

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

October 10, 2019

2. Department

Housing & Community Development

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

Administration & Management Division

4. CEA Position Title

Assistant Deputy Director, Operations

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

Under the general direction of the Deputy Director, Administration & Management Division, the Assistant Deputy Director, Operations, sets policy, and directs and executes administrative strategy in support of the overall business and strategic direction of the Department, specifically developing policy within the Human Resources and Business & Contract Services Branches.

6. Reports to: (Class Title/Level)

Deputy Director, Administration & Management Division / CEA C

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): As a member of senior leadership, the CEA serves as a policy advisor to the Director, Chief Deputy, Deputy Director, Administration, and the Executive Leadership Team on human resources and operational issues.

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.

Develop and oversee implementation of policies within the Human Resources and Business & Contract Services Branches. Provide leadership along with policy setting for the work, activities and performance of staff managing the following: Human Resources (Classification and Consultation; Performance Management; Labor Relations; Workforce and Succession Planning; Payroll and Benefits; Disability Management and Return-to-Work; Employment Services and Outreach; Administrative Investigations; Health & Safety; Training; and HR Systems & Projects); procurement; facilities; business services; service contracts; and local assistance contracts. The CEA ensures that all program areas are aligned in support of HCD's mission to promote safe, affordable homes and strong vibrant communities throughout California.

Serve as policy advisor for all operational administrative issues related to the aforementioned programs. Provide extensive policy and program consultation and advice to the Director; Chief Deputy Director; Deputy Director, Administration & Management Division; Executive Staff; and HCD Senior Leadership regarding sensitive human resource issues, performance management, workforce strategy and organizational restructuring decisions. Identify and oversee the development and implementation of performance goals and metrics for the division and monitor progress towards goal achievement. Ensure the implementation and improvement of new and existing policies, processes and procedures while ensuring program integrity specific to HCD goals, strategic vision, legislative mandates, business direction, and administrative service and performance objectives. Continually assess assigned human resource, procurement, facilities, and business and contract services programs for risks to ensure the sustainability of critical business processes and develop and implement risk mitigation strategies. Consult with the Deputy Director on sensitive policy issues.

Collaborate with control agencies to ensure that HCD interests are included in decisions affecting state departments. Ensure compliance with policies, procedures, and processes that are consistent with the organization's goals, objectives, federal and state laws, and the rules of the California Department of Human Resources (CalHR), State Personnel Board (SPB), the State Controller's Office (SCO), Department of General Services (DGS), and other state business partners. Monitor and make policy recommendations on the impact of legislation and regulations on HCD programs. Represent HCD at control agencies or other professional organizations on operational program issues. Participate in control agency activities that support civil service improvements.

Serve as a member of HCD's senior leadership team and participate in program and policy direction and the development of HCD's Strategic and Business Plans. Oversee the development of HCD's Workforce and Succession Plans that support organizational sustainability and address the organization's current and future needs. Participate in departmental strategic and risk management planning sessions and develop related initiatives to meet the items outlined in the Department's strategic plan. Develop and maintain effective partnerships with HCD leadership to ensure their operational needs are considered when process and/or procedure changes are being explored.

Act on behalf of the Deputy Director, Administration & Management Division in his/her absence.

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 Department of Housing & Community Development (HCD) oversees the majority of housing bond programs for the State and is responsible for ensuring that target populations received bond-funded housing. In 2002 and 2006, Californians voted to provide a total of nearly \$5 billion in bonds for use in financing affordable housing; in 2018, Californians again voted to provide nearly \$3 billion in additional housing bonds. These funds are provided to local jurisdictions, non-profits, redevelopment agencies, etc., in the form of either loan- or grant-based programs. Currently, HCD has 22 active loan and grant programs, each of which have unique rules that dictate individualized local assistance contract templates to award funds.

In recent years HCD's program areas have grown approximately 46%, while administration staff have grown only 14%. The Human Resources Branch has been ill-equipped to develop and implement policies regarding best hiring practices to plan for this magnitude of growth in staffing, including designing and developing an outreach program, developing department-wide policies surrounding onboarding, and strategically developing practices to ensure retention of staff.

Without the leadership of the proposed CEA, HCD will be unsuccessful in hiring and retaining qualified individuals to manage housing bond programs for the State, and will fail to award loans and grants totaling billions of dollars to qualified local entities in an effort to address critical housing needs throughout California.

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 Department has grown significantly over the past few years, from 558 authorized positions beginning FY 2016/17 to more than 800 positions in FY 2019/20 and an additional 92 positions tentatively authorized for establishment after the passage of 18 legislative bills in October 2018. This dramatic increase in position authority necessitates a high-level position such as the proposed CEA to focus on overseeing the development and implementation of policies related to a targeted marketing and outreach strategy and staffing plan to fill critical positions within the department, as well as a workforce strategy and succession plan to address future needs. In addition, it is critical that HCD develop new policies that streamline existing Human Resources processes, while maintaining the same level of governance integrity it currently maintains.

The Governor has made housing a primary focus of his administration and to meet that, the State has developed a housing goal to provide a decent home and suitable living environment for every California household. California voters passed the Housing and Emergency Shelter Trust Fund Acts of 2002 and 2006 (Propositions 46 and 1C, respectively) to provide nearly \$5 billion in bonds for use in financing affordable housing. The Legislature passed two additional housing packages in November 2018, which allocated almost \$3 billion in additional bond funds to HCD.

HCD has 22 different and unique loan and grant programs with active funding, as well as eight (8) programs with no active funding (though these eight (8) programs continue to be actively managed for compliance and may receive funding again in the future). Each of these 30 combined programs has its own requirements for approving awards and issuing loans and grants, and the HCD Business and Contract Services Branch (BCSB) is responsible for drafting agreements to issue loan and grant funds to eligible projects, local governments, non-profit organizations, etc. As of December 31, 2017, after 10-16 years, HCD still had approximately \$150,000,000 available to issue from Propositions 46 and 1C. The housing crisis in California has magnified and it is imperative that HCD issue awards of funds available under the new housing package more quickly than in previous cycles. Due to the complexity of these awards and the consequence of error related to awarding contracts, it is critical that a CEA level executive be in place to focus on providing leadership and policy direction to staff within the Business Services Branch.

Additionally, HCD has been identified as a tenant in the State's Richards Boulevard Office Complex Project, a new office building complex that will provide up to 1.375 million gross square feet of office space across three mid-rise office buildings and one high-rise office building. The complex will be designed to meet or exceed U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Silver level, including Zero Net Energy. The proposed CEA will be the Department's lead consultant on this project, and will be a member of an intra-agency team making high-level policy decisions about space planning, business operations, etc. Because this complex will combine multiple departments under the umbrella of the Business, Consumer Services, and Housing Agency, it is imperative that the CEA act as an advocate for HCD to plan and design effective space that will meet the Department's growing needs, including projected future growth, for years to come.

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.

Recruitment & Hiring - The ADD, Operations will be tasked with development and and overseeing implementation of a comprehensive and strategic Marketing and Outreach plan that sets forth policies and guidelines to for both Human Resources and HCD programs to attract the most qualified candidates who can support the mission of the organization. HCD is somewhat unique in its use of Department-specific classifications that have strong educational and experience requirements; therefore marketing to qualified individuals is critical. Innovation is needed now more than ever to ensure our workforce is compiled of talented staff with experience in banking, loan development, grant writing, policy development, and codes enforcement. At the same time the current policies and processes have proven to be inefficient and business process improvements must occur with both Human Resources and Business and Contract Services. Metrics must be developed and implemented to oversee return on investment strategies, with the goal to reduce costs to the state associated with selection, including all the way through performance management. The ADD, Operations will have direct and continuous interface with the Director, Executive Leadership Team, Deputy Director, Administration, and program managers and will provide strategic guidance on workforce planning and recruitment needs, including developing large-scale recruitment plans and outreach activities to attract and retain quality talent. Ensuring the Department has a comprehensive and strategic approach to hiring recruitment and hiring activities is fundamental to the success of the Department in achieving its mission.

HR Technology Implementation - The Department received approval to implement a human resources information system - PeopleSoft Human Capital Management (PS HCM). The implementation of the PS HCM will replace current inefficient, paper-driven business processes with updated Human Resource (HR) system functionality and solutions. The modern technology offered by this new system will provide a wide range of opportunities for business process automation and workflow notification, which will improve the human-resources service offerings for HCD employees and managers; increase HCD operation efficiencies, reduce HCD administrative costs, and better meet the increasing demands for accurate, up-to-date, and easily available HR data for strategic decision-making. The PS HCM is being implemented as an Infrastructure with a Service (IaaS) subscription in a hosted cloud solution and includes modern solutions for core HR processes that will include position management and organizational structure, employee learning management, employee performance management, electronic timesheets, and succession planning. The CEA will provide strategic direction on the project implementation, act as a project sponsor, and develop policies related to the ongoing use of the system for users throughout the Department. Failure to implement this system by established deadlines will have a substantial impact on the Department as the result of additional staff and consultant hours, media scrutiny and loss of trust from the public if yet another taxpayer-funded technology project in the public-sector were to fail, and operational risk to the department in the form of heightened opportunity for errors if the current paper-based human resource processes were forced to continue.

Business and Contract Services - The ADD, Operations, will serve as the principle policy and strategic decision-maker to improve HCD's development and execution of local assistance contracts for loan and grant awards. This includes establishing policies related to local assistance contracts as an example and developing performance metrics to measure efficiencies, and developing and providing short and long-term strategic direction for this program in support of the Department's mission and efforts to address the California housing crisis.

C. ROLE IN POLICY INFLUENCE (continued)

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

The decisions made by the Assistant Deputy Director, Operations, will support the overall mission and vision of HCD. The Assistant Deputy Director advises the Executive Leadership Team on human resource, procurement, contracting, facilities, and business services functional areas, and plays a significant role in the decision-making and development of priorities, policies, and practices pertaining to recruitment, strategic planning, workforce development, succession planning, organizational change management, and statewide and departmental training.

As a member of the Department's Senior Leadership Team, the Assistant Deputy Director is involved in decisions made with other departmental leaders that shape the direction and focus of the Department, including strategic and business planning, organizational initiatives such as business process improvement and change management, etc. This includes setting performance metrics, developing and modifying administrative policies and procedures, aligning resources and staff to meet the Department's objectives, and reorganizing ineffective organizational structure.

The Assistant Deputy Director, Operations, receives general guidance and direction from the Deputy Director, Administration and Management Division, as well as functional guidance from the Chief Deputy Director and Director. The Assistant Deputy Director, Operations, has authority to provide direction to subordinate managers and staff, as well as guidance related to department operations to departmental managers.

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

The position will formulate, develop, and implement new policy, as well as modify and implement existing policy. New policies will be developed to modernize the administrative services within HCD, which need to be innovative in order to meet the needs of a department experiencing unprecedented staffing growth. Existing policies will be reviewed and updated as required, commensurate with programmatic changes within HCD and in accordance with external changes impacting the Department.

In response to the dramatic staffing changes currently experienced by HCD, the CEA will ensure development and implementation of a comprehensive outreach and marketing plan, including workforce and succession plans, as well as developing talent initiatives and strategy that are in compliance with all statutory requirements relative to selection, recruitment, and hiring.