

Organizational Restructuring Options and Impacts: Housing and Community Development

Santa Barbara County
Board of Supervisors
May 25, 2010



1

Background and Context

- HCD established in FY 2001-02
- Key Services
 - Serving as Lead Agency for the CDBG Urban County Partnership and HOME Consortium, overseeing average of \$15M in funding for services/projects
 - Managing over 400 affordable housing units
 - Leading implementation of emPowerSBC, the County's largest economic development program
 - Day-to-day management of Redevelopment Agency, with Auditor-Controller
 - Orcutt Community Facilities District
 - Special studies, policy reports, ARRA coordination



emPowerSBC



2

Summary of Organizational Options

- **Option 1**

- **Option 1a:** Maintain HCD as a Department, including RDA and emPowerSBC (Recommended)
- **Option 1b:** Maintain HCD as a Department, shift RDA to P&D



- **Option 2**

- **Option 2a:** Shift HCD programs and RDA to P&D, emPowerSBC to CEO
- **Option 2b:** Shift HCD programs to P&D, RDA and emPowerSBC to CEO



- **Option 3:** Wait for new CEO



Option 1

- **Option 1a:** Maintain HCD as a dept, including RDA and emPowerSBC

Recommended because the department is successfully managing a variety of housing, economic, and community development programs, consistent with Board priorities

- Pro 1: Keep focused accountability on community development
- Pro 2: Continued eligibility for HUD funding
- Pro 3: Synergies between federal, state and local programs
- Con 1: Minimal opportunity for short-term cost-savings

- **Option 1b:** Maintain HCD as a Department, shift RDA to P&D

- Pro 1: Coordination between planning and redevelopment for IV area
- Con 1: Perception of potential conflict – regulatory vs. entrepreneurial incentives



Options 2 & 3

- **Option 2a:** HCD programs and RDA to P&D, emPowerSBC to CEO
 - Pro 1: Maintain status and cadence for emPowerSBC
 - Pro 2: Maintain expertise at the staff level for community development programs
 - Con 1: Increased costs, due to moving emPowerSBC to CEO
 - Con 2: Lowered expressed priority for community development programs
 - Con 3: Perception of a conflict; potential risk to continued HUD eligibility
- **Option 2b:** HCD programs to P&D, RDA and emPowerSBC to CEO
 - Pro 1: Status and cadence for emPowerSBC and RDA
 - Con 1: Potential conflict with the functional role of the CEO
- **Option 3:** Wait for new CEO



Summary of Options

Factors	Option 1a (Recom'd) Maintain HCD as a dept	Option 1b Maintain HCD as a dept; RDA to P&D	Option 2a Shift HCD Programs and RDA to P&D; emPowerSBC to CEO	Option 2b Shift HCD Programs to P&D; RDA and emPowerSBC to CEO	Option 3c Wait for new CEO
Overall structural costs or cost- savings, compared to FY 09-10 (estimate for FY 10-11)	\$0	\$0	+\$130,000	+130,000	NA
Ability to continue strategic pursuit of community development goals	High (Achieves all three bullets on pg. 10 of report)	High (Partially achieves first, fully achieves second and third bullets on pg. 10 of report)	Moderate (Partially achieves all three bullets on pg. 10 of report)	Moderate (Achieves first, partially achieves second and third bullets on pg. 10 of report)	NA



Recommendations

- Receive a report form the County Executive Office entitled 'Housing and Community Development: Organizational Restructuring Options and Impacts (Attachment 1).
- Direct staff to maintain the Housing and Community Development Department as a separate department for Fiscal Year 2010-11

