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Department of Housing Benchmarking Study – Comparative Analysis

The list of comparison areas and a summary of the findings for each follows:

(1) Structure/Communication

San Mateo County separates housing functions into two categories: Housing and Community Development and the Housing Authority. Housing and Community Development is a County department reporting to the County Manager. The Housing Authority is governed by the San Mateo County Board of Supervisors who serves as the Board of Commissioners and as a separate governing board.

The majority of comparison jurisdictions interviewed reported having a separate oversight commission for the housing authority. The Housing Authority commission was generally appointed by a higher-level government entity, typically the Board of Supervisors or City Council with the appointing authority typically serving as the Board of Directors. This configuration was not the case for Sonoma County where all housing and housing authority functions are combined into a single department that reports to a Community Development Commission.

Other variations included the cities of Alameda and Vacaville, in which the Housing Authority operate as a city department with city employees, and the City of San Jose, which contracts Section 8 vouchers to the Santa Clara County Housing Authority, which operates as an independent public housing authority.

All configurations required and achieved compliance with federal requirements as a stand-alone Housing Authority. In the few cases where the Housing Authority was integrated into a city or county government, the governing and oversight structure met federal requirements by operating as an independent agency within the organization with a separate governing board.

(2) Staffing and Caseload

The San Mateo County Housing Authority utilizes the Housing Occupation Specialist (HOS) classification as the primary provider of case management services whereby an assigned case manager (HOS) has responsibility for both inspection and eligibility functions. The Review Team sought to learn if this approach was common among comparison jurisdictions. Most Housing Occupation Specialists are responsible for 200-325 cases.

The Review Team inquired about the use of the Housing Occupation Specialists (HOS) and caseloads in general. It was learned that the County is unique in this approach. Most entities do not designate case responsibility to one case specialist, but instead assign the responsibilities to multiple employees. In some cases the inspections function is outsourced entirely. When asked about caseload, jurisdictions were reluctant to provide data because they did not utilize a case management approach that supported a measure of caseload per employee.

(3) Housing Authority Interaction with Governing Body/Department

The San Mateo County Housing Authority operates with Housing and Community Development under the Department of Housing and is led by one management team. To understand the extent to which and in what manner Housing Authorities typically interact with the cities or county within a given geographic area, the Review Team questioned comparison agencies about such relations. It was

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learned that Housing Authorities are generally autonomous and do not directly interface with their Housing and Community Development (HCD) or Human Services counterparts at the program level. In cases where the Housing Authority resides in the same department as other housing programs, as in the cities of Alameda and Vacaville, they utilize many of the same resources, however, due to federal funding and oversight, the Housing Authorities function more as an arm of the federal Department of Housing and Urban Development (HUD) than as an integrated unit of local government.

(4) Performance Measures

San Mateo County is currently the only jurisdiction that uses Outcome-Based Management to measure program performance. Performance measures are established by the department and monitored throughout the fiscal year. The application of performance measures in the comparison jurisdictions was typically limited to those established by the Department of Housing and Urban Development (HUD) Section 8 Management Assessment Plan (SEMAP). According to HUD:

“The Section Eight Management Assessment Program (SEMAP) measures the performance of the public housing agencies (PHAs) that administer the housing choice voucher program in 14 key areas. SEMAP helps HUD target monitoring and assistance to PHA programs that need the most improvement.”

The 14 key areas include:

- 1) Proper selection of applicants from the housing choice voucher waiting list
- 2) Sound determination of reasonable rent for each unit leased
- 3) Establishment of payment standards within the required range of the HUD fair market rent
- 4) Accurate verification of family income
- 5) Timely annual reexaminations of family income
- 6) Correct calculation of the tenant share of the rent and the housing assistance payment
- 7) Maintenance of a current schedule of allowances for tenant utility costs
- 8) Ensure units comply with the housing quality standards before families enter into leases and PHAs enter into housing assistance contracts
- 9) Timely annual housing quality inspections
- 10) Performing of quality control inspections to ensure housing quality
- 11) Ensure that landlords and tenants promptly correct housing quality deficiencies
- 12) Ensure that all available housing choice vouchers are used
- 13) Expand housing choice outside areas of poverty or minority concentration
- 14) Enroll families in the family self-sufficiency (FSS) program as required and help FSS families achieve increases in employment income.

Within the 14 areas, jurisdictions are required to comply with various standards of performance. These standards are measurable and each area of compliance is awarded a point value. Jurisdictions are required to comply with SEMAP performance measures and failure to do so may result in further evaluation by the HUD and subsequent failure to comply may result in reduced funding or federal take-over.

(5) Cost Efficiency/Recovery

Jurisdictions typically establish policies as directed by HUD, which are established using SEMAP criteria. None of the jurisdictions interviewed were found to have established an independent, internal measurement system for cost efficiency/recovery. San Mateo County was the only jurisdiction that

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uses an outcome-based performance management system to develop program priorities and measure performance.

(6) Human Resources/Payroll

Although the San Mateo County Housing Authority operates under the Housing Department, human resource/personnel functions are performed internally. Personnel functions in the comparison jurisdictions depended greatly on the relationship between HA/HCD and the governing entity. Of those surveyed, those residing within a city or county utilized the jurisdiction's personnel services. Those that did not have a direct administrative relationship typically outsourced their personnel services to a private company or performed the function independently.

(7) Training

Training was found to be a fairly good measure of the type of relationship the Housing Authority has with the organization of its governing body. Those that operate as a city or county department utilized training opportunities available to other departments within the organization. Housing Authorities that operate independently were limited to staff training that was either provided by the authority or outsourced to a specialized training company, however, as the case is for the San Mateo County Housing Authority, employees are not eligible for jurisdiction-wide trainings.

(8) Collections

For comparison jurisdictions, revenue recovery was typically an in-house function, as is the case in San Mateo County, however, collections were generally considered insignificant. The jurisdictions that perform these functions in-house either use their own staff or those from a county/city department. The term "in-house" refers to collections administered by Housing Authority staff or by the organization it belongs to (when the HA is a department or a local agency). It is worth noting that collections were considered such a small part of the operation, many entities were unclear on how the process worked.

(9) Financial System

San Mateo County Housing authority uses MLS Emphasis as its primary financial software. Most jurisdictions utilize YARDI-based financial systems software and MLS Emphasis software for the administration of Section 8 vouchers. In most cases, the systems do not interact with each other, nor do they interact with county/city financial systems.

In this review, the project team sought to identify examples of when housing-based software (like YARDI or MLS) interfaced with government financial systems (like IFAS). The only example that was found was the Housing Authority for the City and County of Sacramento, which uses YARDI software for operations, and IFAS for financials. This type of configuration is a custom-design system that was adapted to meet HUD requirements for reporting and also adapt to the jurisdiction's accounting practices. It is an example of how the San Mateo County Housing Authority can meet HUD requirements and still streamlines operations by integrating with the County's financial system.

(10) Legal

Legal Services were considered a small part of housing operations and most jurisdictions utilize the services of the County Counsel or the City Attorney. In all jurisdictions, including San Mateo County this was a part-time, contracted responsibility.

(11) Other Staff Issues

While not part of the initial interview criteria, morale arose as a common issue among the jurisdictions interviewed. Many raised Housing Authority staff morale as a major concern. Most attribute this to the

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fact that Housing Authority employees are paid through the Department of Housing and Urban Development funding, and thus salaries are dependent on fixed funding. This funding mechanism is the current situation for the San Mateo County Housing Authority. Given fixed funding, housing authorities generally have lower compensation levels and are therefore less able to attract skilled employees. Housing authorities compete with redevelopment agencies and housing departments for similarly skilled employees; however those agencies have better compensation packages. Many housing authorities also claim that HUD discourages creativity with how the workload is administered due to extensive rules and regulations that they feel have made the work redundant and unrewarding.