive and impactful. All of this collaborative work is being carried out in the context of dwindling federal funds and great uncertainty at the state level.

As the Board of Supervisors is aware, we are currently in a regional housing crisis; the County of Sacramento has a shortage of 62,072 affordable rental homesⁱ. Federal funding, for affordable housing is proposed to be dramatically cut (including the elimination of the HOME program). Without clear and decisive action, the crisis will deepen, and changes to the JPA, a critical piece of our housing infrastructure, could prove disastrous in this sensitive time. It is unclear what benefit the County would see in dissolution of the JPA, and we believe the effects of dissolution could be costly in limited regional resources. Sacramento's growing population of housing insecure people would face the worst impacts of this change.

During the biggest housing and homelessness crisis the region has seen, the JPA allows for critical efficiencies in serving the public, sharing staff time and expertise compensates for decreasing HUD funding and ensures best usage of taxpayer dollars. Centralizing housing services through the JPA provides a critical service in Housing Choice Voucher portability - which allows persons with vouchers to use them throughout the County without having to apply for a separate waitlist; it is crucial to note waitlists in Sacramento County currently list 70,000 unduplicated families. Additionally, the JPA is a year into the multi-year, federally mandated program, Affirmatively Furthering Fair Housing (AFFH). SHRA is providing leadership on this

process and coordinating 14 jurisdictions - including the City and County of Sacramento and the City and County Housing authorities - to enable a visionary regional assessment of the actions necessary to address significant disparities in housing needs and access to housing opportunity. Dissolution a year into this federally mandated program could present large set-backs. Given the breadth of services of the JPA and the large client base, continued discussion of dissolution diverts focus from finding critical housing solutions.

While Sacramento Housing Alliance supports the continuation of the JPA, we acknowledge SHRA could be more responsive to its entire constituency. As with any large public entity, there is a need for regular review and improvement of the delivery of services and transparency in agency programs. Indeed, in 2014, during the City's audit of SHRA, including the powers prescribed under the JPA, SHA commented that the funding and selection process of SHRA should be more transparent, particularly in the area of funding competition, essential to insuring the best use of taxpayer dollars. SHA recommends continued movement towards further SHRA transparency and accountability, particularly in developing clear project selection criteria. SHRA has published a schedule of application dates to align applications for SHRA funding with the scheduled application time periods for other funding sources. It is very helpful for SHRA to reconcile its applications deadlines with the other available funding source deadlines, but this first step does not fully implement our recommendation. A schedule of application dates does not indicate to potential applicants what types of projects the Agency is aiming to fund: how many units, what level of affordability, in what location, serving any special needs population, nor how much funding is available for each application period – all of the information that would be available if SHRA used a NOFA or RFP process. The establishment of a users working group could serve to increase transparency and to improve the user experience in seeking SHRA funding.

The Sacramento Housing Alliance recommends that the County focus on the necessary process improvements that sparked discussion of undoing the JPA, and instead use those objectives as a way to measure progress by SHRA in its existing form. It should not be necessary to undo one bureaucracy and create two new ones to achieve these aims. As the City and County of Sacramento are in the midst of a growing housing crisis and facing potential additional losses in housing funding, this is a time for more collaboration, not less. All stakeholders in this process agree that solving the housing crisis is not easy; let's not make it more difficult.

Sincerely,

Darryl Rutherford, Executive Director

Sacramento Housing Alliance

¹ California Housing Partnership Corporation and Sacramento Housing Alliance. "Sacramento County Renters in Crisis." May 2017. http://tinyurl.com/SacHousing17