

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

**A. GENERAL INFORMATION**

1. Date

September 26,  
2016

2. Department

Housing and Community Development

3. Organizational Placement (Division/Branch/Office Name)

Division of Financial Assistance

4. CEA Position Title

Assistant Deputy Director

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

The primary mission of the Department of Housing and Community Development is to provide leadership, policies and programs to preserve and expand safe and affordable housing opportunities and promote strong communities for all Californians. The proposed CEA (Assistant Deputy Director ) will be responsible for the development and administration of the new program No Place Like Home (NPLH), a \$2 billion initiative funded by the revenue bonds backed by the Mental Health Services Act (MHSA) funds. The NPLH is directly related to HCD's primary mission as it focuses on chronic homelessness and other vulnerable populations and will require close coordination with other state agencies and local jurisdictions.

6. Reports to: (Class Title/Level)

Deputy Director (Exempt)

7. Relationship with Department Director (Select one)

- Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain): Senior member of the Division of Financial Assistance leadership team

8. Organizational Level (Select one)

- 1st
- 2nd
- 3rd
- 4th
- 5th (mega departments only - 17,001+ allocated positions)

## B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

Under the general director of the Division of Financial Assistance (DFA) Deputy Director (Exempt), the Assistant Deputy Director (CEA) will have direct responsibility for the development and implementation of the new No Place Like Home (NPLH) program, as well as oversee the work of the Planning and Evaluation (P&E) Branch.

The new program will finance supportive housing for persons experiencing homelessness, chronic homelessness, or at risk of chronic homelessness who are in need of mental health services. The program will be funded through the use of revenue bonds administered under the authority of the California Health Facilities Financing Authority (CHFFA). HCD will be working with CHFFA to develop a service contract that governs HCD's responsibilities in administering the NPLH program and the bond financing, as well as working closing with the State Treasurer's Office and Department of Finance on the issuance of the bonds. HCD will develop the program in consultation with the No Place Like Home Advisory Committee which includes the State Treasurer, Department of Health Care Services, Department of Social Services, Secretary of Veterans Affairs, the chair of the Mental Health Services Oversight and Accountability Commission and other appointed members representing local government, local mental health officials, and other stakeholders. In addition to funding the development of new housing, HCD will also contract directly with counties that are required to provide funding for support services, including provision of mental health and related services. HCD will be working with new constituencies in administering this program including local mental health officials, mental health advocacy groups, and Department of Health Care Services staff.

To implement the NPLH program, the Department will add over 30 new positions over the next two fiscal years to develop and deliver the program. The CEA will be responsible for establishing systems to ensure long term compliance with program requirements and to coordinate and report program information to the Legislature, local government partners, and mental health advocacy groups. The CEA will provide for the collection of evaluative data, such as characteristics of projects and individualized outcomes of tenants. The CEA will respond to inquiries from high profile constituents such as county mental health officials, other state agencies, the Legislature, and outside stakeholders, such as homeless and mental health advocates.

The CEA will also be responsible for improving the division's project management capacity, including coordinating program activities across the division's branches and improving quality control.

**B. SUMMARY OF REQUEST (continued)**

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The new program was authorized by AB 1618, a 2016 budget trailer bill that created the No Place Like Home (NPLH) program, and allocated \$2 billion in bond financing for the development of permanent supportive housing for persons experiencing homelessness, chronic homelessness, or at risk of chronic homelessness who are in need of mental health services. Another bill, AB 1628, provided for the program to be funded by revenue bonds backed by the Mental Health Services Act revenues.

HCD's mission is to increase safe, affordable housing opportunities through leadership, policies, programs and funding. The Division of Financial Assistance administers more than 20 programs that award loans and grants for the construction, acquisition, rehabilitation and preservation of affordable rental and ownership housing, homeless shelters and transitional housing, public facilities and infrastructure, and the development of jobs for lower income workers.

The NPLH program is directly related to the Department's mission by providing housing opportunities to some of the state's most vulnerable populations, namely persons in need of mental health services that are homeless. Findings contained in the enacting legislation outline the need for this program, including: California has the nation's largest homeless population that is disproportionately comprised of women with children, veterans, and the chronically homeless; California has the largest number of homeless veterans in the United States at 24 percent of the total population in our nation; 50 percent of California's veterans live with serious mental illness and 70 percent have a substance use disorder; 50 percent of mothers experiencing homelessness have experienced a major depressive episode since becoming homeless; tenants of permanent supportive housing reduced their visits to the emergency department by 56 percent, and their hospital admissions by 45 percent.

**B. SUMMARY OF REQUEST (continued)**

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

The new program will fund the production of new permanent supportive housing, in combination with local funding for critical mental health services. The funding is expected to provide HCD with 32 additional positions to develop and deliver the program and its requisite oversight, reporting and coordination/integration. This new program represents a significant departure from HCD's current operations by mandating that counties provide on-going funding of supportive services for residents of the NPLH housing. The CEA will be responsible for establishing procedures to monitor that the counties are in compliance with this funding commitment.

Additionally, this will be the first HCD program to be funded by revenue bonds. The CEA will need to work closely with the State Treasurer's Office, California Health Facilities Financing Authority, the Attorney General's Office, the Department of Finance and bond counsel to ensure that program design is consistent with the bond financing requirements. The bill requires that use of bonds for this program is validated through a judicial review of the program. The CEA will need to ensure that the program guidelines that are submitted for judicial review accurately reflect the NPLH program. The CEA will also need to put systems in place that ensure that program implementation and long-term monitoring is consistent with the validated program.

To do this, the CEA will expand the division's project management capabilities to ensure consistent implementation of this complex housing program. Additionally, this program is politically sensitive as it redirects funding from local mental health services to a statewide program where awards are made on a competitive basis.

### **C. ROLE IN POLICY INFLUENCE**

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

1. With broad authority, the CEA will formulate new policies and provide the framework for the administration and evaluation of the new NPLH program. Because this program has a unique funding source, the CEA will need to ensure that the NPLH program guidelines are developed and administered consistent with any requirements that may be imposed by the bond financing structure. The CEA will need to work closely with the CHFFA and other members of the bond financing team. The NPLH program will provide \$2 billion in housing funds through unique partnerships between counties and housing developers which will result in over 1,200 new projects throughout the state. Because the program design and use of the bonds will be validated through judicial review, it is critical that the program be implemented consistent with the program guidelines that were presented for review. If the department deviates from the requirements that were validated, the use of bonds for the program could be challenged, thereby putting the program at risk.

2. The CEA will develop policies and procedures that will provide for long term compliance and oversight monitoring to ensure the program is administered consistent with the enabling legislation. Additionally, the CEA will need to develop internal controls to ensure that the long-term management of the program is consistent with the revenue bond financing structure.

3. The CEA will identify sensitive issues, formulate policies and strategies, and advise and make recommendations for final decision by the Director. This will include important policy issues, such as design of a delegated program for those counties with the highest homeless populations in a way that provides flexibility to respond to unique local needs, but ensures that the local programs comply with statewide requirements. The CEA will need to continue to work closely with new constituency groups to ensure continued support of the program, including local mental health officials, homeless rights advocates, and mental health advocates. This will also involve providing accurate data regarding the population served by the program, including outcome data.

4. The CEA may need to improve business management information systems, and well as project management across the division to ensure the successful implementation of this program. Over the life of the program, all branches of the division will have a role in implementing and monitoring program awards.

**C. ROLE IN POLICY INFLUENCE (continued)**

13. What is the CEA position's scope and nature of decision-making authority?

The Assistant Deputy Director CEA possesses full authority to make commitments for the Department on behalf of the Deputy Director (Exempt) and for the Director regarding the programs. The authority level for this position exceeds that of other CEA and senior managers in this full authority level; in decision making, communication skill and the level of accountability. This position will also engage in project management activities which expand across organization lines, to ensure appropriate reporting and compliance.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The CEA will be developing and implementing new policy, as NPLH is a newly enacted program. Policies and processes will need to be developed to rate and rank applications competitively during the award process, to ensure that loans are closed and funds disbursed, and to ensure the long-term viability of the projects through HCD's asset management program. This will require implementation of new procedures to ensure that unique program requirements, such as the requirement that counties fund support services, are appropriately monitored.