



COMMUNITY DEVELOPMENT COMMISSION
Of
MENDOCINO COUNTY

2023

Annual Report



BOARD of COMMISSIONERS

Kathy Brigham

Dawn Deetz

Leslie Langslet

Gary Mirata

Richard Willoughby

MANAGEMENT

Executive Director

Todd Crabtree

Deputy Director
Teresa Desimone

Controller
Wendy McIntire

ACRONYMS & ABRIVIATIONS

BBN – Building Better Neighborhoods Incorporated

CALHome – Grant program through HCD

CDBG – Community Development Block Grant

CDC – Community Development Commission of Mendocino County

HCD – California Department of Housing and Community Development

HOME – HOME Investment Partnership Program

PBV – Project Based Vouchers

**COMMUNITY DEVELOPMENT COMMISSION
OF MENDOCINO COUNTY**

MISSION

Make a positive difference every day.

GOALS

1. Maintain and improve the Community Development Commission's inventory of dwelling units and programs in a manner, which is fiscally responsible, provides a positive living environment for residents and an asset to the community.
2. Foster successful tenancy by encouraging tenant and landlord responsibility, and by identifying and making appropriate referrals to community support services, and facilitating transition to private housing when appropriate.
3. Maintain and enhance human resources and management capabilities through staff development and training, and provide the means for staff participation in management decisions.
4. Evaluate operations to determine optimal operating systems such as management, planning, and program delivery.
5. Identify, evaluate, and seek viable funds for housing and community development programs that are within Community Development Commission guidelines and capabilities.
6. Establish and maintain effective working relationships with the federal, state, and local government agencies, other public and private organizations.
7. Develop an effective information program to educate the public regarding lower-income housing and community development needs and programs.
8. Build customer-focused relationships based on trust, understanding, integrity and harmony among our customers, residents, and employees.
9. Increase and preserve affordable housing units for low-and moderate-income households.

Community Development Commission of Mendocino County 2023 Highlights

1. Housed an additional 140 households under our Housing Choice Voucher Program in the last year.
2. Successfully developed, implemented and utilized the Emergency Housing Voucher Program with 77 households housed.
3. Successfully implemented additional project-based voucher rental subsidies at The Plateau and Walnut Apartments.
4. Worn siding was repaired at the Sea Cliff Apartments in Fort Bragg. The complex was originally constructed with shingle panels that had become weather beaten on the southern side of all six buildings. These sections have been replaced with Hardy Plank siding while a fresh coat of stain was applied to the remaining walls.
5. The main office in Ukiah was made more secure with the installation of access control measures at the main entrance. Front end workers now have the ability to lock and unlock the front door from their workspaces, helping to preserve a peaceful and respectful environment within the lobby.
6. Painted the exterior of the Marlene Brookside housing complex in Ukiah.
7. Leasing and maintenance staff have worked hard to maintain a 97.4% occupancy average in 2023. This effort includes “turning” 19 vacant units for new tenants.
8. Restructured the management positions within the organization.
9. Created the Deputy Director position.
10. Partnered on CDC’s first tax credit project, an acquisition/rehabilitation of Walnut Apartments in Fort Bragg.
11. Hired Wendy McIntire as Controller.
12. Began utilizing Rippling payroll software to make human resource activities more efficient.
13. Have added approximately \$11.5 million to the local economy in rental assistance payments to landlords.

A MESSAGE FROM THE CHAIR AND EXECUTIVE DIRECTOR

As we begin our 48th year of operation, the challenge to provide affordable housing for Mendocino County residents continues to grow. The need for affordable housing exceeds the availability of resources. We currently have mortgage rates at levels we have not seen in a decade, resulting in a very slow homeownership market right now. This increases the demands for both housing assistance and new housing development. The federal government can often be dysfunctional. This makes it difficult to plan for what the next HUD budget will look like. Even with these difficulties, the Community Development Commission of Mendocino County (CDC) has been able to make significant progress in the past year.

CDC has completed a restructuring process this year. The CDC Board of Commissioners asked the Executive Director what will happen when I eventually retire. This led to an analysis for the next Executive Director. My conclusion is that our county first looks to the CDC to provide rental assistance throughout the county. So the next Executive Director should have a strong background in housing programs. With this, the first ever Deputy Director Position has been created and filled by Teresa DeSimone. The intention is to have her manage housing programs while also being mentored with the hope that she will become the next Executive Director and this cycle of training will continue. We have restructured the Housing Programs Department to add an additional Waitlist and Eligibility Specialist to help process applications faster and get people housed. We have hired a new Controller for our Accounting Department and we have renamed our Development Department to the Housing Assets Department.

For the Housing Choice Voucher Program (previously known as Section 8), voucher funds are consistently in high demand, both locally and nationally. During Covid, it was difficult to find new landlords and not much new affordable rental housing was being built. The number of households being assisted was flat for almost two years at around 850 families. With the new Deputy Director, the program has increased assistance by over an additional 150 households. We are having to close our waitlist for the foreseeable future as we have utilized all of the assistance HUD provides. A lot of this success can be also be attributed to our new Landlord Liaison position. It has meant a lot more direct engagement with landlords. This plus landlord incentives from the County's Rapid Rehousing Program has seen great results when there is still very limited affordable housing. We have also utilized Project Based Vouchers to help the development of Sun House and Orr Creek Commons in Ukiah, The Plateau in Fort Bragg and the acquisition and rehabilitation of Walnut Apartments in Fort Bragg.

Housing Programs also administers the Shelter Plus Care program, which helps to move people out of homelessness. We also have a Veterans Assistance Supportive Housing program in cooperation with Veterans Affairs. They work to qualify veterans

for housing and we administer the program to provide the housing assistance. We also have Family Unification Program vouchers to assist families where housing is a primary factor in the placement of children in out-of-home care and can also assist youths transitioning out of foster care. Finally, we have Mainstream Vouchers to provide rental assistance to non-elderly persons with disabilities.

The Housing Assets manages our properties, both those owned by CDC and those owned by our nonprofit, Building Better Neighborhoods (BBN). We own 176 rental units throughout the county, with two 15 unit apartment buildings being added in the past five years (located on Tanya and Zinfandel). We are also completed our first Low Income Tax Credit project, an acquisition and rehab project in Fort Bragg. Walnut Apartments, a 56 unit site in Fort Bragg, is just completed rehabilitation work and BBN is the administrative general partner.

We are currently looking for possible sites to do more development.

Despite these challenges, CDC continues to bring together resources, experience, creative thinking, and strong partnerships in an effort to provide affordable housing and to improve services to our constituents.

More information on our programs and projects follows.



**Community Development Commission
Of
Mendocino County**

**1076 North State Street
Ukiah, CA 95482**

HOUSING PROGRAMS

The Community Development Commission (CDC) of Mendocino County offers a variety of services and rental subsidies to low-income individuals and families within our community. Within the last year CDC, in collaboration with local homeless service providers have made tremendous strides in housing low-income individuals and families within Mendocino County. Our goal is to enrich the lives of those we serve by providing permanent, sustainable, self-sufficient, safe, and decent living environments. Our rental assistance programs consist of tenant-based vouchers and project-based vouchers.

TENANT BASED VOUCHERS

Tenant based vouchers allow eligible households to locate their own housing in the private rental market. Once housing is found, approved and leased by the voucher holder, a monthly rental subsidy begins. Below is a list of our tenant-based voucher programs.

Housing Choice Voucher (HCV)

The HCV program (formerly known as Section 8) is the largest rental assistance program offered through the CDC. The HCV program is available to eligible low-income households. Currently, the HCV program assists a total of 971 households throughout Mendocino County. In the last 12-months this program alone has grown exponentially, housing an additional 140 households. At this time the HCV waiting list is closed (closing date 8/31/2023) to all applicants as this program has been fully utilized and no additional funding is currently available to assist additional households.

Permanent Supportive Housing (PSH)

The PSH program is a rental assistance program offered in collaboration with Mendocino County Homeless Service Providers. This program is designed to serve chronically homeless individuals/families who have a disability, and are identified as the most vulnerable households in our community. With the assistance of Homeless Service providers and CDC's Landlord Liaison, the PSH program currently serves 116 households in our community by providing safe, sustainable, permanent housing. These households receive monthly supportive services from community partner agencies to ensure ongoing success with permanent housing.

Veterans Affairs Supportive Housing (VASH)

The VASH program is a collaborative program with the Department of Veterans Affairs (VA) in Mendocino County. This program's purpose is to serve homeless Veterans that are currently receiving case management/clinical services with the VA. The CDC and VA Social Workers meet on a monthly basis to discuss case specific housing needs for the clients that we serve. The VASH program currently assists 57 households. The VASH program is a referral-only program and cannot be applied for through the CDC directly.

Emergency Housing Voucher (EHV)

The EHV program is a newer rental assistance program CDC has implemented. This program is meant to provide rental assistance to low-income and vulnerable populations within our community. In order to qualify for the program, the household needs to meet one of the following eligibility criteria: homeless, at-risk of homelessness, fleeing or

attempting to flee domestic violence, dating violence, sexual assault, staking, or human trafficking, or recently homeless individuals or households who have a high risk of housing instability. In collaboration with local Homeless Service Providers and CDC's own Landlord Liaison, this program has successfully housed 77 individuals/families within Mendocino County since November of 2021. This program is nearly completely utilized and at this time is no longer open for application.

Family Unification Program (FUP)

The FUP program is for eligible low-income families in which Mendocino County's Public Child Welfare Agency has determined the lack of adequate housing is a factor in removing a child/children from the home, or allowing the child/children to return to the home. The CDC also administers Youth Vouchers under this program for 18-24 year old individuals who left foster care, and are homeless or at risk of becoming homeless. CDC currently provides rental assistance to 15 households under the FUP program.

HCV and EHV Payment Standards - Effective 03/01/2023		
Bedroom Size	Payment Standards	2023 – 50th percentile rents
0	\$1250	\$1042
1	\$1258	\$1049
2	\$1651	\$1376
3	\$2332	\$1944
4	\$2812	\$2344
5	\$3234	\$2695
6	\$3656	\$3047
7	\$4077	\$3398
8	\$4500	\$3750
9	\$4922	\$4102
10	\$5343	\$4453

PROJECT BASED VOUCHERS

Project-based vouchers allow eligible households to receive rental subsidy for a specific unit. A rental subsidy is attached to an identified unit and is provided to eligible low-income individuals and families when they lease a unit at the development.

Sun House

Sun House is located in Ukiah. 10 units (both one and two bedroom) within the development are PBV units designated for senior Veterans who are receiving supportive services from the VA. These units are filled via referrals from the VA and CDC contracts with RCHDC to provide these units at the development.

Orr Creek Commons

Orr Creek Commons is located in Ukiah and the PBV units are contracted with RCHDC. There are 20 (both one and two bedroom) PBV units located at this complex that are specifically for eligible low-income individuals and families and are designated for household receiving eligible services from Redwood Community Services (RCS) or Health and Human Services who are homeless, or receiving In-Home Supportive Services.

The Plateau

The Plateau is the newest development completed in November of 2022. These units are located in Fort Bragg with 20 PBV units located within the development. These units are designated for low-income individuals and families who are homeless or at risk of homelessness. CDC contracts with DANCO to provide these PBV units to the community.

Walnut Apartments

Walnut Apartments is located in Fort Bragg and has 25 PBV units with rental subsidy. This is CDC's first tax credit project which we acquired and rehabilitated. The rehabilitation was completed in December of 2022.

LANDLORD LIAISON AND TENANT MATCHING SERVICES

Over the past two years CDC has successfully implemented and established a stable evidence-based approach for landlord liaison and tenant matching services. These services serve people experiencing homelessness to help obtain safe, stable housing. We believe this position has become instrumental in overcoming some key barriers for eligible individuals and families. Some service offered include;

- Landlord incentive payments available to a landlord when a household moves into a unit.
- Security deposit assistance not to exceed an amount equal to two months contract rent.
- Application fee Assistance for households in which a landlord requires an application fee to paid in order to process suitability for a unit.
- Mitigation retention funds may be available for landlords when tenants vacate the rental unit and amounts are owed to the landlord under the lease.

HOUSING ASSETS

The Housing Assets department manages and maintains 176 housing units throughout Mendocino County. Dwelling types include one and two-bedroom apartments, townhouses, duplexes, and single family homes. Most CDC rentals are administered within the Project Based Voucher program. Three complexes in Ukiah are open to market rent and the use of Housing Choice Vouchers. Housing Assets adheres to the principles and regulations of Fair Housing and Equal Opportunity when processing applicants and interacting with tenants.

PROJECT BASED VOUCHER PROPERTIES

Glass Beach (1998)

1 Single Family Home - 2 Apartments - 12 Townhouses

Fort Bragg, California

Sanderson Way Village (1993)

1 Single Family Home – 8 Duplex Units

Fort Bragg, California

Sea Cliff Apartments (1993)

2 Apartments – 17 Townhouses

Fort Bragg, California

Marlene Brookside (1998)

1 Single Family Home – 12 Townhouses

Ukiah, California

Baechtel Creek Village (1983)

60 Duplex Units – Senior Housing

Willits, California

Ukiah Scattered Housing

12 Duplex Units – 8 Single Family Homes – 3 Townhouses

MARKET RENT PROPERTIES

Tindle Terrace (1999)

3 Townhouses – 4 Apartments

Ukiah, California

Tanya Lane Apartments

Acquired in 2018

15 Apartments

Ukiah, California

Zinfandel Drive Apartments

Acquired in 2018

15 Apartments

Ukiah, California



Glass Beach

Glass Beach is consists of three bedroom townhouses with additional accessible apartments. Each unit has a spacious living and dining areas with access to large green spaces from back patios. This is a Project Based Voucher property with income and occupancy requirements. The waitlist for this property is open.



Sea Cliff

Sea Cliff is made up of three bedroom townhouses and two bedroom accessible apartments. It was clad with new siding and received a fresh coat of paint in 2023. Supermarkets, restaurants, and medical facilities are within walking distance of this complex. Sea Cliff is a Project Based Voucher property with income and occupancy requirements. The waitlist for Sea Cliff is open.



Sanderson Village

Sanderson Way Village is made up of three and four bedroom duplexes. The property is located near schools in the quiet south east corner of Fort Bragg. Sanderson is a Project Based Voucher property with income and occupancy requirements. The waitlist for this complex is open.



Baechtel Creek Village

Baechtel Creek Village is a complex of 60 duplex units for seniors 55 and over. The property is a mix of one bedroom and two bedroom units and also has a community room and laundromat. The parking lot and the walk ways are accessible. Baechtel Creek Village is a Project Based Voucher property with income and occupancy requirements. The waitlist for this property is open.



Marlene Brookside

Marlene Brookside is made up of three bedroom townhouses and one a single family home. Each unit has its own backyard and patio space as well as a front patio reception area. The exterior of the complex was painted in 2022. Marlene Brookside is a Project Based Voucher property and is subject to income and occupancy standards. The waitlist for this property is open.



Tindle Terrace

Tindle consists of single bedroom apartments and two bedroom townhouses. Units come with storage rooms and their own parking space. Each home has a modest back yard and a shared entry courtyard. The complex is located on the north side of Ukiah and is available to all renters, including those with housing assistance.



Tanya Lane and Zinfandel Drive

Tanya Lane and Zinfandel Drive are neighboring apartment complexes in north Ukiah. Together they have thirty units which include carports and small storage areas. Tanya is scheduled for new siding and paint this year. Both properties are available to everyone including those with rental assistance.

Fiscal Report

The Community Development Commission of Mendocino County primarily provides housing assistance to low income families and individuals. The primary sources of funding are through governmental grants received from the U.S. Department of Housing and Urban Development (HUD) and rent collections from its owned units or administered units. The Commission has provided these services for over 45 years.

Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Commission's enterprise housing fund are grants from federal funding agencies for housing assistance payments earned, administrative and developer fees, and rental income from its owned housing units. Operating expenses include employee services and supplies, administrative expenses, management fees, utilities, housing assistance payments to landlords, and depreciation of its capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

In the 2022 single-audit, it was seen that both revenues and expenses increased due to more participants being helped. There was no material weaknesses or significant deficiencies identified for internal control over financial reporting or Federal Awards of major programs. The major programs being audited were Housing Choice Vouchers including CARES Act Funding, Mainstream Vouchers including CARES Act Funding, and Continuum of Care. There were no audit findings and the Commission is considered to be a low risk auditee.

Community Development Commission of Mendocino County
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended September 30, 2022

Operating Revenues

Grants Revenue	\$10,271,538
Tenant Rent Revenue	380,050
Property Management fees	783,300
Other tenant revenue	107,171
Total operating revenues	<hr/> 11,542,059 <hr/>

Operating Expenses

Administration and General	1,590,254
Utilities	29,302
Maintenance	410,321
General	139,971
Housing assistance payments	9,014,196
Depreciation	130,029
Total operating expenses	<hr/> 11,314,073 <hr/>
Operating income (loss)	<hr/> 227,986 <hr/>

Non-Operating Income (Expenses)

Interest income	9,254
Interest expense	(51,131)
Net non-operating revenues (expenses)	<hr/> (41,877) <hr/>

Change in net position	186,109
Net Position - Beginning	1,678,948
Net Position - Ending	<hr/> \$ 1,865,057 <hr/>