

# **South Bay Regional Housing Trust**

**AGENDA ITEM: VI-H**

**April 30, 2026**

**TO: SBRHT Board of Directors**

**FROM: Jacki Bacharach, Interim Trust Executive Director**

**SUBJECT: Interim Trust Management Services**

## **RECOMMENDED ACTION:**

APPROVE INTERIM TRUST MANAGEMENT SERVICES - INCLUDING FINANCE/ACCOUNTING AND OTHER ADMINISTRATIVE SERVICES, TO BE PROVIDED BY THE SOUTH BAY CITIES COUNCIL OF GOVERNMENTS (SBCCOG) WITH COSTS REIMBURSED BY THE TRUST AND TO BE RE-EVALUATED NO LATER THAN DECEMBER, 2026.

## **BACKGROUND:**

During December 2025 – April 2026, SBCCOG staff made presentations to the South Bay City Councils to recommend joining the South Bay Regional Housing Trust (“Trust”) Joint Powers Authority (JPA). One of the reasons presented was that the SBCCOG staff was already doing housing trust-like work through its LACAHSAs PPO activities. However, because the SBCCOG was never set up to do housing trust-like work, it made sense to move these LACAHSAs PPO activities into the new housing Trust JPA. Staff also noted that because staff was already doing LACAHSAs PPO work and paid for by that funding source, we did not anticipate any dues the first year of the Trust.

By leveraging existing SBCCOG staff, both the SBCCOG and the Trust can achieve efficiencies of scale. Shared resources would include executive staff, finance/accounting staff, communications staff, and administrative staff. For comparison purposes, the table below shows an analysis of the cost of a staff managed Trust versus a consultant managed trust:

<b>Internal Staff vs Outside Consultant</b>			
<b>Housing Trust Costs</b>			
	<b>Staff</b>	<b>Consultant*</b>	
Executive Director	\$40,000	\$200,000	In Staff model this is 20% of Jacki Bacharach's time
Senior Program Manager	\$83,375	\$87,500	In Staff model this is 50% of Ronson Chu's time
Sector Liaison	\$77,500	\$77,500	Currently employed by SBCCOG
Project Coordinator/Administrator	\$110,000	\$80,000	In Staff model this would be a new hire paid for by LACAHS Admin \$
<b>General Expenses</b>			
Legal Support	\$50,000	\$50,000	
Accounting	\$50,000	\$50,000	
Marketing	\$30,000	\$30,000	
Annual Audit	\$20,000	\$20,000	
Office Supplies	\$3,800	\$3,800	
Bank Fees - Treasury	\$9,100	\$9,100	
Insurance	\$8,200	\$8,200	
<b>Total Housing Trust Admin Costs</b>	<b>\$481,975</b>	<b>\$616,100</b>	
<i>Opportunity Cost to SBCCOG</i>		\$313,375	Not leveraging economies of scale of existing staff
* Consultant costs provided Civic Home			

As shown in the above table, if the Trust were to be run by a consulting firm we believe that the cost would be higher than a Trust run by shared staff – primarily due to the assumption of a separate Executive Director. By leveraging existing SBCCOG staff, both the SBCCOG and the Trust should be able to maintain a lower operating cost structure.

To ensure continuity and timely progress in its existing LACAHS PPO activities, it is recommended that SBCCOG provide management and administrative services using existing staff resources and previously procured contractors. This delegation of staff to the SBCCOG will be brought back to the Trust Board no later than December 2026 for further evaluation and consideration by both the SBCCOG and the SBRHT.

## **SCOPE OF SERVICES**

- **Trust Management Support**
  - Coordinate Board meetings and prepare agenda materials
  - Support Board governance and administrative functions
  - Monitor and facilitate coordination with LACAHS
- **Accounting and Financial Administration**
  - Track expenditures, receipt of funding, and prepare checks
  - Support basic financial reporting and controls
- **Program and Policy Development**
  - Develop foundational policies and procedures
  - Facilitate Board discussions on the Trust Strategic Plan
  - Finalize funding program guidelines
  - Coordinate preparation of a Notice of Funding Availability (NOFA)

- **Oversight of Contractors**
  - **Legal Services**
    - Provide Trust Board meeting oversight
    - Provide legal review and guidance on Trust formation and operations
    - Assist with policy development and contracting
  - **Financial Analysis**
    - Transfer contractors from the SBCCOG doing financial analysis to the Trust
    - Review and evaluate potential development proposals
    - Provide underwriting support and funding recommendations

**AGREEMENT BETWEEN THE SOUTH BAY CITIES COUNCIL OF  
GOVERNMENTS AND THE SOUTH BAY REGIONAL HOUSING  
TRUST FOR INTERIM TRUST MANAGEMENT SERVICES**

This Agreement for Interim Trust Management Services ("Agreement") by and between the South Bay Cities Council of Governments, a joint powers agency ("SBCCOG"), and the South Bay Regional Housing Trust, a joint powers agency ("SBRHT" or "Trust") is entered in to be effective this June 1, 2026 ("Effective Date"). The SBCCOG and the Trust are sometimes referred to in this Agreement, each individually, as a "Party," or collectively, as the "Parties."

**RECITALS**

A. The Trust was established in April 2026 to maximize and leverage public and private funding sources to support the development, preservation, and financing of housing for extremely low-, very low-, low-, and moderate-income households, as defined in Section 50093 of the California Health and Safety Code, within the South Bay subregion, and to serve as a regional mechanism for addressing the shortage of affordable housing; and

B. The Trust is in need of management services, including finance/accounting and other administrative services, to carry out its powers; and

C. The Joint Exercise of Powers Agreement of the Trust (the "JPA") provides that the Trust may contract for services determined necessary or convenient to carry out the Trust's powers; and

D. The Trust desires to contract with the SBCCOG to provide interim management services along with other administrative services utilizing existing staff to ensure continuity and cost efficiency; and

E. The SBCCOG has the existing staff, expertise, and regional experience to provide such services; and

F. The Trust and the SBCCOG desire to set forth the terms of the contract staffing by way of this Agreement.

NOW, THEREFORE, the Parties agree to the following:

**I. SBCCOG SERVICES.**

Subject to the terms and conditions set forth in this Agreement, SBCCOG shall provide interim management and administrative services to the Trust, including but not limited to the services described in Exhibit "A", which is incorporated herein by this reference. All services shall be performed in accordance with applicable laws, regulations, and policies, and in a manner consistent with the Trust's JPA and Bylaws, to the reasonable satisfaction of the Trust Board.

**II. TERM.**

This Agreement shall commence on the Effective Date and shall continue until December 31, 2026, unless extended or terminated earlier. The Parties shall evaluate the arrangement no later than December 2026 and may, upon such evaluation, extend this Agreement, modify the management structure, or transition to an alternative management model.

### **III. COMPENSATION & PAYMENT.**

Compensation shall be based on actual costs incurred by SBCCOG in providing services under this Agreement, as tracked through a timekeeping system that records staff time. Such time shall be billed to the Trust on an quarter hour] basis. The total budget shall not exceed \$390,000 for the term of the Agreement. Costs not associated with staff time, such as office space, equipment, and other program implementation costs shall also be included in the amount billed to the Trust.

At the end of each quarter of the fiscal year, the SBCCOG shall furnish to the Trust an invoice for all time spent providing services rendered during the invoice period. The Trust shall pay the invoice within 60 days of receipt thereof. Payment shall constitute payment in full for all services, costs, and work of whatever nature performed by SBCCOG under this Agreement.

### **IV. NOTICES**

Any notices required to be given under this Agreement by either party to the other may be affected by any of the following means: by electronic correspondence (email), by personal deliver in writing by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices must be addressed to the parties at the addresses appearing in this section, but each party may change the address by giving written or electronic notice in accordance with this paragraph. Notices delivered personally will be deemed communicated as of actual receipt; mailed notices will be deemed communicated as of the day of receipt or the fifth day after mailing, whichever occurs first. Electronic notices are deemed communicated as of actual time and date of receipt. Any electronic notices must specify an automated reply function that the email was received.

All notices required or permitted under this Agreement shall be sent by first-class mail, postage pre-paid, and addressed as follows:

To Trust:                      Chairperson of the Board of Directors  
   South Bay Regional Housing Trust  
   357 Van Ness Way, Suite 110  
   Torrance, California 90501  
   [Info@sbrht.org](mailto:Info@sbrht.org)

To SBCCOG:                      Jacki Bacharach, Executive Director  
   South Bay Council of Governments  
   357 Van Ness Way, Suite 110  
   Torrance, California 90501  
   [Jacki@southbaycities.org](mailto:Jacki@southbaycities.org)

Either Party may change from time to time the person and address for written notices by delivery of a change thereto by written notice to the other Party. All notices shall be deemed delivered following deposit in the United States mail in accordance herewith

## **V. INDEPENDENT CONTRACTOR.**

A. SBCCOG is and shall at all times under this Agreement, remain as to the Trust and its members, a wholly independent contractor. SBCCOG shall have no power to incur any debt, obligation, or liability on behalf of the Trust or otherwise act on behalf of the Trust as an agent, except as specifically provided herein.

B. SBCCOG agrees to withhold and pay all required taxes of any of its employees performing work under this Agreement, and to indemnify and hold the Trust Indemnitees (as defined below) harmless from any and all taxes, assessments, penalties, and interest asserted against the Trust Indemnitees by reason of the independent contractor relationship created by this Agreement.

C. SBCCOG shall fully comply with Workers' Compensation laws regarding SBCCOG and SBCCOG's employees. SBCCOG further agrees to indemnify and hold the Trust Indemnitees harmless from any failure of SBCCOG to comply with applicable Worker's Compensation laws.

D. Any retirement liabilities of SBCCOG under the Public Employee Retirement System or any other system, shall not constitute a liability of the Trust Indemnitees.

## **VI. INSURANCE.**

SBCCOG shall ensure that all insurance it carries as required by its Board of Directors applies with equal force to the performance of its duties under this Agreement. Evidence of such coverage shall be provided to the Chairperson of the Board of Directors within 30 days of execution of this Agreement.

## **VII. INDEMNITY.**

A. SBCCOG shall indemnify, defend and hold the Trust, the Trust member agencies, and their respective legislative bodies, officers, agents and employees ("Trust Indemnitees") harmless from and against any liability, claims, losses, actions, and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of use of property, any legal fees and any claims for damages of any nature whatsoever arising out of or resulting from the SBCCOG's obligations under this Agreement, unless caused by the acts or omissions of the Trust Indemnitees.

B. The Trust shall indemnify, defend and hold SBCCOG, its Board of Directors, member agencies, officers, agents and employees ("SBCCOG Indemnitees") harmless from and against any liability, claims, losses, actions, and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or

for damage to or loss of use of property, any legal fees and any claims for damages of any nature whatsoever arising out of or resulting from the Trust's obligations under this Agreement or performance of the JPA, unless caused by the acts or omissions of the SBCCOG Indemnitees.

C. The duty of SBCCOG to indemnify, defend, and hold the Trust Indemnitees harmless shall include, but not be limited to, any and all claims under the Workers' Compensation Act and the California Public Employees Retirement System and other employee benefit acts arising out SBCCOG's performance of this Agreement.

D. SBCCOG's and the Trust's obligation under this Section VII shall survive termination of this Agreement.

## **VIII. GENERAL TERMS AND CONDITIONS.**

A. This Agreement constitutes the entire understanding between the Parties, with respect to the subject matter herein, and shall not be amended except in writing signed by the Parties.

B. Neither Party hereto shall be considered in default in the performance of its obligations hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes, including acts of God, floods, earthquakes, fires, acts of a public enemy, pandemic, and government acts beyond the control and without fault or negligence of the affected Party. Each Party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this Agreement.

C. Neither Party shall assign this Agreement, or any part thereof, without the prior written consent of the other Party. Any such attempted assignment without such written consent shall be void and unenforceable.

D. This Agreement is made in the State of California and shall be governed by California law and any applicable federal law. The venue for any action brought under this Agreement shall be in Los Angeles County.

E. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

F. The terms of this Agreement shall inure to the benefit of, and shall be binding upon, each of the Parties and their respective approved successors and assigns.

G. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Agreement.

In witness whereof, the Parties enter into this Agreement on the date of last execution by the Parties.

SOUTH BAY CITIES COUNCIL  
OF GOVERNMENTS

SOUTH BAY REGIONAL  
HOUSING TRUST

By: \_\_\_\_\_  
Chair, SBCCOG Board of Directors

By: \_\_\_\_\_  
Chair, SBRHT Board of Directors

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit “A” –  
Scope of Trust Management Services**

- **Trust Management Support**
  - Coordinate Board meetings and prepare agenda materials
  - Support Board governance and administrative functions
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- **Oversight of Outside Contractors**
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  - **Financial Analysis**
    - Transfer contractors from the SBCCOG doing financial analysis to the Trust
    - Review and evaluate potential development proposals
    - Provide underwriting support and funding recommendations
  - Any others?
- Any other task directed by the Trust Board of Directors that is necessary for the successful operation of the Trust and implementation of the Trust Purpose

**Budget**

**Total budget:** \$390,000

**Staff time:** hourly rates will vary by individual but shall be calculated based on annual salary plus benefits divided by 2080 (hours/year).

**Other Administrative costs:** costs 100% associated with the management services, such as specific information technology (IT) systems/software shall be billed completely to the Trust. Costs shared by the SBCCOG, such as general IT support, office supplies, or office space shall be billed proportionally to the Trust.