



## **CITY OF MILPITAS HOUSING AUTHORITY AGENDA REPORT (AR)**

<b>Item Title:</b>	<b>Consider Adoption of a Housing Authority Resolution Approving and Adopting Bylaws of the City of Milpitas Housing Authority, and Consider Election of Officers for the City of Milpitas Housing Authority (Contacts: Councilmembers Nuñez and Montano, 408-586-3000)</b>
<b>Category:</b>	Community Development
<b>Meeting Date:</b>	9/17/2019
<b>Contacts:</b>	Councilmember Carmen Montano, 408-586-3024 Councilmember Bob Nuñez, 408-586-3023 Christopher Diaz, City Attorney, 408-586-3041 Sharon Goei, Director of Building Safety and Housing, 408-586-3260
<b>Recommendations:</b>	<ol style="list-style-type: none"><li>1. Adopt a Housing Authority Resolution approving and adopting the Bylaws for the City of Milpitas Housing Authority.</li><li>2. Following adoption of the Bylaws, elect a Chairperson, Vice Chairperson and Secretary of the Housing Authority by a vote of the Housing Authority Board of Commissioners.</li></ol>

### **Background:**

On February 15, 2011, by Resolution No. 8062, the City Council declared a need for the City of Milpitas Housing Authority and made appropriate findings under the Housing Authorities Law (Health & Saf. Code, § 34200 et seq.) in order to activate the Authority. As part of Resolution No. 8062, the City Council designated the City Council as the Housing Authority Commission, and designated the Mayor as the first Chair of the Housing Authority. Health and Safety Code section 34311 authorizes the Authority to make bylaws and regulations, if not inconsistent with the Housing Authorities Law, to carry into effect the powers and purposes of the Authority, however, to date the Housing Authority has not adopted bylaws.

As part of its review of the various housing-related issues facing the City, the City Council Housing Subcommittee has been discussing the possibility of utilizing the Housing Authority in a more prominent way to address the City's housing issues. As an initial step, the Subcommittee recommended that the Housing Authority adopt bylaws to help carry out its responsibilities. The Bylaws recommended by the Subcommittee are included in the Council agenda packet.

### **Analysis:**

The proposed Bylaws include basic requirements regarding the officers of the Housing Authority, which will include a Chairperson, and Vice Chairperson, and a Secretary. The Bylaws also designate the City Finance Director as the Treasurer, and the City Manager as the Executive Director of the Housing Authority. The Bylaws specify in Article II, Section 9 that the City Council shall serve as the Commissioners of the Authority. This section also specifies that if the Housing Authority has tenants, the Council will need to appoint two additional tenant commissioners to serve on the Authority. Many Housing Authorities throughout the state own and operate affordable housing developments for low income households, but the City of Milpitas Housing Authority does not currently do so. The City of Milpitas Housing Authority does own two residential units and one parcel with eight commercial spaces that are currently rented to tenants, however these are properties that were transferred to the Housing Authority as former redevelopment agency properties and the Housing Authority is seeking to develop or dispose of these properties in accordance with the requirements of the

Redevelopment Dissolution Law. The Housing Authority does not plan to operate these properties as Housing Authority owned affordable housing on a permanent basis, and therefore these units do not trigger the requirement for tenant commissioners. If, in the future, the City of Milpitas Housing Authority does decide to own and operate rental affordable housing on a more permanent basis, the City Council will have to designate tenant commissioners, and the Bylaws allow for that.

The Bylaws provide rules and adopt statutory requirements regarding conflicts of interest for Authority Commissioners and staff members, and provide that Commissioners will not receive compensation, except for travel and expense reimbursement consistent with applicable City policies. The Bylaws additionally set the regular meeting dates for the Authority to run concurrently with City Council meetings, so the Authority meetings may be held as needed at the same time as City Council meetings.

At the recommendation of the Housing Subcommittee, the Bylaws further provide that the officers of the Authority (the Chairperson, Vice Chairperson, and Secretary) be elected by a vote of the Commissioners. The vote is to be held immediately following adoption of the Bylaws, and in the future would be held every two years, at the time the City's general election results are certified and the new Council is seated. If the Housing Authority adopts the Bylaws in their current form, the Commissioners should then vote to elect the Chairperson, Vice Chairperson and the Secretary.

#### **Policy Alternative:**

**Alternative:** The Commissioners could decline to adopt the Resolution approving and adopting the Housing Authority Bylaws, or could recommend amendments to the Bylaws.

**Pros:** The Commissioners may want to provide additional direction to staff to refine specific aspects of the Bylaws or add additional information.

**Cons:** This could delay adoption of the Bylaws and staff believes the Bylaws provide an adequate framework for the Housing Authorities operations, consistent with the recommendations of the Housing Subcommittee.

**Reason for Not Recommending:** The Bylaws will provide a helpful framework for the Housing Authorities operations, and staff believes that they are adequate and consistent with the recommendations of the Housing Subcommittee as drafted.

#### **Fiscal Impact:**

There is no fiscal impact from adoption of the Bylaws or election of officers to the Housing Authority.

#### **California Environmental Quality Act:**

The action being considered has no potential for causing a significant effect on the environment and is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3).

#### **Recommendations:**

1. Adopt Resolution approving and adopting the Bylaws for the City of Milpitas Housing Authority.
2. Following adoption of the Bylaws, elect a Chairperson, Vice Chairperson and Secretary of the Housing Authority by vote of the Housing Authority Board of Commissioners.

#### **Attachments:**

- a. Resolution of the Board of Commissioners of the Housing Authority
- b. Exhibit A to Resolution - Bylaws of the City of Milpitas Housing Authority