

October 25, 2018

REVISED

MEMORANDUM

To: NAHRO Board of Governors and NAHRO Leadership
From: Council of Past Presidents Governance Committee, Jim Inglis, Chair
Subject: Summary of Proposed Governance Issues and Recommendations of Amendments & Revisions

The Governance Committee (NAHRO Past Presidents) was formed in January 2018 by President Richie and since then several face to face meetings and conference calls were convened to discuss the purpose of the Governance Committee and to discuss the Past Presidents experience with governance during their terms of office. In addition, the current NAHRO President, Sr. Vice President and the CEO have participated in our meetings and conference calls. The Committee was created pursuant to a BOG resolution that a group be formed to review the current NAHRO Governance structure and propose recommendations for improving and enhancing the governance process.

Consensus Statement: The current governance structure does not represent a flexible, responsive and dynamic organization to address the current and future challenges facing NAHRO, its members and the housing and community development industry. Governance enhancement will serve our legislative, professional development and member serves initiatives with progressive and responsible policies and initiatives.

There were numerous issues, proposals and initiatives discussed over the last ten months which included the following:

- A) BOG Structure, Size and Representation;
- B) Consolidating Standing Committees (Housing/CR&D Committees);
- C) Establishing limitations as to the length of time members serve on the BOG;
- D) Ad Hoc, Working Groups, Task Forces and their function and length of service;
- E) BOG Roles, Responsibilities and Authority versus that of the Steering Committee;
- F) Membership engagement and recruiting new members to the organization;
- G) Empowering the CEO to respond to the changing legislative environment in consultation with the Steering Committee: and
- H) Sustainability/Succession Planning

The above is not all inclusive as numerous other issues and concerns were raised by the Past Presidents. Therefore, the following are our thoughts, conclusions and recommendations for BOG consideration.

Relative to item A there were several options that were discussed to achieve the goal of a governing board that is *“flexible, nimble, responsive and dynamic organization to address current and future challenges facing the housing and community development industry.”* The Committee recommends:

- 1) Reform the agenda and presentations to permit more time during BOG meetings to discuss strategic planning and policy matters. *President Richie has addressed this matter as of this date and has restructured the BOG agenda.*

- 2) Maintain current BOG size and structure with full Board addressing the NAHRO vision and the role of strategic advisors by creating a strategic planning process with an oversight function. The BOG would be the inspirational, spiritual and visionary leaders of NAHRO. The Steering Committee would be the policy decision group with flexibility and timely responsiveness to matters that require critical actions in legislative, regulatory and organizational matters. To proceed with this concept a pilot period is proposed between the Atlanta National conference until the spring Washington Conference in early April 2019. Proposed constitutional language is attached to this letter.
- 3) The Steering Committee would be revised to include President, Sr. VP, Regional Presidents, Housing VP, CR&D VP, Member Services VP, Professional Development VP, Commissioners VP, IRGE VP, B&A Chair as a voting member. BOG delegation of authority and the B&A Chair as a voting member will require a NAHRO Constitution amendment. Proposed constitution language is attached to this letter.

Relative to item B, the consolidation of the Housing and CR&D Committees, we offer the following and concur in consolidating the two committees. The NAHRO organization is a big tent and attempts to address the professional development and legislative policy needs of a very diverse group of members and agencies. In today's environment NAHRO agencies are becoming more diverse and entrepreneurial than ever before. Local initiatives and discussions no longer focus on a single policy or program to address community and neighborhood revitalization. The issues of repositioning public housing (RAD) , housing choice voucher mobility and inclusion, homeless, choice neighborhoods initiatives, inclusive neighborhoods, lead based paint, housing for persons with aids and many other societal issues requires a NAHRO to engage member agencies with multiple goals and visionary thinking. The current structure of a housing committee dealing with public housing and HCV's and CR&D committee dealing with CDBG/HOME acts as a silo and does not foster discussions that are cross cutting to both committees. An example of this is the CDBG Consolidated Plan process where housing and community development agencies rarely interact with one another. A communities strategy to address the previously cited issues requires they work together to achieve community and common goals. The issues of Fair Housing and LIHTC are both housing and community development issues where a cohesive policy could be developed by a single committee. *If merged appropriate and multiple subcommittees could be established to address specific areas associated with the larger committee.* {Emphasis Added} The Governance Committee is very mindful of inclusion, representation and assuring members have access to the revised HSG/CR&D standing committee and subcommittees.

Another point to consider is that there are a considerable number of members on the CR&D committee that are from housing agencies and the fact that NAHRO has struggled for years to attract CR&D membership. I have discussed the above with the current VP's of housing and CR&D and they are amenable to further discussions and consideration.

Item C is a discussion that focuses on BOG membership and the issues of diversity and encouraging emerging leaders to offer their talents and expertise to the BOG. Encouraging members to be active in NAHRO and creating a path to leadership including serving on the BOG should be embraced by NAHRO chapters and regions. There are differing regional processes by which representatives are selected by the regions to serve on the BOG. The Governance Committee supports a comprehensive strategy to encourage and support the concept of revising regional by-laws to promote and foster the concept of diversity and promoting emerging leaders to serve in leadership and on the BOG.

The Governance Committee also recommends the following to enhance the governance process:

- The CEO Evaluation process should be restructured and the Evaluation Committee should be revised to include the most appropriate leadership amongst the NAHRO BOG. The Committee would consist of the Senior VP, Standing Committee VP's, the immediate past president willing to serve and the B&A Chair. The president will appoint the chair. We recommend that the Evaluation Committee revision commence in 2018 and consideration be given to a "360 Review prior to the expiration of the CEO employment contract.
- The CEO should be given wide latitude to develop, market and expedite the delivery of timely educational and training products to meet NAHRO members current and anticipated professional development needs. The wide latitude definition removes timely and cumbersome approval processes and addresses critical issues facing the industry. An example cited was NAHRO's response to the adoption of the 1998 Quality Housing and Work Responsibility Act!
- The CEO should have meaningful discretion to engage Congress, HUD and industry partners on NAHRO adopted policies and positions. Given the non-existence of a clear legislative policy, the CEO should have latitude to consult with the Steering Committee to move forward on a timely basis. Further, the Legislative Network should be convened as an advisory body to the CEO, and provide counsel on legislative matters.
- NAHRO must provide a platform and home for member agencies participating in the Rental Assistance Demonstration, Low Income Housing Tax Credit, Moving to Work and Choice Neighborhoods within the current NAHRO committee structure. These current initiatives are important to NAHRO members and NAHRO must strive to engage, nurture and support their meaningful work.
- In the future, members elected or appointed to the BOG should be expected to serve and participate (ex-officio) on a Standing Committee to foster a better and more productive relationship between the BOG and Standing Committees. The creation of Working Groups, Ad Hoc Committees and Task Forces serve an important function to analyze, recommend and advance NAHRO initiatives. However, once the special group completes their task and should the President wish to continue their good work, the issues addressed by the group should find a home within the current NAHRO Standing Committee, and the President should consider adding the chair of the group to the respective Standing Committee.
- NAHRO should initiate a "Sustainability/Succession Planning" initiative to engage existing NAHRO members and recruit future members. The initiative should be leadership driven and we recommend that it is promoted and lead by the Senior Vice President.
- Given the current and future complexities of the legislative and regulatory landscape the Committee recommends that the President, Senior Vice President, CEO and B&A Committee consider engaging a General Counsel to assist the CEO, BOG, and Steering Committee.
- Relative to the Budget and Administration Committee we recommend that the out-going and incoming Presidents consider staggered terms of office for the B&A Committee. The goal is to maintain some historical knowledge as to financial and administrative issues facing NAHRO.

In conclusion, we believe adopting the above recommendations will enhance NAHRO's future governance and permit the organization to address future complexities in an effective and responsible manner. As this report is intended for the BOG and the next task is to formulate an informational campaign to brief and educate NAHRO members.

I want to express my sincere thanks to the NAHRO CEO, Executive Office Director Sylvia Bowen, NAHRO leaders and the NAHRO Past Presidents! Their wisdom, experience, guidance and insight resulted in an outstanding experience and we all share our love for NAHRO!!

C: President Carl Richie
Senior VP Sunny Shaw
Past Presidents
Adrianne Todman
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