



San Gabriel Valley Council of Governments

AGENDA AND NOTICE OF THE **SPECIAL** MEETING OF THE CITY MANAGERS' STEERING COMMITTEE

Date: **Wednesday, January 8, 2020** – 12 noon

Location: **Foothill Transit Office**
(100 S. Vincent Ave., Suite 200, West Covina, CA)

Chair
Bob Russi
La Verne

Vice-Chair
Marcella Marlowe
San Marino

Immediate Past-Chair
Dominic Lazzaretto
Arcadia

Northeast Representatives
Sergio Gonzalez
Azusa
Adam Raymond
Glendora

Southeast Representatives
Vacant

Central Representatives
Shannon Yauchzee
Baldwin Park
Gloria Molleda
Rosemead

Southwest Representatives
Jessica Binnquist
Alhambra
Bryan Cook
Temple City

Northwest Representatives
Mark Alexander
La Canada Flintridge

At-Large Representatives
Ron Bow
Monterey Park
Alma Martinez
El Monte

Thank you for participating in the City Managers' Steering Committee meeting. The City Managers' Steering Committee encourages public participation and invites you to share your views on agenda items.

MEETINGS: *Regular Meetings of the City Managers' Steering Committee are held on the first Wednesday of each month at 12:00 noon at the Foothill Transit Office (100 S. Vincent Ave., Suite 200 West Covina, CA 91790.* The City Managers' Steering Committee agenda packet is available at the San Gabriel Valley Council of Government's (SGVCOG) Office, 1000 South Fremont Avenue, Suite 10210, Alhambra, CA, and on the website, www.sgvkog.org. Copies are available via email upon request (sgv@sgvcog.org). Documents distributed to a majority of the Committee after the posting will be available for review in the SGVCOG office and on the SGVCOG website. Your attendance at this public meeting may result in the recording of your voice.

PUBLIC PARTICIPATION: Your participation is welcomed and invited at all City Managers' Steering Committee meetings. Time is reserved at each regular meeting for those who wish to address the Committee. SGVCOG requests that persons addressing the Committee refrain from making personal, slanderous, profane or disruptive remarks.

TO ADDRESS THE CITY MANAGERS' STEERING COMMITTEE: At a regular meeting, the public may comment on any matter within the jurisdiction of the Committee during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public wishing to speak are asked to complete a comment card or simply rise to be recognized when the Chair asks for public comments to speak. We ask that members of the public state their name for the record and keep their remarks brief. If several persons wish to address the Committee on a single item, the Chair may impose a time limit on individual remarks at the beginning of discussion. **The City Managers' Steering Committee may not discuss or vote on items not on the agenda.**

AGENDA ITEMS: The Agenda contains the regular order of business of the City Managers' Steering Committee. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the City Managers' Steering Committee can be fully informed about a matter before making its decision.

CONSENT CALENDAR: Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Committee member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Committee.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



PRELIMINARY BUSINESS

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Comment (*If necessary, the Chair may place reasonable time limits on all comments*)
5. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting

CONSENT CALENDAR

6. City Managers' Steering Committee Minutes - Page 1
Recommended Action: Approve City Managers' Steering Committee Minutes.
7. Appointment of Southeast Representative to the City Managers' Steering Committee
Recommended Action: Appoint Dan Fox (Diamond Bar) to serve on the City Managers' Steering Committee.

ACTION ITEMS

8. Regional Housing Trust Fund Joint Powers Agreement and Board Selection Process - Page 3
Recommended Action: Direct staff to distribute the proposed Regional Housing Trust Joint Powers Agreement and recommend the Governing Board approve the proposed Regional Housing Trust Board composition and selection process.

UPDATE ITEMS

9. Service Delivery Study
Recommended Action: For information only.
10. Executive Director's Monthly Report
Recommended Action: For information only.

COMMITTEE MEMBER ITEMS

ANNOUNCEMENTS

ADJOURN



SGVCOG City Managers’ Steering Committee Meeting Unapproved Minutes
December 4, 2019
12:00 Noon
Foothill Transit Center

- 1. Call to order
The meeting was called to order at 12:02 PM.
- 2. Pledge of Allegiance.
- 3. Roll Call

Members Present:

- Alhambra, D. Tran
- Azusa, S. Gonzalez
- Baldwin Park, S. Yauchzee
- La Verne, B. Russi
- Temple City, B. Cook
- Glendora, A. Raymond
- San Marino, M. Marlowe
- Pomona, L. Lowry
- La Canada Flintridge, M. Alexander

Members Absent:

- Covina, B. Saeki
- El Monte, A. Martinez
- Monterey Park, R. Bow
- Rosemead, G. Molleda
- Arcadia, D. Lazzaretto

SGVCOG Staff/Guests:

- M. Creter, Executive Director
- K. Ward; C. Sims; N. Romo, SGVCOG Staff
- D. Fox, Diamond Bar

- 4. Public Comment.
No public comment was provided.
- 5. Changes to Agenda Order.
No changes were requested.

CONSENT CALENDAR

- 6. City Managers’ Steering Committee Minutes
Recommended Action: Approve City Managers’ Steering Committee Minutes.
There was a motion to approve the consent calendar (M/S: M. Marlowe/S. Yauchzee).

[MOTION PASSED]

AYES:	Azusa, Alhambra, Baldwin Park, La Verne, San Marino, Temple City, Glendora, Pomona
NOES:	
ABSTAIN:	
ABSENT:	Arcadia, El Monte, Covina, La Canada Flintridge, Monterey Park, Rosemead

DISCUSSION ITEMS

7. Regional Housing Trust Fund Set-up
M. Creter reported on this item. She presented on various staffing models for the set-up of the San Gabriel Valley Regional Housing Trust Fund. She also presented on a potential dues structure for cities who would participate in the Trust Fund. Committee members inquired if there was a possibility to add an alternative fee for members who wish to join, but not be as active as full participating members. The Committee decided to further explore two of the proposed staffing options at the next meeting: city provided staffing and SGVCOG provided staffing.

UPDATE ITEMS

8. Service Delivery Study
No updates given.
9. Executive Director's Monthly Report – Oral Report
M. Creter reported on this item.

COMMITTEE MEMBER ITEMS

ANNOUNCEMENTS

Due to the New Year holiday, the next City Managers Steering Committee will be held on Wednesday, January 8th at 12 noon. The Pomona Hope for Home Shelter will have a ribbon cutting on December 7.

ADJOURN

The meeting adjourned at 12:59 PM

DATE: January 8, 2020

TO: San Gabriel Valley City Managers

FROM: Marisa Creter, Executive Director

RE: **REGIONAL HOUSING TRUST FUND SET-UP**

RECOMMENDED ACTION

Direct staff to distribute the proposed Regional Housing Trust Joint Powers Agreement and recommend the Governing Board approve the proposed Regional Housing Trust Board composition and selection process.

BACKGROUND

SB 751 (Rubio) was signed by Governor Newsom in October 2019 and authorizes the formation of a San Gabriel Valley Regional Housing Trust (SGVRHT) joint powers authority (JPA) by the County of Los Angeles and any or all of the cities within the San Gabriel Valley Council of Governments. The Trust would be authorized to plan and construct housing (for persons of extremely low, very low, and low income within the San Gabriel Valley), receive public and private financing and funds, and authorize and issue bonds.

Since September 2019, SGVCOG staff has facilitated meetings of a San Gabriel Valley Regional Housing Trust Working Group in order to develop a joint powers agreement that would govern the Trust. Approximately seventeen cities have designated staff members to attend these meetings and represent their cities as part of the joint powers agreement negotiation. Each meeting has focused on a different topic within the joint powers agreement. The topics are listed below:

- Joint Powers Agreement Recitals
- Liability
- Powers of the Joint Powers Authority
- Organization, Funding, and Staffing
- Membership and Board Composition

The Working Group has discussed the language of the joint powers agreement and continues to develop a working draft of the joint powers agreement. The draft JPA was circulated to the cities for final review (including review by cities' legal counsels) by December 9. Attachment A contains the final draft JPA and staff is requesting review by the City Managers' Steering Committee at its January 8 meeting. Staff anticipates releasing the joint powers agreement for the cities' consideration following the City Managers Steering Committee meeting.

STAFFING ALTERNATIVES & ADMINISTRATIVE BUDGET

At the December City Managers’ Steering Committee meeting, there was an extensive discussion on the proposed staffing and administrative budget of this new organization based on the anticipated workplan. Table 1 provides a summary of the proposed major activities of the SGVRHT. Some of these activities are specialized tasks that will require expertise and experience to complete. The SGVCOG anticipates that the SGVRHT will contract out these tasks in order to obtain the most expertise and be more responsive to the specific needs of the Agency. For example, Community Development Financing Institutions (CDFIs) are private financial institutions that are dedicated to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream. A CDFI could be the “specialized staff” that would have the skillset and expertise required to manage the Trust’s funding and financing (e.g. the fund distribution). Other tasks are core tasks of the SGVRHT and would thus be completed by the Trust’s core staff. The table below outlines both the anticipated first-year activities and the ongoing activities and identifies whether these tasks would likely be completed by “core staff” or “specialized staff” (e.g. contracted).

Activity	Completed by:	
	Core Staff	Specialized Staff (e.g. contracted)
Outreach to eligible entities	X	
Administrative set-up (e.g. bylaws, policies and procedures)	X	
Administration (e.g. operating budget; annual reporting; updating program priorities)		
Preparing for and holding Board meetings & managing Board relationships	X	
Developing guiding principles and goals		X
Developing project/program priorities	X	
Developing, maintaining, and updating project pipeline	X	X
Developing a funding strategy		X
Managing and administering SGVRHT funds (e.g. issuing NOFAs)	X	X
Reporting on SGVRHT grant funding received	X	
Applying for grant/foundation funding; lobbying/advocating for funding	X	X
Fundraising	X	X
Overseeing specialized staff	X	

**Table 1.
SGVRHT Proposed Activities and Staffing Responsibilities.**

SGVCOG staff estimates that these “core staff” responsibilities would require 1.1 FTEs – 1 FTE at a Principal Management Analyst level, and 0.1 FTE at a Management level. In all instances, there would be costs associated with the administration of the Agency (i.e.

office space/utilities/equipment; finance/administrative support; printing/supplies; travel/meeting expenses. Ultimately, it was recommended that the SGVCOG provide staffing to the SGVRHT.¹ Using this model, the SGVRHT would contract with the SGVCOG to perform the core functions of the Agency. This model would allow the JPA to take advantage of the SGVCOG’s existing administrative structure, would result in a less complex contractual arrangement – as opposed to splitting duties between multiple parties – and would allow for dedicated staffing to be hired to support the SGVRHT. However, the hiring of additional employees would create additional liability for the SGVCOG, of which all cities are members.

PROPOSED FUNDING PLAN

The estimated annual administrative costs of the SGVRHT are anticipated to be approximately \$250,000, assuming an agency is willing to serve as an administrative sponsor and provide administrative staffing services and office space in-kind. The estimated value of these in-kind services is \$116,000. A sample annual operating budget is shown below.

	Total	Other Funding	In-Kind	Admin Fees
Personnel				
1.0 FTE (PMA)	130,000			130,000
0.1 FTE (Upper Management)	24,000		12,000	12,000
Subtotal	<u>154,000</u>			
Contracted Services				
Fund Development ²	50,000			50,000
NOFA Administration ³	TBD	TBD		
Legal Support	36,000			36,000
Subtotal	<u>86,000</u>			
Direct Costs				
Printing / Supplies	12,000			12,000
Travel/ Meeting Expenses	10,000			10,000
Subtotal	<u>22,000</u>			
Admin. & Fiscal Costs				
Office Space/Equipment	24,000		24,000	
Finance / Admin Support	80,000		80,000	

¹ Two staffing models were considered but not recommended. Those models were having the SGVRHT have its own staff or the SGVRHT contract all staffing to a consultant via a management services agreement or similar model. Additionally, staff surveyed cities to determine if there was interest in any city serving as the administrative/fiscal sponsor, and no city indicated capacity to serve in this role.

² Fund development activities may include activities such as lobbying or other advocacy, grant-writing, and fundraising. It is unlikely that these activities could be funded through grants or administrative fees assessed on loans.

³ NOFA administrative could be self-funded through the utilization of a CDFI or similar mechanism. The NOFA administration process would be assessed and finalized during the initial set-up and planning activities of the SGVRHT.

	Subtotal	104,000		
TOTAL		<u>366,000</u>		<u>116,000</u> <u>250,000</u>

**Table 2.
SGVRHT Estimated Annual Operating Budget**

In order to ensure the long-term stability of the agency, SGVCOG staff has recommended that participating agencies pay an annual administrative fee. Furthermore, the City Managers’ Steering Committee also recommended offering two types of membership to encourage the broadest participation and to advocate effectively at the State and Federal level as a regional agency with significant reach and support.

The two proposed membership types are as follows:

- Full Member
 - Eligible to serve on board
 - Projects within jurisdictional boundaries eligible to receive funding
- Affiliate Member
 - Supports advocacy to secure additional funding and expand regional housing options
 - However, cannot serve on board or receive project funding

In order to participate under either membership category, the agency would need to remain current on its SGVCOG dues. Levels of contribution are proposed to be based on City population size. If City does not pay its annual administrative fee, it would be considered inactive, and projects within city would not eligible for funding and the City could not participate in any other programmatic activities. Additionally, the City would be assessed an administrative fee (“exit fee”) for existing funds being distributed to projects within the City. The proposed annual administrative fees are shown in Table 3.

Population	Administrative Fee
Up to 30,000	\$10,000
30,001 – 60,000	\$15,000
60,000 – 100,000	\$20,000
100,001 – 175,000	\$25,000
County (Per District)	\$25,000
Affiliate Members	\$5,000

**Table 3.
Proposed Annual Administrative Fees.⁴**

The SGVRHT JPA is considered active after two or more parties adopt the JPA. It is anticipated that will occur sometime in Spring 2020. Staff is proposing that agencies that join the JPA within the first six months of the JPA becoming active be assessed only the administrative fee at the time of joining, and then annually beginning in July 2021.

⁴ Annual administrative fees may be adjusted annually based on CPI.

Agencies that adopt and join the SGVRHT JPA more than six months after the JPA becomes active would be assessed a “joining fee” equal to their annual administrative fee plus the affiliate member fee (of \$5,000). The “joining fee” would be assessed at the time of entry. If an agency joined the JPA in future years, it would be assessed the affiliate member fee for the number of years for which it had not previously been a member of the JPA, not to exceed double the amount of the annual administrative fee. For example, if an agency were to join the JPA 3 years after it formed, it would be assessed the annual administrative fee plus \$15,000 – equal to 3 years of the affiliate member fees. Each member agency would then be assessed their administrative fee annually thereafter, every July. The proposed joining fee for those joining more than 6 months after the JPA is formed – but before the second year – is shown in Table 4.

Population	Joining Fee
Up to 30,000	\$15,000
30,001 – 60,000	\$20,000
60,000 – 100,000	\$25,000
100,001 – 175,000	\$30,000
County (Per District)	\$30,000
Affiliate Members	\$0

**Table 4.
Proposed One-Time Joining Fee - After 6 Months.**

In order to finalize the proposed administrative fees, staff surveyed cities to gauge general level of interest. The results of the survey are summarized in Table 5.

Population	Annual Fee	# of Interested Cities	Total
Up to 30,000	\$10,000	1	\$10,000
30,001-60,000	\$15,000	6	\$90,000
60,001-100,000	\$20,000	2	\$40,000
101,001-175,000	\$25,000	3	\$75,000
County	\$75,000	0	\$0
Affiliate	\$5,000	3	\$15,000
Total		15	\$230,000

**Table 5.
Interested Cities by Population Size.**

Based on this initial survey, 15 cities have expressed interest in participating in the SGVRHT and the total administrative fees would provide sufficient funding to operate the agency on an ongoing basis.

APPOINTMENT PROCESS

SB 751 specifies that the SGVCOG Governing Board shall appoint the nine Directors of the Regional Housing Trust Board for a two-year term. Seven of these members shall be members of the Governing Board that represents either a city that is a party to the joint powers agreement or the County, should it join the JPA. The Regional Housing Trust Working Group discussed a proposed selection process for these seven seats that appointed representatives in accordance with the five districts used for the City Managers Steering Committee and the Capital Projects Committee, and the remaining two seats as at-large seats. The proposed Board composition is as follows:

- 5 members based on district
 - Northeast: Azusa, Claremont, Glendora, La Verne, San Dimas
 - Southeast: Covina, Diamond Bar, Industry, La Puente, Pomona, Walnut
 - Central: Baldwin Park, El Monte, Rosemead, South El Monte, Irwindale, West Covina
 - Northwest: Arcadia, Bradbury, Duarte, La Canada Flintridge, Monrovia, San Marino, Sierra Madre
 - Southwest: Alhambra, Montebello, Monterey Park, San Gabriel, South Pasadena, Temple City
- 2 at-large members
 - County (should they join) would be eligible for one of these seats

If only one city from a district were to join, that seat would become an at-large seat until the next election cycle in which there were at least two cities from a district that were members of the Regional Housing Trust.

The remaining two members shall be experts in housing or homeless policy.

The SGVCOG Governing Board has expressed interest in having an application process in order to appoint both the elected official and housing/homeless policy Directors of the Regional Housing Trust Board. The application would allow potential appointees to highlight their experience and interest in housing and homeless issues in the region and help the Governing Board to appoint the best possible candidates. As part of its consideration of the Regional Housing Trust Board selection process, the Governing Board will also approve an application process.

SGVCOG staff is recommending that the Regional Housing Trust Board appointments be made as soon as possible in the spring. The State will release a notice of funding availability (NOFA) for its Local Housing Trust Fund Grant Program in the Spring of 2020, and it is important that the San Gabriel Valley Regional Housing Trust is prepared to submit an application.

NEXT STEPS

At this time, SGVCOG staff is seeking confirmation of the recommendations discussed above:

- SGVCOG staff serve as the core staff of the Regional Housing Trust Board;

- Amount of annual administrative fees and the joining fees;
- Regional Housing Trust Board composition and process of appointments.

Pending final confirmation of these items by the City Managers' Steering Committee, the joint powers agreement will be finalized and distributed for cities' consideration. The City Managers' Steering Committee's recommendation on the Regional Housing Trust Board composition and process of appointments will be presented to the SGVCOG Homelessness Committee, Executive Committee, and Governing Board at their respective February meetings.

ATTACHMENTS

Attachment A – Final Draft SGVRHT JPA

Attachment A

DRAFT OF THE SAN GABRIEL VALLEY REGIONAL HOUSING TRUST JPA

JOINT EXERCISE OF POWERS AGREEMENT

THIS JOINT EXERCISE OF POWERS AGREEMENT (the "Agreement") is made this ___ day of _____ 2020 (the "Effective Date"), by and between the following public entities and (collectively, the "Cities") and the COUNTY OF LOS ANGELES (the "County") (individually, a "Party" and collectively, the "Parties") .

RECITALS

- A. The Parties are authorized to take such actions that promote the public health, safety and welfare of residents.
- B. The Parties acknowledge that a shortage of affordable housing exists as a result of various causes.
- C. The Parties are committed to providing additional housing opportunities and reducing homelessness in a coordinated and comprehensive manner.
- D. The Parties acknowledge that an adequate supply of housing will provide social and economic benefits to residents and taxpayers of the Member Agencies.
- E. Each Party has the individual power to implement affordable housing projects and programs generated within its jurisdictional boundaries, as well as to create and issue development agreements for such activities.
- F. The Parties find it in their mutual interest to enter into this Agreement to provide a coordinated response to addressing shortages in workforce housing, affordable housing, and supportive housing in the San Gabriel Valley.
- G. California Government Code sections 6500 et seq. ("Joint Exercise of Powers Act" or "Act") permits two or more public agencies to create a joint powers authority for the purposes cited herein, and permits such agencies to exercise jointly any power that the public agencies could exercise separately, and further grants certain additional powers to such a joint powers authority.

H. California Government Code section 6539.6 authorizes the County of Los Angeles and any of the cities within the County of Los Angeles to create a joint powers agency known as the San Gabriel Valley Regional Housing Trust ("SGVRHT"), which may do any of the following:

1. fund the planning and construction of housing of all types and tenures for the homeless population and persons and families of extremely low, very low, and low income, as defined in Section 50093 of the Health and Safety Code, including, but not limited to, permanent supportive housing; and
2. receive public and private financing and funds.

I. California Government Code section 6539.6 also authorizes the parties to a joint powers agreement, which is executed pursuant to its provisions, to grant SGVRHT the power to authorize and issue bonds, certificates of participation, or any other debt instrument repayable from funds and financing received and pledged by SGVRHT.

J. The Parties are establishing the SGVRHT to promote public-private partnerships, nonprofit collaborations, and community building to maximize sources of funds public and private, when available, to efficiently accelerate housing for homeless, low, very low and extremely low-income individuals and families.

K. This Agreement shall not in any way be interpreted to limit any Party's authority over land-use decisions within their respective jurisdictions, including, but not limited to, whether any project or program supported by SGVRHT is to be implemented within such Party's jurisdiction.

NOW, THEREFORE, in consideration of the mutual promises set forth below, the parties agree as follows:

Section 1. Creation and Purpose.

- a) Creation of SGVRHT. Pursuant to the Joint Exercise of Powers Act, including Section 6539.6 of the Government Code, there is hereby created a public entity

to be known as the "San Gabriel Valley Regional Housing Trust." SGVRHT shall be a public entity separate and apart from the Parties, and shall administer this Agreement.

- b) Purpose. This Agreement is made pursuant to the Joint Powers Act for the purpose of creating SGVRHT as a public entity separate from the Parties to: (i) exercise Common Powers with respect to providing funding for the planning and construction of housing of all types and tenures for the homeless population and persons and families of extremely low, very low, and low income, as defined in Section 50093 of the Health and Safety Code, including, but not limited to, permanent supportive housing; and (ii) receive public and private financing and funds. The purpose of this Agreement shall be accomplished and common powers exercised in the manner set forth in the Agreement. Nothing contained in this Agreement shall preclude the Parties from establishing, maintaining or providing social programs or services to its residents as it deems proper and necessary.

Section 2. Term and Termination.

- a) Term. This Agreement shall become effective, and SGVRHT shall come into existence, on the Effective Date, and this Agreement shall thereafter continue in full force and effect until terminated pursuant to subdivision (b) of this section.
- b) Termination. This Agreement may be terminated by agreement of the Parties. Upon termination of this Agreement, SGVRHT shall be dissolved and, after payment or provision for payment of all liabilities, the assets of SGVRHT shall be distributed to the Parties in proportion to the contributions of each Party to SGVRHT and the amounts paid by, each Party in connection with SGVRHT's activities.

Section 3. Powers and Duties of SGVRHT.

- a) General Powers. SGVRHT shall have all the powers common to the Parties to this Agreement necessary or convenient, specified or implied, to accomplish the purpose of this Agreement as set forth in Section 1, subject to the restrictions set forth in Section 3, subdivision (c) below. Said powers shall be exercised in the

manner provided in the Joint Exercise of Powers Act and, except as expressly set forth herein, subject only to such restrictions upon the manner of exercising such powers as are imposed upon the Parties in the exercise of similar powers.

b) Specific Powers. Without limiting the generality of the powers conferred in subdivision (a) of this Section 3, SGVRHT is hereby authorized, in its own name, to do all of the acts necessary or convenient to the accomplishment of the purposes of this Agreement and the full exercise of the powers conferred in subdivision (a) of this Section 3, including but not limited to the following:

1. to make and enter into contracts;
2. to contract for staff assistance, including, but not limited to, contracting with other public agencies;
3. to sue and be sued in its own name;
4. to apply for, accept, receive and disburse grants, loans and other aids from any Federal, State or local program that is related to the purposes of this Agreement;
5. to invest any money in the treasury pursuant to Section 6505.5 of the Joint Powers Act that is not required for the immediate necessities of SGVRHT, as SGVRHT determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code;
6. to apply for letters of credit or other forms of financial guarantees in order to enter into agreements in connection therewith;
7. incur and discharge debts, liabilities, and obligations, subject to the limitations provided in this Agreement and to the extent permitted under the law;
8. issue and receive loans;
9. to engage the services of private consultants to render professional and technical assistance and advice in carrying out the purposes of this Agreement;
10. to employ and compensate legal counsel, including bond counsel, financial consultants, and other advisers determined appropriate by SGVRHT in the accomplishment of the purposes of this Agreement;
11. to contract for engineering, construction, architectural, accounting,

environmental, land use, or other services determined necessary or convenient by SGVRHT in connection with the accomplishment of the purposes of this Agreement;

12. for the purposes of enforcing affordable housing covenants or holding security interests for loans, to take title to, and transfer, sell by installment sale or otherwise, lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and other interests in real or personal property which SGVRHT determines are necessary or convenient in connection with the accomplishment of the purposes of this Agreement;

13. for the purposes of renting space for SGVRHT to operate, to lease to, and to lease from, a Party or any other person or entity lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and other interests in real or personal property which SGVRHT determines are necessary or convenient in connection with the accomplishment of the purposes of this Agreement;

14. to solicit charitable contributions from private sources;

15. to acquire, hold, or dispose of property, contributions, and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities;

16. partner with Parties on funding solicitations and other opportunities for the purposes set forth in this Agreement;

c) Limitation on Powers. This Agreement does not authorize SGVRHT do any of the following:

1. regulate land use within the jurisdiction of any of the Parties;
2. levy, or advocate or incentivize the levying of, any land use exaction such as an impact fee, charge, dedication, reservation or tax assessment, as a condition of approving the funding for or approval of, a development project;
3. require inclusionary zoning requirements;
4. fund or otherwise approve an agreement for a housing project that is not supported by the Party; or
5. require the Parties to this Agreement to accept or provide any specific

number of housing units as a prerequisite to joining or remaining a Party to this Agreement.

Section 4. Members/Affiliates

- a) Members. The members of SGVRHT shall be the Parties to this Agreement who have not withdrawn from SGVRHT, and such other entities that may join SGVRHT after execution of this Agreement. New members may join on the terms and conditions set forth in Section 10 hereof. Only the County of Los Angeles and cities within the jurisdiction of the San Gabriel Valley Council of Governments may become a member of SGVRHT.
- b) Affiliates. Entities that are eligible to be a party to this Agreement may join the SGVRHT as an affiliate. Entities that join as an affiliate are not eligible to have a member of their governing board serve on the Board of Directors or receive funding for a project within their jurisdiction until such time, if ever, they become of a member of SGVRHT. An eligible entity may become an affiliate through written notice from the executive officer of the entity, but shall not be a party to this Agreement.

Section 5. Board of Directors

- a) Selection of Directors. The membership of the Board of Directors of SGVRHT shall be governed by Government Code section 6539.6 and as it may be amended. As provided therein, SGVRHT shall be governed by a Board of Directors consisting of nine Directors selected as follows:
 - 1. Seven Directors selected by the San Gabriel Valley Council of Governments Governing Board (“SGVCOG Board”) that are either a County of Los Angeles board of supervisor who represents a supervisorial districts wholly or partially within the territory of the San Gabriel Valley Council of Governments; provided the County of Los Angeles is a Party to this Agreement or a council member from a city that is a Party to this Agreement.
 - 2. Two Directors selected by the SGVCOG Board that are experts in homeless or housing policy.

- b) Board Powers. Subject to the limitations of this Agreement and the laws of the State of California, the powers of SGVRHT shall be vested in and exercised by and its property controlled and its affairs conducted by the Board of Directors.
- c) Director Terms. At its first regular meeting following the Effective Date or at such other time as it determines, the SGVCOG Board shall select the Directors for the SGVRHT Board of Directors. Each Director shall serve a term of two years. At a regular SGVCOG Board meeting preceding the end of the Directors' terms by at least 15 days, the SGVCOG Board shall select new Directors or re-select current Directors for the new terms of office. There is no limit on the number of terms a Director may serve. In the event of a vacancy on the Board of Directors, the SGVCOG Board shall appoint a replacement within 60 days of such vacancy who shall serve out the remainder of term of the Director that he or she has replaced.
- d) Advisory Board. In accordance with SGVRHT's bylaws, the Board of Directors may appoint advisory boards that may include such persons as designated by the Board of Directors.
- e) Compensation. Directors shall serve without compensation but may be reimbursed for any expenses actually incurred in connection with serving as a Director; provided such expenses have been previously approved by the Board of Directors and incurred in accordance with any SGVRHT policies or procedures governing same.
- f) Meetings of the Board of Directors.
1. Call, Notice and Conduct of Meetings. All meetings of the Board of Directors, including without limitation, regular, adjourned regular, special meetings and adjourned special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act.
 2. Regular Meetings. Regular meetings of the Board of Directors shall be

held at such dates and times as the Board of Directors may fix by resolution. If any day so fixed for a regular meeting shall fall upon a legal holiday, then such regular meeting shall be held on the next succeeding business day at the same hour, unless otherwise determined by the Board of Directors. No notice of any regular meeting of the Board of Directors need be given to the individual Directors.

3. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the Chairperson of the Board or by a majority of the Directors.
4. Quorum. A quorum is established if at least five (5) Directors are present at a meeting, except that less than a quorum may adjourn a meeting to another time and place or constitute a "committee of the whole" for purposes of hearing reports or other matters not requiring action by the Board of Directors. Unless otherwise provided in this Agreement, actions and decisions of the Board of Directors may be taken by a majority of the quorum present at any meeting.
5. Minutes. The Board of Directors shall keep minutes of all regular, adjourned regular, and special meetings, and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director.
6. Officers. The Board of Directors shall elect a chairperson and a vice chairperson from among its Directors at the first meeting held in each calendar year. In the event that the chairperson or vice chairperson so elected ceases to be a Director, the resulting vacancy shall be filled at the next regular meeting of the Board of Directors held after such vacancy occurs or at a special meeting called for that purpose. In the absence or inability of the chairperson to act, the vice chairperson shall act as chairperson. The chairperson, or in the chairperson's absence, the vice chairperson, shall preside at and conduct all Board of Director meetings.

7. Rules and Regulations. The Board of Directors may adopt, from time to time, by resolution, such rules, regulations and bylaws for the conduct of its meetings and affairs as the Board determines is necessary or convenient.

Section 6. Additional Officers and Employees

a) Officers and Contract Staff.

1. SGVRHT may contract with a Party to this Agreement for officers and staff , the San Gabriel Valley Council of Governments or other independent contractors, agents, or volunteers as the Board of Directors may deem necessary to carry out any of SGVRHT's powers, upon such terms and conditions as the Board may require, including the retaining of professional and technical assistance, provided that adequate funds are available in SGVRHT's budget and are appropriated by SGVRHT therefore.
2. None of the officers, agents or staff, if any, directly contracted by SGVRHT shall be deemed, by reason of their roles or duties or contracted status, to be employed by the Parties.
3. If SGVRHT contracts with a Party to this Agreement to provide SGVRHT with administrative services through persons who are employees and officers of the Party, then any retirement liabilities associated with that Party's employees and officers shall not constitute a liability of SGVRHT or any other Party to this Agreement.

- ### b) Treasurer and Auditor/Controller.
- Pursuant to Government Code Sections 6505.5 and 6505.8, the Board of Directors shall appoint an officer or employee of SGVRHT, an officer or employee of a public agency that is a Party to this Agreement or a certified public accountant to hold the offices of treasurer and auditor for SGVRHT. Such person or persons shall possess the powers of and shall perform the treasurer and auditor functions for SGVRHT required by Sections 6505, 6505.5 and 6505.6 of the Government Code, including any subsequent amendments thereto. Pursuant to Government Code Section 6505.1, the auditor and treasurer shall have charge of certain property of SGVRHT. The treasurer and auditor shall assure that there shall be strict accountability of all

funds and reporting of all receipts and disbursements of SGVRHT. The treasurer and auditor of SGVRHT shall be required to file an official bond with the Board of Directors in an amount, which shall be established by the Board. Should the existing bond or bonds of any such officer be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein shall be an appropriate expense of SGVRHT.

- c) Attorney. The Board of Directors shall have the power to appoint one or more legal advisors to SGVRHT who shall perform such duties as may be prescribed by the Board.

Section 7. Financial Provisions

- a) Fiscal Year. The Fiscal Year of SGVRHT shall, unless and until changed by the Board of Directors, commence on the 1st day of July of each year and shall end on the 30th day of June of the next succeeding year except that the initial Fiscal Year of SGVRHT shall commence on the effective date of this Agreement and end on the immediately following 30th day of June.
- b) Budget.
 - 1. General Budget. Within one hundred and twenty days (120) after the first meeting of the Board of Directors, a general budget for the first fiscal year shall be adopted by the vote of a majority of all of the Directors.
 - 2. Expenditures for the Approved Budget. The payment of all SGVRHT obligations is limited to the amount of appropriations allowed in SGVRHT's approved budget, except as it may be revised with the approval of a majority of all of the Directors of the Board of Directors.
- c) Contributions by the Parties.
 - 1. Administrative Cost Contributions. The Parties agree that they shall make annual contributions ("Administrative Fee") towards the budgeted administrative costs of SGVRHT in accordance with a cost allocation formula as outlined below:

Population	Annual Administrative Fee
Up to 30,000	\$10,000
30,001 – 60,000	\$15,000
60,001 – 100,000	\$20,000
100,001 – 175,000	\$25,000
County (per district)	\$25,000
Affiliates	\$5,000

The Administrative Fee shall be assessed annually. The Administrative Fee shall increase annually in an amount equal to the U.S. Bureau of Labor Statistics consumer price index for the Los Angeles area for the year preceding the year the Administrative Fee is assessed. Payment of the Administrative Fee shall be due within 30 days of receipt of an invoice from the SGVRHT. The invoice shall indicate how the Administrative Fee was calculated. A Party's contribution to SGVRHT's administrative costs shall be in the form of money, unless the Board of Directors approves another form of contribution such as services, personal property or use of real or personal property, or other in-kind contributions. The acceptance and valuation of any such non-monetary contributions may be used to offset in whole or part a Party's contribution as determined in the sole and absolute discretion of the Board of Directors. If a Party has received funding through the County Measure H Program and allocates that funding to support the start-up and operations of the SGVRHT, the funding will be credited towards the Party's first year Administrative Fee only. Notwithstanding the above, after the first fiscal year the Board of Directors may establish an Administrative Fee in an amount the Board of Directors deems financially prudent; provided it shall roughly be proportional as to each Party in the amounts reflected in the table above.

2. Program Cost Contributions. In addition to a Party's annual Administrative Fee set forth above, the level of, and mechanism for involvement by SGVRHT or a Party to any particular programs and program budget, funded, sponsored or operated by SGVRHT, shall be determined and

approved by the Board of Directors.

d) Accounts and Reports.

1. Books and Records. There shall be strict accountability of all SGVRHT funds and accounts and report of all SGVRHT receipts and disbursements. Without limiting the generality of the foregoing, SGVRHT shall establish and maintain such funds and accounts as may be required by good government accounting practice. The books and records of SGVRHT shall be open to inspection at all reasonable times by each Party and its duly authorized representatives.
2. Annual Audit. The person appointed by the Board of Directors to perform the auditor function for SGVRHT shall cause an annual independent audit of the accounts and records of SGVRHT and records to be made by a certified public accountant or firm of certified public accountants in accordance with Government Code section 6505. Such audits shall be delivered to each Party and shall be made available to the public.
3. Annual Financial Report. Pursuant to section 6539.6 of the Government Code, SGVRHT shall publish an Annual Financial Report that shall describe the funds received by SGVRHT and the use of such funds by SGVRHT. The Annual Financial Report shall describe how the funds received by SGVRHT have furthered the purpose of SGVRHT.

- e) Funds. Subject to the applicable provisions of any instrument or agreement which SGVRHT may enter into, which may provide for a trustee or other fiscal agent to receive, have custody of and disburse SGVRHT funds, the person appointed by the Board of Directors to perform the treasurer function for SGVRHT shall receive, have the custody of and disburse SGVRHT funds in accordance with generally accepted accounting practices, shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

Section 8. Amendments and Additional Parties.

Unless otherwise specifically provided herein, this Agreement may not be amended or modified except by approval of two-thirds of the governing bodies of all the Parties and no other attempted amendment or modification shall be of any force and effect unless approved in accordance with this Agreement.

Section 9. Non-Liability for Obligations of SGVRHT.

The debts, liabilities and obligations of SGVRHT shall not be considered the debts, liabilities or obligations of any Parties or their officers, agents, employees, representatives and volunteers.

- a) Indemnification. The SGVRHT shall defend, indemnify and hold harmless each Party, its officers, agents, employees, representatives and volunteers (the "Indemnitees") from and against any loss, injury, damage, claim, lawsuit, liability, expense, or damages of any kind or nature (collectively, "Claims") brought by a third party which arises out of or in connection with SGVRHT's administration of this Agreement. The SGVRHT's duty to defend and indemnify under this Section shall not extend to Claims arising of the Indemnitees' own negligence, omission or willful misconduct, whether in whole or part. The SGVRHT shall finance its obligation pursuant to this Subsection by establishing a liability reserve fund, and/or by purchasing commercial insurance, and/or by joining a joint powers insurance authority (JPIA) as determined by the Board. In the event the SGVRHT's financial obligations to indemnify, defend and hold harmless, pursuant to this Subsection, exceed the liability reserve fund and/or the proceeds from any applicable insurance and/or JPIA coverage maintained by the SGVRHT (hereinafter "Unfunded Liability"), a Party or Parties may agree to indemnify and hold harmless the SGVRHT for such Unfunded Liability by way of a separate agreement as between such Party or Parties and the SGVRHT.

- b) Each Party shall assign to the SGVRHT its rights, title, and interest to recover damages from any third party for Claims arising out of this Agreement, to the extent that the SGVRHT has met its obligations to defend and indemnify such Party pursuant to this Section.

Section 10. Admission and Withdrawal of Parties.

- a) Admission of New Parties. It is recognized that additional eligible entities other than the Parties, may wish to join SGVRHT after the Effective Date. Such eligible entities may become a Party to this Agreement upon such terms and conditions as are established by this Agreement and the Board of Directors. As a condition precedent to becoming a Party more than six months after the Effective Date, an eligible entity may thereafter become a Party to this Agreement; provided that this Agreement is adopted by its governing body and the eligible entity pays, as a late joining fee, an amount equal to the annual administrative fee it would have paid under this Agreement prior to becoming a Party, minus any affiliate member administrative fees it has paid . The Party shall also pay the current year's annual administrative fee. Payment shall be due within 30 days of receipt of an invoice from SGVRHT.
- b) Withdrawal from SGVRHT. A Party may withdraw from SGVRHT upon its governing board's adoption of a resolution stating its intent withdraw from SGVRHT. The withdrawal of any Party, unless otherwise provided by the Board of Directors, shall be conditioned as follows:
1. The withdrawal shall be effective at the end of the SGVRHT fiscal year which is at least six months after the receipt by SGVRHT of a written notice of the Party's intent to withdraw, accompanied by a copy of the governing board resolution stating its intent to withdraw; and;
 2. Unless otherwise provided by a unanimous vote of the Board of Directors, withdrawal shall result in the forfeiture of the withdrawing Party's rights and claims relating to distribution of property and funds upon termination of SGVRHT as set forth in Section 2 above. Withdrawn members shall not be entitled to any reimbursement of Administrative Fees.

Section 11. Notices.

Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally or by registered or certified mail, postage prepaid, to the

persons and entities listed herein at the following addresses, or to such other address as may be designated to SGVRHT for formal notice:

- (a) XXX:
 - _____
 - _____
 - _____

Section 12. Miscellaneous.

- a) Section Headings. The section headings herein are for convenience only and are not to be construed as modifying or governing or in any manner affecting the scope, meaning or intent of the provisions or language of this Agreement.
- b) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Agreement.
- c) Laws Governing. This Agreement is made in the State of California under the Constitution and laws of such State and shall be construed and enforced in accordance with the laws of California.
- d) Severability. Should any part, term, portion or provision of this Agreement, or the application thereof to any person or circumstance, be held to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, it shall be deemed severable, and the remainder of this Agreement or the application thereof to other persons or circumstances shall continue to constitute the agreement the Parties intended to enter into in the first instance.
- e) Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Parties hereto. No party may assign any right or obligation hereunder without the written consent of a majority of the other Parties.

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be executed and attested by their duly authorized officers, as follows:

Party _____

By: _____
Supervisor/Mayor

Attest: _____
Clerk

DRAFT