



90392

**DATE:** March 20, 2018

**TO:** Board of Supervisors

**FROM:** Jeffrey V. Smith, County Executive  
Miguel Marquez, Chief Operating Officer

**SUBJECT:** Santa Clara County Housing Authority Governance

**RECOMMENDED ACTION**

Under advisement from January 23, 2018 (Item No. 20): Consider recommendations relating to the governance of the Santa Clara County Housing Authority. (Office of the County Executive)

Possible action:

- a. Receive report from the Office of Supportive Housing relating to outreach to and input from participants of Section 8 Housing Programs.
- b. Provide further direction to Administration and County Counsel.

**FISCAL IMPLICATIONS**

Acceptance of the report would not have any fiscal impact. In previous meetings and at future meetings the Board could consider adopting a resolution designating the Board of Supervisors as the governing body of the Santa Clara County Housing Authority (County Housing Authority). Adoption of the Resolution would not significantly impact the General Fund because the assets, liabilities, employees, and funds of the County Housing Authority, a separate legal entity, would remain separate from those of the County.

**REASONS FOR RECOMMENDATION**

Since September 12, 2017, the Administration and County Counsel have prepared various reports and recommendations for the Board as it considers whether to become the governing body of County Housing Authority. Most recently, on January 23, 2018 (Item no. 20), the Board directed the Administration to conduct additional outreach to participants of the Section 8 program. A summary of outreach activities is included in the Background section.

Overall, renters and landlords stressed the importance of having one set of administrative policies and one administrator of Section 8 programs countywide. For renters in particular,

they expressed the importance of not disrupting the current operations of the County Housing Authority. Regarding governance, the majority of renters expressed that it was important to have Section 8 renters on the governing body. They believe that Section 8 renters bring a different perspective and voice to the governing body. Renters and tenants of developments that are owned by the County Housing Authority believe it is important that they be able to influence programs and policies of the County Housing Authority. While renters thought it was critical to have “tenant-commissioners” on the governing board of any housing authority, the majority of landlords prefer that Section 8 renters serve in an advisory capacity to the governing board. The majority of landlords also do not think Section 8 renters should serve on the governing body. The majority of landlords are concerned about having two sets of administrative policies and more than one administrator of Section 8 programs countywide.

On December 12, 2017, the Administration outlined governance options and alternative methods for administering the Section 8 programs in Santa Clara County. Regarding governance, the Administration recommended maintaining the current two-entity structure. Under the current two-entity structure, governance could take the form of the Board of Supervisors serving as the Governing Board of the County Housing Authority, or the Board of Supervisors could continue to appoint a Board of Commissioners to govern the County Housing Authority, as it has done since creating the County Housing Authority in 1967. Under the current structure, state law requires the Board of Supervisors to appoint seven commissioners. Of the seven commissioners, two must be tenant commissioners.

Regarding options for administering the Section 8 programs, the Administration outlined three options. Among these options would be for the San José Housing Authority to update, but substantially continue its agreement with the County Housing Authority. Under this agreement, the County Housing Authority administers both Section 8 programs, and the County Housing Authority’s governing body would continue to set policies for both programs. This option represents the status quo and would result in the least disruption for landlords and renters who are participating in the two Section 8 programs.

### **CHILD IMPACT**

Receiving the report would have no impact or a neutral impact on children and youth.

### **SENIOR IMPACT**

Receiving the report would have no impact or a neutral impact on seniors.

### **SUSTAINABILITY IMPLICATIONS**

Receiving the report would have no or neutral sustainability implications.

### **BACKGROUND**

In February 2018, the Administration conducted outreach to Section 8 renters, tenants of housing developments that are owned by the County Housing Authority, and Section 8 landlords. The overarching goal of the outreach was to solicit input on the governance

structure, the value of tenant representation on the governing body, and program administration. The outreach plan involved three components: meetings with Section 8 renters, surveys of landlords, and surveying of Section 8 renters. For the focus groups and surveys, translation was available in Spanish and Vietnamese. It is important to note that this was informal outreach of Section 8 renters and landlords. The County Housing Authority administers 17,000 Section 8 vouchers, owns more than 2,600 affordable housing units, and works with approximately 6,000 landlords. Conducting surveys using scientific methods of Section 8 renters and landlords would take three to four months to implement.

### **Section 8 Renters & Tenants of Housing Authority Developments**

The Administration held meetings at Clarendon Street Apartments in west San José (14 participants), Poco Way Apartments in east San José (26 participants), and Sunset Gardens – a senior housing development in Gilroy (33 participants). At the meetings, participants were able to get a better understanding of the role of Tenant Commissioners and potential changes to the governance structure of the County Housing Authority. The majority of Section 8 renters who attended the meetings were in favor of keeping Tenant Commissioners on the governing body because they believe these Commissioners are aware of the issues facing Section 8 renters. They also expressed the importance of having advocates and liaisons on the governing body. Section 8 renters and tenants also indicated that if a change is made to the governance structure they would like to make sure there is proper notification to people who would be impacted.

In addition to the meetings, the Administration also conducted approximately 50 in-person surveys of Section 8 program participants that yielded similar results. Of the survey respondents, 87% of Section 8 renters believe there should be Tenant Commissioners who serve on the governing body. Fifteen percent of people surveyed also commented that there should be additional qualifications for the Tenant Commissioners, beyond what is already required by law.

In a different question, when survey respondents were asked if Tenant Commissioners should serve in a governing *or* advisory capacity, 46% believe they should serve in a governing role, 33% believe they should serve in an advisory capacity, and 15% did not have an opinion on the issue.

### **Section 8 Landlords**

The Administration also developed an online survey and conducted in-person surveys of approximately 150 Section 8 landlords. The large percentage of Section 8 landlords did not believe renters should serve on the governing body (40%) or they did not have an opinion on whether there should be Section 8 renters on the governing body (33%). The vast majority of landlords (63%) believe Section 8 renters should serve in an advisory capacity to the governing body, with only 5% indicating they should serve on the governing body. Landlords commented that they believe Tenant Commissioners may approve policies and programs that favor tenants and negatively impact landlords.

### **LINKS:**

- **Linked To: 88460 : 88460**  
[October 3, 2017 Board Mtg, Item 14]
- **Linked To: 89393 : 89393**  
[December 12, 2017 Board Mtg, Item 24]
- **Linked To: 89713 : 89713**  
[January 23, 2018 Board Mtg, Item 20]

**ATTACHMENTS:**

- **City of San Jose Housing Authority Memo (PDF)**