



# Transforming the Yountville Veterans Home Campus

---

Report #240, September 2017



## Little Hoover Commission

Pedro Nava  
*Chairman*

Sean Varner  
*Vice Chairman*

David Beier

Iveta Brigris

Anthony Cannella  
*Senator*

Joshua LaFarga

Chad Mayes  
*Assemblymember*

Don Perata

Bill Quirk  
*Assemblymember*

Richard Roth  
*Senator*

Janna Sidley

Helen Iris Torres

## Former Commissioners Who Served During The Study

Scott Barnett

Jack Flanigan

Sebastian Ridley-Thomas  
*Assemblymember*

Jonathan Shapiro

## Commission Staff

Carole D'Elia  
*Executive Director*

Terri Hardy  
*Deputy Executive Director*

Tamar Lazarus  
*Project Manager*

Ciana Gallardo  
*Research Analyst*

## Former Commission Staff

Jim Wasserman  
*Deputy Executive Director*

# Dedicated to Promoting Economy and Efficiency in California State Government

The Little Hoover Commission, formally known as the Milton Marks "Little Hoover" Commission on California State Government Organization and Economy, is an independent state oversight agency.

By statute, the Commission is a bipartisan board composed of five public members appointed by the governor, four public members appointed by the Legislature, two senators and two assemblymembers.

In creating the Commission in 1962, the Legislature declared its purpose:

*...to secure assistance for the Governor and itself in promoting economy, efficiency and improved services in the transaction of the public business in the various departments, agencies and instrumentalities of the executive branch of the state government, and in making the operation of all state departments, agencies and instrumentalities, and all expenditures of public funds, more directly responsive to the wishes of the people as expressed by their elected representatives...*

The Commission fulfills this charge by listening to the public, consulting with the experts and conferring with the wise. In the course of its investigations, the Commission typically empanels advisory committees, conducts public hearings and visits government operations in action.

Its conclusions are submitted to the Governor and the Legislature for their consideration. Recommendations often take the form of legislation, which the Commission supports through the legislative process.

## Contacting the Commission

All correspondence should be addressed to the Commission Office:

Little Hoover Commission  
925 L Street, Suite 805,  
Sacramento, CA 95814  
(916) 445-2125  
[littlehoover@lhc.ca.gov](mailto:littlehoover@lhc.ca.gov)

This report is available from the Commission's website at [www.lhc.ca.gov](http://www.lhc.ca.gov).

# Letter From The Chair

---

September 5, 2017



The Honorable Kevin de León  
President pro Tempore of the Senate  
and members of the Senate

The Honorable Patricia Bates  
Senate Minority Leader

The Honorable Anthony Rendon  
Speaker of the Assembly  
and members of the Assembly

The Honorable Chad Mayes  
Assembly Minority Leader

Dear Governor and Members of the Legislature:

With this review, the Commission presents a rare opportunity to re-envision an underutilized and crumbling veterans home campus into a major destination for all Californians. Established in 1884, the Veterans Home of California, Yountville, is the oldest such facility in the state, situated on 615 acres in the heart of Napa Valley. Programs operate out of dilapidated buildings while much of the campus remains undeveloped. Meanwhile, the state struggles to meet health and housing challenges of a changing veteran population. Addressing these needs at Yountville will require creative thinking and bold action. The state must bring together ideas, partners and resources to transform this site, not only for the veterans who live there, but for the local community and other visitors who will undoubtedly come to appreciate the beauty and history of this land. It needs a visionary team, empowered to bring its ideas to life and in doing so, expanding the number of veterans served statewide.

When the Commission began its review in late 2015, it set out to do so with an eye towards finding efficiencies to update and modernize the state's \$306 million-a-year veterans homes program. A 16-month review followed, examining the mission, function and financing of the state's system of eight veterans homes. Throughout the study a fundamental question remained – why did it cost so much to serve so few? The facilities house less than 3,000 of California's more than 1.7 million veterans, while other states are able to operate high-quality veterans homes at little or no cost to taxpayers. In its March 2017 report, *A New Approach to California's Veterans Homes*, the Commission recommended a new strategy to administer this program.

Commissioners have been encouraged by the Legislature's efforts to enact some of these strategies through the budget process and in two bills, currently under consideration.

During its review, Commissioners were left confounded by the Yountville campus. It is both a problem – one that the current leadership of the California Department of Veterans Affairs (CalVet) has made a priority – and an incredible opportunity. Yountville is the state's largest facility, housing approximately 40 percent of veterans home residents. Unlike California's other veterans homes, the campus offers a range of amenities including a resident-operated television station, a theater, baseball stadium and golf course. The campus includes two reservoirs, one of which provides water for the campus and Town of Yountville and is surrounded by several hundred acres of wildlife.

Despite the rich amenities the Yountville campus has to offer, the veterans at the Yountville home for too long have lived in decrepit buildings that, at times, put their health and safety at risk. And year after year, California devotes hundreds of thousands of dollars for deferred maintenance that patch, but do not solve, the Yountville veterans home's significant infrastructure problems.

First and foremost, California must fulfill its commitment to the hundreds of veterans who are honored to call the Yountville veterans campus their home. CalVet leaders must immediately fix the home's many operational problems and restore the home's structure to its former status as a "jewel" of the state's veterans home system. New or revitalized facilities and living quarters to house the state's veterans homes program could free up CalVet to focus resources and energy on delivering the highest quality of care for its residents. CalVet Secretary Dr. Vito Imbasciani, who was tapped to lead as the Commission began this review, has repeatedly told the Commission that fixing Yountville is one of – if not the highest – priority for his team. CalVet and the leadership team has the skill sets to build new skilled nursing facilities to house the veterans home program on the campus, but current plans should be fast-tracked. The Commission supports Dr. Imbasciani's efforts and suggests the state help him cut through red tape to renovate and rejuvenate the veterans housing that surrounds the campus' central Alameda parkway.

Meanwhile, outside of the state's veterans homes, California is facing a veteran population with changing demographics and needs. As highlighted in the Commission's March 2017 report, CalVet cannot meet increasing demand for skilled nursing care and memory care, as well as mental and behavioral health services, substance use treatment and opportunities for veterans to receive care at home and in their communities. Thousands of veterans are homeless in cities across the state. Some are aging on the streets without access to proper medical care and other necessary supports. Other veterans suffer from mental health and substance abuse challenges that make their reentry into civilian life challenging. State leaders must consider how to leverage limited resources to help more of California's veterans in need.

With this review, the Commission sought to consider: How can California utilize its resources to maximize assistance for California's veterans?

The Yountville campus offers a beacon of possibilities.

Underutilized, with hundreds of acres of untapped space, the Commission heard that with imagination and expert management, the prime real estate in Yountville could someday generate revenue to provide resources for veterans statewide as well as a benefit to the community and a destination for visitors. The spacious property offers nearly unbounded opportunities for affordable housing for the people who work in the veterans home and playground and park space for their families. There's room to build accessible walking trails for veterans home residents, their visiting families, nature enthusiasts and wine country visitors. A hotel and restaurants could offer job training in the hospitality field for returning veterans, while at the same time their services would make it easier for visitors to stay close to the home and give residents another nearby dining option. Modernized office space in formerly underutilized buildings could house new businesses and services – ideally, those whose work has a veterans focus – while generating revenue for California to invest in veterans services elsewhere and at the Yountville campus. In short, the infrastructure itself can enable and facilitate a spectrum of public services.

To unleash the promise of the property, however, California needs a new approach. The Yountville campus requires a different type of stewardship than currently exists within state government. It requires a small team of experts with experience in public finance, real estate, construction and historic preservation. This team needs to be able to collaborate with business, industry, nonprofit and public partners and sustain a level of energy and enthusiasm that often gets quashed by government red tape. Creativity will be required to generate a stable revenue stream to fund the necessary improvements and operating expenses on the Yountville campus, and, in the long-term, develop opportunities to reinvest the campus' revenues in veterans services statewide.

The Commission is proud of California's history of supporting its veterans, in Yountville and elsewhere. We stand ready to assist state leaders as they articulate a new vision of care for our service members and think boldly with new partners about how to turn Yountville into the destination it can be, while staying true to its heritage.



**Pedro Nava**  
Chair, Little Hoover Commission

# Contents

---

## 5 Introduction

Oversight Hearings and Sight Visits .....	5
---	---

## 8 Needed Action to Restore a Crumbling Crown Jewel

Immediate Action Required to Create a Culture of Quality Improvement Within the Home .....	9
Also Urgently Needed: A Safe, Modern Skilled Nursing Facility .....	10
Conclusion .....	12
Recommendations 1 – 3 .....	13
Recommendation 1: CalVet should dedicate a small management team that is empowered to respond nimbly and urgently to critical infrastructure issues on the campus .....	13
Recommendation 2: CalVet should evaluate existing procedures for residents and staff members to share concerns and grievances anonymously about the living and working conditions at the Yountville veterans home, and consider opportunities to bolster and improve the process, including establishing a CalVet ombudsman program to provide oversight of the veterans homes .....	13
Recommendation 3: Informed by a needs assessment of California’s veteran population, CalVet should develop a long-term plan for the Yountville veterans home, as part of a strategic planning process for the homes program overall, that accounts for the needs of current and future residents and accordingly adjusts the levels of care currently provided in the Yountville veterans home .....	13

## 14 A Bold New Vision For Yountville

Opportunities to Expand Veterans and Community Services Abound .....	16
Change Will Take More Than Another Plan .....	20
Leveraging Partnerships to Give New Life to Old Buildings, Untapped Assets .....	21
Revitalization Effort Demands A New Leadership Strategy .....	24
Conclusion .....	26
Recommendations 4 – 5 .....	27
Recommendation 4: The Governor and Legislature should create a new, independent entity charged with planning, designing and managing the use of the Yountville property .....	27

# Contents

---

Recommendation 5: The Governor and Legislature should create a new fund to deposit revenue generated from the Yountville campus .....	27
---	----

## 28 Appendices

Appendix A: Public Hearing Witnesses .....	28
Appendix B: Advisory Committee Meeting Participants .....	30
Appendix C: Little Hoover Commission December 8, 2015 Letter to the Governor and Legislature regarding the Veterans Home of California Yountville .....	32
Appendix D: Timeline: Property Sales and Acquisitions on the Yountville Veterans Home Campus .....	35
Appendix E: Cover Photo Credits .....	37

## 38 Notes

# Introduction

---

The Commission formally launched its review of the Yountville veterans home to expand on information gathered as part of the Commission's 16-month review of the state's veterans homes program.

The initial study, requested in July 2015 by Assemblymember Jacqui Irwin, Chair of the Assembly Committee on Veterans Affairs, resulted in the Commission's March 2017 report, *A New Approach to California's Veterans Homes*. In it, the Commission called for the California Department of Veterans Affairs (CalVet) to address the changing needs of the veteran population, including the growing desire among many individuals to stay at home as long as possible while receiving quality care. The report also called for greater self-sufficiency in the state's veterans homes program and less reliance on the General Fund to free up resources to serve more California veterans. Recommendations from the March report are included on the following page.

As part of its last review, the Commission also heard significant testimony and public comment about both the critical infrastructure challenges plaguing the historic Yountville veterans home campus and also learned of opportunities that could allow the expansive campus to flourish. However, when it came time to develop recommendations, Commissioners remained perplexed by the complexity of challenges facing the Yountville veterans home stemming from its age and size, as well as the model of care the home offers.

After conducting additional investigations, the Commission now offers this review of the Yountville veterans home as a chapter in its larger review of the state's veterans home program, informed by hearing testimony and site visits, as well as conversations with residents, home officials and other experts over the past two years.

## Oversight Hearings and Site Visits

The Commission's response to Assemblymember Irwin's

request began with a broad hearing in October 2015 that provided an update on prior Little Hoover Commission recommendations on veterans services, as well as an overview of the CalVet home loan and veterans home programs. In November 2015, the Commission first visited the Yountville Veterans Home, where it learned that deferred maintenance and infrastructure neglect at Yountville has created an unsafe and undignified living environment for veterans. So appalled at what it learned and saw, the Commission in December 2015 wrote the Governor and legislative leaders, alerting them to serious deficiencies at the Yountville campus and calling for urgent maintenance and repairs. In the letter, included as Appendix C, the Commission also acknowledged significant progress by CalVet since 2013 to reduce the backlog of claims and expand outreach to veterans. The letter reiterated the Commission's intent to continue reviewing the veterans homes program. Despite CalVet attempts to address these deficiencies, many remain.

The Commission proceeded in its review with a hearing in March 2016 to learn more about the organization, cost and quality of care offered in California's veterans homes. Then, at a June 2016 advisory committee meeting in Los Angeles, Commissioners asked a diverse group of experts to consider how the state's veterans home program could be structured to best meet the needs of current and future generations of veterans. Stakeholders, including researchers specializing in long-term care and veterans' health, representatives from veteran service organizations as well as representatives from CalVet and the U.S. Department of Veterans Affairs, also shared ideas about how the state could enhance partnerships in the state's eight veterans homes and elsewhere to better serve aging and disabled veterans.

Next, in November 2016, the Commission again visited the Yountville Veterans Home and held an advisory meeting to consider the future of the Yountville campus. It heard lessons from successful renovations of public facilities, options for innovative financing and opportunities to expand on-campus partnerships. Participants included infrastructure financing experts,



community advocates, representatives from nonprofit organizations serving veterans, public-private partnership experts, locally-elected leaders, legislative and congressional staff members, Yountville and West Los Angeles Allied Council members, and representatives from CalVet and the U.S. Department of Veterans Affairs. The meeting also was well-attended by Yountville home members, several of whom provided public comments to the Commission.

As the Commission considered recommendations, Commissioners could not reach consensus about how the state should make best use of the Yountville campus. When the Commission adopted its March 2017 report, it agreed to hold a final hearing to consider the future of the Yountville home. This final hearing took place in Sacramento in June 2017. Commissioners heard from the CalVet Secretary and other senior department officials, representatives from the Department of General Services Real Estate Services Division, residents and Allied Council members and the Yountville Mayor. Executives from the Presidio Trust and the University of California, Merced's 2020 Project also discussed lessons learned through their experiences transforming public spaces through public-private partnerships. Finally, representatives from the Department of Developmental Services shared the department's process to close the state's developmental centers which, like the veterans homes, offer long-term care for certain Californians and plan for the future use of the state-owned facilities.

Public hearing witnesses and advisory committee meeting participants are listed in Appendices A and B.

During this study, Commission staff received valuable input through interviews, meetings and discussions with countless other veteran service organizations and advocates and members of the Yountville veterans home. Though the Commission greatly benefited from the contributions of all who shared their expertise, the findings and recommendations in this report are the Commission's own.

## A New Approach to California's Veterans Homes: Eight Recommendations From the Commission's March 2017 Report



- **Recommendation 1:** The Legislature should amend the Military and Veterans Code to clarify the homes admissions policies and ensure access for the neediest veterans.
- **Recommendation 2:** The Legislature should amend the Military and Veterans Code to eliminate domiciliary care from the state's veterans home program.
- **Recommendation 3:** To determine whether CalVet should repurpose or shutter one or any of the veterans homes, CalVet should establish a process to systematically evaluate and review each veterans home as it approaches its 20-year mark, and periodically thereafter, and make recommendations to policymakers regarding the future of the home.
- **Recommendation 4:** CalVet should conduct an assessment to consider the needs of California's overall veteran population.
- **Recommendation 5:** As CalVet repurposes its veterans homes program savings should be redirected to home and community-based veterans services.
- **Recommendation 6:** To streamline and modernize the state's veterans home program, the Governor and Legislature should amend the Military and Veterans Code to:
  - Define the scope of benefits included for veterans home residents.



- Empower CalVet to establish daily costs of care per resident, for each level of care.
  - Clarify that veterans home residents are charged fees based on the cost of care and may pay for those fees from various sources, including the U.S. Department of Veterans Affairs per diem and other reimbursements, health insurance or private income.
  - Require veterans home residents to maintain adequate health insurance throughout their residence in a veterans home.
- **Recommendation 7:** CalVet should amend regulations to specify consequences for residents who do not maintain adequate insurance coverage or otherwise pay their share of their costs.
  - **Recommendation 8:** To enhance fiscal transparency, CalVet should make available, online in an accessible format, its financial reports to the Legislature, which should be augmented to include:
    - The amount of state funds budgeted to each home and the amount of revenue collected, and if necessary, the remaining amount of expected revenue, over a period of several years.
    - The costs of care per resident, by level of care for each veterans home.
    - The costs of facility maintenance, as well as projections for future maintenance costs, for each veterans home.

# Needed Action to Restore a Crumbling Crown Jewel

---

Californians were among the first in the nation to honor those who have served our country by establishing a home to care for aging and disabled veterans. In 1884, a San Francisco veterans' organization opened a residential and care facility for Mexican War and Civil War veterans in Yountville, California.<sup>1</sup> The Yountville veterans home is one of the oldest and largest veterans homes facilities in the nation. In its early years, it served as a model for others across the nation. Referring to those early years, CalVet Secretary Vito Imbasciani described the home as "a gem that was ahead of its time."<sup>2</sup>

More than a century after its opening, the campus is aging and in need of significant renovations and repairs. For too long, the Yountville veterans home has been overlooked and barely maintained, as the agency's attention for the past decade was focused on building its new veterans homes. Meanwhile, the residents have accepted subpar living conditions in buildings that, in some cases, put their health and safety at risk. Indeed, on the day of the Commission's first visit to the Yountville veterans home in November 2015, only one of the seven elevators in Holderman, the multistory skilled nursing facility, was functional. According to residents, the elevators had been broken for months.<sup>3</sup> The Commission also learned then that many of the buildings on the campus relied on antiquated heating and cooling equipment built between the 1920s and 1930s – so old that replacement parts had to be found or custom built. The Commission heard that as a result, at least one resident suffered serious burns from illegal space heaters acquired to make a more comfortable living environment. Another risk: heating and hot water throughout the campus is provided through an underground piping system fed by two outdated steam boilers. Steam escapes through the aging pipes throughout the campus causing an additional safety hazard.

The home's infrastructure issues were so alarming that in December 2015, after the Commission's first visit to the Yountville veterans home, it took the unprecedented step to submit a letter to the Governor and Legislature drawing

immediate attention to the problem, rather than waiting for its study process to conclude. Yet, nearly two years later, many of the same problems continue, leaving veterans to live in sub-standard and at times, undignified conditions. The deputy secretary for the veterans homes noted in a March 2016 hearing that the heating, ventilation and air conditioning (HVAC) system at the Yountville campus is particularly complicated because buildings were constructed over time by different contractors with various energy and building code requirements. He said CalVet plans to work with the Department of General Services to perform a complete evaluation of the HVAC system and determine the final overall cost for a full renovation of the campus' HVAC system. Anticipated costs are in the millions of dollars.<sup>4</sup>

In April 2016, a routine federal inspection identified 14 fire safety deficiencies at the Yountville veterans home – more than three times the average for nursing homes in California.<sup>5</sup> In particular, approximately 40 doors were identified to be a fire safety risk. The estimated cost to replace these doors alone: \$271,000.<sup>6</sup> But residents noted at the Commission's June 2017 hearing that the configuration of residential buildings, which at times place elderly residents or those with limited mobility in second story rooms, poses health and safety risks to residents who would have challenges evacuating in the event of an emergency.

---

***"We can't and shouldn't continue to maintain the [Yountville veterans] home by dumping millions of dollars a year in emergency repairs and patches. We need to revitalize it."***

Secretary Vito Imbasciani<sup>10</sup>

---

Years of these and other deferred maintenance and critical infrastructure issues pose safety risks for residents and can frequently cost the state hundreds of thousands

of dollars in unexpected repairs. Since 2005, CalVet has spent more than \$80 million on maintenance and repairs at the Yountville veterans home, according to Secretary Imbasciani.<sup>7</sup> And the department requested approval in the 2016-17 and 2017-18 budgets to undertake four significant infrastructure projects: a renovation of the antiquated underground steam distribution system, repair of the failing chilled water distribution system, renovation of the central power plant and upgrade of the main campus kitchen and the kitchen in the Holderman skilled nursing facility. Estimated costs for the projects total more than \$58 million, with about \$6 million from the General Fund, \$15.1 million from lease revenue bond funds, \$5.5 million from the Veterans' Homes Bond Fund and \$31.5 million from the federal government.<sup>8</sup>

But beyond the dollars, the true impact, and the greatest concern, is the safety risk these challenges pose for residents who have to live with these deficiencies every hour of every day. At its June 2017 hearing, Yountville residents shared with Commissioners the reality of life under these circumstances. One veteran, the Commission was told, became trapped in an elevator for 45 minutes, riding from the basement to the third floor and back, over and over. He now is afraid to use the elevators, but because he relies on a scooter to get around has little choice.<sup>9</sup>

### **Immediate Action Required to Create a Culture of Quality Improvement Within the Home**

CalVet must immediately fix outstanding repairs that continue to pose health and safety risks to residents, particularly the faulty elevators in the skilled nursing facility and elsewhere on the campus. Secretary Imbasciani in March 2016 testimony to the Commission described the department's efforts to declare an emergency and more rapidly engage a contractor to address the repairs of the elevators in the Holderman building. At that time, he reported that six of the seven elevators in the skilled nursing facility were in service and all would be operational by the end of March 2016.<sup>11</sup> However, in June 2017, one of the home's residents testified that one elevator on the campus had been down for eight years and said that he knew of at least two residents who had recently been trapped in the Holderman elevators.<sup>12</sup> Despite the department's attempts to expedite repairs, the elevators have not yet been fully or permanently repaired. As long as the department continues to use the Holderman building to house veterans, CalVet must do more than simply respond to the elevator problems as they occur. Instead, the department should plan and budget for ongoing inspections and repairs of the elevators so that frail and elderly residents are much less likely to become trapped. Additionally, because of the ongoing nature of



Nelson M. Holderman Memorial Hospital

Source: California Department of Veterans Affairs.

these incidents, the department should regularly report on its progress resolving these issues to the Legislature and Department of Finance. To monitor the campus' infrastructure issues and ensure timely repairs, the department should establish a small management team empowered to respond nimbly and urgently to these and other public safety threats.

CalVet must bolster its oversight of the Yountville veterans home and monitor operations to ensure first and foremost the safety of current residents. Despite the millions of dollars in needed repairs, some improvements need not require capital investment. For example, when a resident leaves the home, CalVet could leverage the freed bed space to reconfigure resident living arrangements to improve safety. In testimony to the Commission, one resident suggested the home go so far as to stop the intake of new residents until critical infrastructure issues are resolved.<sup>13</sup>

Additionally, CalVet must improve opportunities for home residents and other concerned individuals to report issues in the home. Despite statutory rules that specify members of veterans homes have the right to complain to the home administrator about home accommodations and services, the Commission in testimony, as well as in conversations with residents throughout its study process learned that there is a pervasive sense of fear among those who speak out.<sup>14</sup> The Commission heard that residents are afraid they will risk their spot in the home by speaking out. Some also said they knew of employees afraid of risking their job by pointing out problems.

Residents of the veterans homes have several paths for reporting concerns. CalVet has established grievance procedures for the residents of each of the state's veterans homes. Residents may communicate directly with the home administrator or official designee and should expect a prompt response from the home, CalVet officials explained. The procedures are distributed to residents and posted in each home along with points of contact. CalVet also explained that residents of the Yountville home may communicate their concerns with social workers, chaplains and other staff, including a member advocate who is empowered to raise issues to the administrator on behalf of the residents. Allied Councils – or resident councils – also have statutory and regulatory authority to raise issues and concerns to CalVet leadership. Each home also has an independent long-term care ombudsman, authorized by the federal Older Americans Act and California's Older

Californians Act. Key to the ombudsman's role is the ability to confidentially receive and resolve individual complaints and services of residents.<sup>15</sup>

Despite existing laws and processes, these resources appear insufficient. Those closest to the home, who live day-to-day with the consequences of these crumbling facilities, could be assets to CalVet and need additional opportunities to report problems without fear of retaliation. CalVet should assess existing grievance procedures for residents and staff, seek feedback on ways to bolster opportunities and improve the process. One such improvement may include establishing one or more dedicated ombudsman positions at CalVet to oversee the veterans homes. The contact information the ombudsman could be broadly available, on each home's website, in application materials and other correspondence from the administrator, for example. Providing pathways for residents and staff to anonymously give feedback, and see that their feedback is heard and considered in administrative decisions – could help improve morale and confidence in the home's leadership.

### **Also Urgently Needed: A Safe, Modern Skilled Nursing Facility**

Throughout its review, the Commission heard about an increasing demand for skilled nursing care and memory care, as well as mental and behavioral health services, substance use treatment and opportunities for veterans to receive care at home and in their communities. Yet CalVet's veterans homes program, which received funding in FY 2017-18 to fill just 2,610 beds, is not designed to fully meet this need – nor should it attempt to alone. As described in the Commission's March 2017 report, demographics suggest that now and for the next several decades, there will be a pipeline of aging veterans in need of skilled nursing care but that the overall population of veterans will decline.

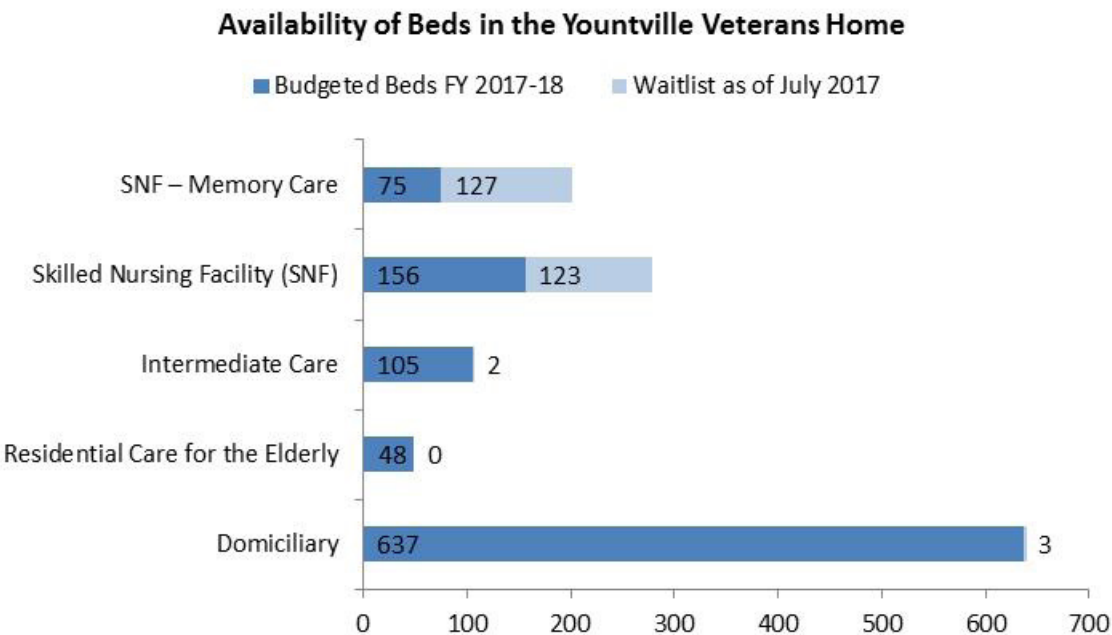
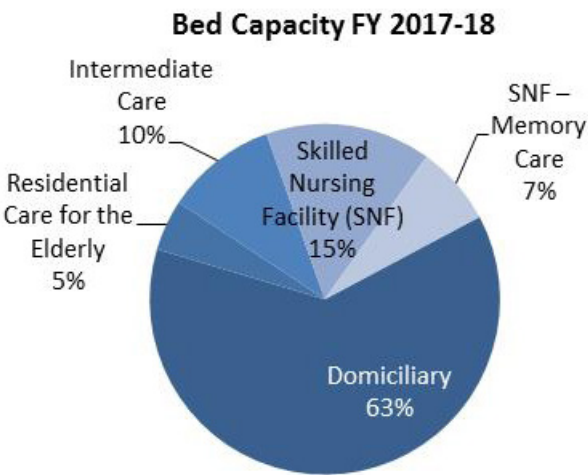
In deliberating its recommendations, the Little Hoover Commission and others saw with clarity some of the drawbacks to constructing additional facilities on the Yountville campus. It is not located in a major metropolitan area and access to and from the home is limited by often congested two-lane highways. Nor is the region particularly affordable, especially for groups of skilled workers such as nursing staff and others who are vital to the Yountville home operations. However, the

pipeline of veterans in need of skilled nursing care and a new structure, particularly one designed to adapt to the needs of future veterans, appears necessary, at least for the next two decades and likely beyond.

The Commission also found in its last review that researchers have identified additional needs for older veterans, particularly for mental and behavioral health services and memory care. They suggest that some of the youngest veterans – those recently returned from service in the Gulf War and Iraq and Afghanistan – may need assistance earlier in life than their comrades who served before them. But strong data about how many veterans will need additional services – and where – is not yet available. In its March 2017 report, the Commission recommended CalVet conduct an assessment to consider the needs of California’s veteran population, now and in the future as well as identify the array of services currently available to fill those needs. The Commission also recommended CalVet evaluate its veterans home program to ensure that services offered align with the changing needs of California’s veterans.

This data should inform CalVet’s planning for the veterans home program at Yountville, and at homes across the state.

In planning for the revitalization of the Yountville veterans home program, CalVet is taking steps to bring more services to Yountville. In 2016 CalVet hired two researchers to help the department better understand the needs of future generations of veterans, including the continued need for skilled nursing care, the need for mental and behavioral health services and the need for more intensive assistance once veterans have exhausted services available at home or in their communities.<sup>16</sup>



Source: Beth Muszynski, Chief, Research and Program Review, California Department of Veterans Affairs. August 3, 2017. Personal communication with Commission staff.

Secretary Imbasciani also told Commissioners in June 2017 he intends to revitalize the Yountville veterans home. “One of my top priorities is revitalizing the Yountville campus to provide the best services possible while decreasing CalVet’s General Fund footprint,” the Secretary told the Commission at its June 2017 hearing. Towards this end, the department’s 2017 capital outlay plan includes a proposal to partner with the U.S. Department of Veterans Affairs to construct a new \$400 million state-of-the-art skilled nursing facility.<sup>17</sup>

## Conclusion

After years of inattention and tens of millions of dollars spent on deferred maintenance at the Yountville veterans home since 2005, the Yountville question can no longer go unanswered. Business as usual no longer works.

CalVet has proven its ability to build and manage long-term care facilities – rapidly opening five new properties to the state’s system between 2010 and 2013. These new homes added capacity for CalVet to fill an additional 966 beds in the state’s veterans homes program, offering skilled nursing care, residential care for the elderly and domiciliary care. But it is not yet clear how these additional beds helped to close the service gap for California’s overall veteran population. In part, this is because the department’s strategic plan for veterans services is not up-to-date and does not clearly delineate goals and objectives and explain how its programs and services meet those objectives.

Still, the Commission commends CalVet’s plans to rebuild the Yountville veterans home’s run-down skilled nursing facility and create modern living environments for hundreds of residents. This new facility will undoubtedly help a portion of California’s veterans with significant health needs. Revitalizing the home’s skilled nursing facility would provide a better quality of life for hundreds of residents and should be undertaken quickly. To ensure expediency, CalVet should dedicate a team to monitor and prioritize repairs and to plan for and oversee replacing the skilled nursing facility. Meanwhile, while residents remain in the Holderman facility, the department also must take immediate and ongoing action to correct the facility’s public safety issues.

CalVet also should evaluate the level and types of care offered within the Yountville veterans home program

in order to align services to both account for the needs of current residents, but be flexible enough to accommodate changing needs for future residents. The department’s strategic plan also should take into account the array of services offered throughout the state’s system of eight veterans homes and the results of a needs assessment of the state’s veterans, as proposed in AB 1365 (Reyes), which calls for CalVet to assess each of its veteran homes on a regular basis and AB 1275 (Irwin), which calls for CalVet to assess the needs of the state’s veteran population and identify service gaps.

While creating opportunities for skilled nursing care and memory services, CalVet should evaluate demand at the Yountville home for beds at lower levels of care and develop a plan for the facility to ensure that any new services are designed to meet a specific need. As demand for domiciliary care wanes, CalVet should consider how to shift services offered within the home to areas of need for California’s veterans. In testimony to the Commission, Secretary Imbasciani noted that demand for domiciliary beds is less than it is for other programs, especially skilled nursing and memory care.<sup>18</sup> Again, the Commission reiterates its March 2017 recommendation: though CalVet should not displace current residents, it should develop a plan for the home that accounts for this gradual ramping down of domiciliary care.

The Yountville veterans home plan also should account for the home’s multiple facilities, which total 1.1 million square feet of buildings, to ensure that the right infrastructure is in place for the level and types of services needed. Built property on the veterans home campus ranges in age from the Boiler Plant, Ice Plant and Nurses Quarters built in 1898 to the Recreation Building built in 1965.<sup>19</sup> Necessary repairs in the other living quarters also require a heightened sense of urgency. While moving forward with the construction of a new skilled nursing facility, CalVet also should develop a long-term plan to modernize and maintain the other dilapidated facilities that house the Yountville veterans home program.

CalVet also should seek partnerships in planning for improvements to the Yountville veterans home property. Increasingly, public-private partnerships are demonstrating how large construction or revitalization projects can be executed on time and on budget. With the help of partners in the federal government and private sector, California could leverage public-private partnership funding strategies to build new facilities or



renovate the historic buildings that populate the campus and attract new organizations to the campus. How CalVet might enter into public-private partnerships is considered in the next chapter.

Meanwhile, the Little Hoover Commission sees a much bigger and broader use for the rest of the Yountville property. This unprecedented opportunity – described in the following chapter – should be synchronized, but separate from planning and oversight of the veterans home portion of the property.

## Recommendations

***Recommendation 1: CalVet should dedicate a small management team that is empowered to respond nimbly and urgently to critical infrastructure issues on the campus.***

- Specifically, CalVet should develop a plan, and a budget, for ongoing inspections and repairs of the elevators in the Holderman building and other critical public safety issues on the campus.
- CalVet should share with the Legislature and the Department of Finance, a list of all infrastructure issues on the Yountville campus and regularly report on its progress to address these issues.

***Recommendation 2: CalVet should evaluate existing procedures for residents and staff members to share concerns and grievances anonymously about the living and working conditions at the Yountville veterans home, and consider opportunities to bolster and improve the process, including establishing a CalVet ombudsman program to provide oversight of the veterans homes.***

***Recommendation 3: Informed by a needs assessment of California’s veteran population, CalVet should develop a long-term plan for the Yountville veterans home, as part of a strategic planning process for the homes program overall, that accounts for the needs of current and future residents and accordingly adjusts the levels of care currently provided in the Yountville veterans home.***  
Specifically:

- As CalVet moves forward with plans to build a new skilled nursing facility in Yountville, in partnership with the U.S. Department of

Veterans Affairs, it should consider acquiring construction funding through a public-private partnership. CalVet, working with public and private partners, should renovate other veterans home structures on the Yountville campus to bring them up to modern standards. The design of any new facilities should be flexible in order to accommodate changing population needs over the next several decades.

- As recommended in the Commission’s March 2017 report, the Legislature should amend the Military and Veterans Code to eliminate domiciliary care from the state’s veterans home program. Existing domiciliary residents should be allowed to remain in the veterans homes program as CalVet develops plans to gradually move away from offering this level of care.



# A Bold New Vision For Yountville

---

The question of what can and should be done with the aging Yountville property loomed large from the beginning of the Commission’s review of the veterans homes program. While it is clear immediate repairs are necessary to create safe living environments for current residents, the majority of the 615-acre property represents untapped potential, limited only by the imagination of its overseers.

Much of the conversation about Yountville’s future has centered around a 150-year-old document. The deed that transferred ownership of the land and buildings to the state provided vital details. The Yountville veterans home was originally financed and constructed by veterans groups led by San Francisco’s Lincoln Post of the Grand Army of the Republic; the Veterans’ Home Association in San Francisco was responsible for its funding and operations. After the federal government introduced a requirement that privately-owned veterans homes would no longer qualify for federal support, the Veterans Home Association sold the land and facilities on the Yountville campus to the State of California for a 10-dollar gold coin. The deed, dated January 31, 1899, required the premise to be maintained as “a State Home for United States ex-soldiers, sailors and marines.”

Throughout its review, the Commission heard from residents and others that the Yountville veterans home land deed limited considerations for future use of the campus – specifically that the property had to be maintained for veteran use. Indeed, in accepting the deed on behalf of the State, then-Governor Henry Gage and Attorney General Tirey Ford, again acknowledged legislation enacted in 1897 that reiterated the intent of the deed: the “property shall continue to be used as a home for aged and indigent United States ex-soldiers, sailors and marines.”<sup>20</sup>

However, an analysis by Legislative Counsel, requested by Commissioner and Senator Richard Roth, concluded that lawmakers have broader authority to determine how the land may be used, including options to either lease

or sell the land. State law – specifically provisions of the Government Code and Military and Veterans Code – take precedent over the deed and include rules for the sale or lease of the property. In large part, these findings were based on a 1969 court case that determined the deed did not restrict the state in leasing the veterans home land and that state statutes guided how the land may be leased.<sup>21</sup>

## **Lease of the Yountville veterans home property.**

Legislative Counsel determined that state law permits the lease of veterans home property under certain conditions and directs how proceeds should be used. Specifically, the Military and Veterans Code allows the Department of General Services (DGS) to “lease or let any real property held by the department for the home, and not needed for any direct or immediate purpose of the home, to any entity or person upon terms and conditions determined to be in the best interests of the home.” The law further stipulates that primary consideration be granted for use of the property for “agricultural purposes” and specifies that money received from the lease or rent should be “deposited in the General Fund to the credit of, and shall augment the current appropriation for the support of, the home.”<sup>22</sup> The Military and Veterans Code also specifies that proceeds from a lease must be deposited in the General Fund to be used to support the home.<sup>23</sup>

In practice, both CalVet and DGS have roles in establishing the terms of leases on the Yountville campus. DGS officials testified to the Commission that terms of leases are usually set for a five-year duration because of stipulations in Government Code, though state law allows for longer terms.<sup>24</sup> CalVet officials further explained leases are determined by fair market value set by the Department of General Services and are usually based on the square footage and condition of the building. Some of the leases are offered “in-lieu,” meaning, instead of paying rent they provide in-kind services at no cost to the state and rates of these leases are determined by CalVet, in collaboration with DGS. All leases on the Yountville campus are approved by CalVet, the lessee and DGS, and at times, by the Department of Finance.<sup>25</sup>

Currently, the Department of General Services manages 14 leases on the Yountville veterans home property. Through these leases, campus partners provide U.S. postal service, access to ATMs and salon services on the campus, as well as several entertainment options at the campus' baseball field, golf course or theater, among others. Though most

generate some rental revenue, the total annual rental income from these leases is nominal – approximately \$125,000. Additionally, the home's current "in-lieu" leases total more than \$263,000 annually, but support The Pathway Home, on-campus U.S. postal service and critical municipal water infrastructure.<sup>26</sup>

### DGS Managed Leases on the Yountville Veterans Home Campus

LESSEE	ANNUAL RENT	LEASE TYPE	TERM DATE
<b>REVENUE GENERATING LEASES</b>			
Yountville Golf Club/Vintner's Golf Club	\$70,000	Golf Course	2/9/2026
Friends of the Lincoln Theater	\$20,000	Building Space	10/31/2022
Golden 1 Credit Union/ATM	\$1,200	Full Service ATM	10/31/2018
Napa County Museum Association/Napa Museum	\$8,232	Ground	10/31/2020
Yountville Enterprises	\$16,380	Self Storage	9/30/2017
Veterans Home of Yountville	\$200	ATM	6/30/2015
TUG McGraw Foundation (Rehab Facility)	\$3,081	Ground	7/31/2017
Napa Valley Baseball Club/Boreman Field	\$4,000	Ground	10/31/2021
Sally Bailey	\$960	Salon	7/31/2020
Dinorah Scroggins	\$996	Salon	10/31/2016
<b>TOTAL ANNUAL RENT</b>	<b>\$125,049</b>		
<b>IN-LIEU LEASES</b>			
U.S. Postal Service	\$10,908	Post Office	7/31/2019
Napa County	\$10,000	Fire Station	6/30/2022
Napa County/Rector Reservoir	\$30,000	Fire Training Facility	6/30/2022
The Pathway Home (PTSD program)	\$212,160	Building Space	12/31/2017
<b>TOTAL IN-LIEU RENT</b>	<b>\$263,068</b>		

Source: Andrew Strumfels, Deputy Director, Legislative Affairs, Department of General Services. July 7, 2017. Personal communication with Commission staff.

**Sale of the Yountville veterans home property.** Sale of the Yountville veterans home property is allowable, according to the analysis conducted by Legislative Counsel. However, because there is no specific provision within state statute to guide the sale of veterans home property, any sale would be treated as other property owned by the state.<sup>27</sup> This option seems less attractive than leasing parts of the property, as the state would lose this one-of-a-kind opportunity to generate ongoing revenue to expand services for veterans.

Currently, the Department of General Services is responsible for disposing of surplus state property, the proceeds of which are diverted to the state's rainy day fund. These provisions were established in 2004, when California voters approved Proposition 60A to amend the State Constitution to direct how proceeds from the sale of state surplus property would be spent. The proposition specified that proceeds were to be used first to pay down the principal and interest on the state's 2004 Economic Recovery Bonds, then to be deposited into the Special Fund for Economic Uncertainties<sup>28</sup> On August 5, 2015, the final payment was made, closing the books on the \$15 billion recovery bonds and diverting the proceeds to the state's rainy day fund.<sup>29</sup>

If CalVet were to sell portions of the veterans home property, a necessary first step would be to determine the value of the land. The Department of General Services currently does not have an estimate of the property's value.<sup>30</sup> However, without an amendment to the state's constitution, any proceeds from the sale would be deposited into the state's rainy day fund and could not be used for the benefit of veterans as intended in the deed to the Yountville property.

In the past, portions of the veterans home property have been sold to other government agencies for public purposes, like expanding highway access or building a sewage facility for the Town of Yountville. Additionally, in 1956, 298 acres were sold to several individuals for \$3,900. A timeline of some of the sales, acquisitions and leases that occurred on the property is included as Appendix D, however, these transactions occurred prior to the constitutional amendment approved by voters in 2004.

## **Opportunities to Expand Veterans and Community Services Abound**

California has a nearly unprecedented opportunity to design a future for the state's land in Yountville. Planning will require thinking strategically about how to reuse, repurpose and update historic buildings that surround the 15-acre Alameda at the heart of the campus to bring in new life and new services to the veterans-focused campus. But a redesign will require more than just modernizing the existing infrastructure. It also must include thoughtful, creative plans for the hundreds of untapped acres that surround the veterans home.

With a population of 2,933 at the 2010 census, the residents of the Yountville veterans home comprise nearly one-third of the Town of Yountville's population. The veterans home campus already provides several critical facilities and public services to the Town, including its municipal water source, wastewater treatment plant and community swimming pool. In addition to expanding veterans services, thoughtful growth on campus also could be a boon to the local and regional communities. Imagine:

- Affordable homes for people who work on the campus, their young families bringing new life and energy to the home's central parkway, The Alameda.
- Accessible walking trails on which veterans, visiting family members and wine country tourists could spend a relaxing afternoon.
- A new hotel to serve residents' visiting family as well as tourists to the region, while offering returned veterans hospitality training.
- A beautiful, historic chapel to host destination weddings.
- Restaurants that provide residents, staff and visitors additional dining options while staffing younger veterans in job training programs.
- Modernized office space to fill formerly underutilized buildings with the aim of attracting some of the Bay Area's tech companies to the campus, particularly those working on developing new treatments or services for returning soldiers.

- A clinical training program to combine direct care to residents with educational training at a local college.

Building on ideas developed in a 2012 master plan for the Yountville Veterans Home, CalVet officials, local leaders and others already are taking steps to realize some of these opportunities. Many shared with Commissioners additional ideas about how the state could bring more services to the campus, including expanding access to health and mental health care, expansion of affordable housing options for veterans and campus staff as well as job training programs for returned soldiers interested in advancing skills in the construction trades and habitat restoration.

**Access to Health and Mental Health Care.** The addition of a federal community-based outpatient clinic on the campus could make it easier for all veterans in the region to access healthcare. For the estimated 35,000 veterans age 55 or older living in Napa, Solano and Sonoma counties,<sup>31</sup> visits to U.S. Department of Veterans Affairs

(VA) hospitals require a lengthy drive through Bay Area traffic to San Francisco or Palo Alto. Even for less acute needs, some of the nearest VA outpatient clinics are miles away in Santa Rosa, Martinez and Vallejo.<sup>32</sup> These trips can be especially tiring and burdensome for the elderly veterans home residents, especially those with high levels of disability or serious health conditions.

If CalVet partnered with the U.S. Department of Veterans Affairs to place a federal community-based outpatient clinic on the Yountville campus it could improve access to healthcare services for all veterans in the region, including those living at the veterans home. At the Commission's November 2016 advisory meeting, Secretary Imbasciani stated an interest in exploring this type of partnership, as have officials with the U.S. Department of Veterans Affairs in San Francisco.<sup>33</sup>

Additionally, Keith Armstrong, the director of San Francisco's Veterans Affairs Health Care System Family Therapy Program, along with other officials with the U.S. Department



Aerial view of the Yountville Veterans Home Campus

Source: California Department of Veterans Affairs.



of Veterans Affairs have said there is a growing need for specialized programs for veterans with mental health issues and dementia. He expressed an interest in partnering with CalVet to develop this type of program at the Yountville campus at the November 2016 advisory meeting.<sup>34</sup>

According to Secretary Imbasciani, CalVet is seeking to partner with the U.S. Department of Veterans Affairs in establishing an onsite psychiatric unit to address the emerging behavioral health needs of California's veterans. The Secretary said there is need for advanced behavioral health services for a growing population of veterans who enter CalVet facilities with multiple complex physical and cognitive health issues. A new psychiatric unit could assist CalVet in meeting the high demand of veterans for which the department currently has no resources and mechanisms to serve, said Secretary Imbasciani.<sup>35</sup>

**Transitional Supportive Housing for Veterans.** In its March 2017 report, the Commission highlighted the changing needs of California's veterans population and the alarming rate of veterans among California's homeless population. California could choose to use some of the open space at Yountville to establish temporary supportive housing programs that assist able veterans as they transition back into the workforce and their civilian life.

For example, if existing dormitory buildings are emptied to move veterans into updated long-term care facilities, some suggest the buildings could be converted into more transitional supportive housing for returning veterans. Leon Winston, Swords to Plowshares' Chief Operating Officer, told Commission staff that the transitional model makes sense for the smaller population of recently separated veterans. He noted that older veterans are unlikely to be looking for employment training offered in transitional housing situations and need permanent housing solutions as they age, especially those living in the high-cost Bay Area.<sup>36</sup>

**Affordable Housing for Home Staff and the Public.** Among other options for the campus' future, the 2012 Yountville master plan identified the construction of affordable housing options for veterans home staff as a way to enhance the campus. Since then, this idea has not lost appeal.

"Many of the more than 900 employees of the Veterans Home in Yountville travel from outside Napa County,

often driving more than an hour to get to work due to a severe shortage of affordable housing options in Napa Valley," Yountville Town Mayor John Dunbar told Commissioners. "This has real consequences on child care, schooling, family life and community balance." Yet, he noted home ownership, and even rental of single family residences, is out of reach for many families who make up the Yountville veterans home workforce.<sup>37</sup>

SEIU representatives also told Commission staff that the availability of affordable on-campus housing options could dramatically improve the quality of life for employees who are dedicated to caring for their patients but must endure added costs of long commutes to get to work.<sup>38</sup>

Mayor Dunbar suggested affordable on-campus housing could be a boon to the local school district which has struggled with low enrollment, benefit local businesses and reduce traffic on the already congested Highway 29 that runs parallel to the Yountville campus.<sup>39</sup>

Mayor Dunbar cautioned that the town's existing infrastructure could limit growth on the campus to between 300-400 additional apartments, unless additional investment was included to enhance capacity of the existing sewer and wastewater systems. He also noted that some locals are concerned that should the state sell the whole property for a one-time windfall, it could dramatically change the character of the town or county. However, should some of the land be used for agricultural purposes he said it would be "synergistic" with what is already happening in the valley.<sup>40</sup>

**Job Training and Employment.** By welcoming new organizations onto the campus, including government and private partners, the campus could create job training opportunities for individuals whose work could then enhance the quality of life on campus. For example, expanded partnerships with the Napa Valley Community College could enhance services for returning veterans through the nonprofit Pathway Home program, but also could create new career training opportunities to attract new clinical staff to the campus.

Similarly, by housing the California Conservation Corps on the campus, CalVet could create job training programs for returning veterans and others interested in advancing skills in the construction trades and habitat restoration. The fruits of their labor also would directly benefit and help maintain the campus. Former Yountville veterans home

administrator, Donald Veverka, told Commissioners at the March 2016 hearing that he was interested in working with the California Conservation Corps to establish a new program on the Yountville campus. Secretary Imbasciani and Bruce Saito, director of the California Conservation Corps, reiterated the sentiment at the Commission's November 2016 advisory committee meeting.

The California Conservation Corps provides employment and job training for young men and women between the ages of 18 to 25 – and for veterans up to 29 years old –

to serve a year providing the state with environmental services and emergency response. At one time, the California Conservation Corps was co-located on the Yountville campus. At the November 2016 meeting, Mr. Saito stated an interest in renewing a partnership with the Yountville veterans home for outdoor restoration projects, maintenance services and also potentially building renovations. Mr. Saito thought the effort could lower campus costs while offering the Corps members mentoring relationships with older veterans on campus.<sup>41</sup>

## California's Developmental Centers Offer Example in Planning for Reuse of Old Facilities

Insight into ways to reimagine Yountville's existing infrastructure future may come from California's Department of Developmental Services. Facing fiscal pressures to maintain sometimes-aging facilities intended to support a dwindling population of residents, the department in 2014 began a process to close the state's four developmental centers. At their height in 1968, California's system of developmental centers served approximately 13,400 residents with intellectual and developmental disabilities who also are in need of 24-hour nursing care. But since then the resident population has drastically declined as hundreds of residents have moved out of these institutional settings each year into less restrictive, high-quality residential options in communities across the state. By January 2014, the developmental centers served as few as 1,335 residents, many with significant behavioral support needs.<sup>42</sup>

The department continues to relocate remaining developmental center residents into communities while developing plans for the future use of the state's land and facilities. CalVet may pay particular interest to the closure of its 860-acre developmental center in Sonoma, planned for 2018. In Sonoma, as likely will be the case in Yountville, options will be constrained by the old and failing infrastructure that does not meet current building code requirements. Any future use or reuse of the property will potentially require funding and statutory authority, and must be proposed by the administration through the legislative budget process for full public vetting, Amy Wall, the assistant director of developmental center closure told Commissioners.

Unlike the veterans homes, which are managed by CalVet, the Department of General Services manages the developmental center properties, which are subject to the state's surplus property process once the centers close. However, in testimony to the Commission, Ms. Wall reported that community members and local representatives in Sonoma have expressed strong interests for preserving or developing the properties for local and business purposes.<sup>43</sup> Any plans for future use of the Yountville campus will likely also generate strong interest from residents, community members and other local officials.

As a first step in developing plans for the future of the Sonoma campus, the Department of General Services has initiated a site assessment to include an evaluation of the property's boundaries and topographical features, building inventory, historical uses, traffic and other transportation data as well as map hydrologic, sewage and ecological systems. Reviewers also will look for lessons from similar reuse of public facilities and government property, including San Francisco's Presidio. A report with findings is due in December 2017.<sup>44</sup> The Legislature also is considering a proposal to establish a working group to examine the potential sale or reuse of developmental center properties, with the intent of allocating revenue to provide services to Californians with developmental disabilities rather than divert monies to the General Fund.<sup>45</sup>

## Change Will Take More Than Another Plan

While the California Department of Veterans Affairs must plan for the future of the Yountville veterans homes program – and do so urgently – a different and broader planning effort is required to transform this highly valuable state land.

### Past planning efforts hit the marks, but failed to take.

For years, California’s veterans leaders have considered opportunities for growth on the Yountville campus. Indeed, following a comprehensive evaluation of the home’s built infrastructure and the surrounding acreage, the Department of Veterans Affairs in 2012 issued a 423-page master plan for the Yountville Veterans Home. The plan, developed by HOK Architects, identified ongoing facilities needs and called for a long-term plan for the property that included new and up-to-date residence halls, a new skilled nursing center, additional amenities for residents and visitors, including a new dining room, as well as on-campus revenue-generating opportunities such as affordable housing for employees and a hotel. Building on the master plan, the department’s most recent strategic plan, for the 2013-14 to 2015-16 fiscal years, included specific performance metrics tied to optimizing and re-evaluating how to use space at the Yountville veterans home.

Despite the department’s intent to serve more veterans and generate additional revenue, a 2013 State Auditor report

found that the department did “not have a formalized process for securing additional partnerships and has not monitored the success of its existing agreement.” And, at the time of the audit, CalVet had established one public-private partnership agreement to serve more veterans on the campus – with the Pathway Home, a nonprofit organization that assists returning veterans with Post Traumatic Stress Disorder and mild Traumatic Brain Injury transition back to civilian life, including getting an education. The State Auditor recommended CalVet use the Yountville master plan as a starting point for using unused space at the home.<sup>46</sup> Yet, years later, the recommendation has not yet been fully implemented.<sup>47</sup>

California’s veterans will not be well served by another master plan that languishes for years as the Yountville home administrator and CalVet rightfully focus on repairing crumbling infrastructure and respond to the most urgent public safety threats at the veterans home. But, at the same time, Yountville’s master plan has sat largely unused for too long, its goals unrealized. Though CalVet officials say they are now ready to take action – and indeed the Secretary has tasked staff to review the master plan in order to inform the department’s vision for a vibrant Yountville campus – there is not yet an actionable plan for the campus that includes a timetable for procurement of design and construction services. The dual jobs – of maintaining and managing the veterans home program and planning for the long-term future of the campus – are too large for one organization to do both well.

## Excerpt from CalVet’s 2013/14 through 2015/16 Strategic Plan

**Strategic Goal 1:** Increase the Accessibility and Utilization of Benefits and Services Through Advocacy and Education.

**Objective J:** Utilize the Veterans Homes’ unbudgeted space to serve more veterans through collaborative relationships with nonprofits, veteran service organizations, and private entities at no additional cost to the State.

### Performance Metrics

- Complete Yountville facility study, a part of the Yountville Master Study, by December 2013.
- Generate public-private partnerships to serve more veterans by May 2014.
- Develop metrics for monitoring the effectiveness of public-private partnerships by May 2014.



## Expanding Veterans Services at Yountville: The Pathway Home

Through its partnership with The Pathway Home, CalVet has taken steps to begin to think about how to use the Yountville home's existing infrastructure to expand the availability of services for veterans. Since 2008, Yountville administrators have leased space in Madison Hall to the Pathway Home. The program, operated in partnership with the U.S. Department of Veterans Affairs (VA) in San Francisco, offers wraparound services including housing, academic, social and psychological support for veterans returning from recent service. Currently up to 20 students can participate in the nine-month program which is funded primarily by donations and grants. While the federal VA funds a psychologist to work with veterans at both the Yountville campus and at the City College of San Francisco, CalVet provides space to house participants on-campus at a minimal cost. According to Christine Loeber, executive director of the Pathway Home, the nonprofit would not have the space and resources to support the program if not located at the Yountville campus. She said the program was able to materialize more quickly with the breadth of knowledge and experience of the federal VA. She also added that being able to ensure the viability of the program will help veterans. Plans include generating funding to increase program staff in order to treat up to 34 veterans at a time.<sup>48</sup>

## Leveraging Partnerships to Give New Life to Old Buildings, Untapped Assets

To bring some of these new programs and others onto the Yountville campus, any entity in charge of revitalizing the Yountville campus must consider how to modernize some of the campus' existing buildings and identify where new construction will be needed. Though not as common in the United States, public-private partnerships are widely used in Australia, Spain, Italy, the United Kingdom and Canada as a way to efficiently, and cost-effectively finance and complete infrastructure projects. One of the most significant factors built into the contracts

is long-term maintenance. Canadian provinces have to date invested in more than 60 public-private partnerships in the health sector that are now operational. Among these is the construction or redevelopment of numerous hospitals, mental health and long-term care facilities.<sup>49</sup>

The Commission previously explored public-private partnerships in its January 2010 report, *Building California: Infrastructure Choices and Strategy*, and found "though public-private partnerships can be used to help finance a project, their main benefits are in speeding delivery, saving money by combining the design and building processes, introducing new technology and management models, and by maintaining the condition of a project over the life of the contract or lease." Based on its findings, the Commission recommended that the state increase its capacity for creating public-private partnerships to reduce costs and delivery time, and improve project quality and performance.

Again, the Commission returned to public-private partnerships as a way for the state to efficiently and effectively modernize the Yountville veterans home campus. Two different models show how public-private partnerships can be used to construct and maintain buildings for use by government partners, like the state's veterans homes program, or to generate revenue through lease of state-owned buildings or property.

**Public-private partnerships to fuel construction.** The University of California, Merced's ambitious expansion project, dubbed the Merced 2020 Project, offers one example of how a public-private partnership can help move a project quickly from conceptualization to construction. Created in 2012, the Merced 2020 Project is expected to deliver its first new facilities in 2018, and by 2020 it will have constructed an additional 1.2 million-square-feet to accommodate long-term enrollment growth that will eventually support 10,000 students.<sup>50</sup>

To achieve the goals of UC Merced's 2020 Project, campus leaders selected an innovative, long-range financial model, known as an availability payment concession or "design-build-finance-operate-maintain" procurement, that relies on a single private development team to design, build, operate and maintain major building systems and partially finance the project under a single contract. The benefit of this model is that "it creates competition for a contract across all lifecycle costs, linking the cost of long-term maintenance and operation

of the facilities to their initial design and construction,” explained Daniel Feitelberg, then-vice chancellor of planning and budget, who was responsible for launching the Merced 2020 Project.<sup>51</sup>

Adopting this procurement model required the university to first secure broad authority in state law to plan, bid and build in a different way than traditional state-funded construction projects, Mr. Feitelberg told Commissioners.<sup>52</sup> How it works: the university entered into a long-term contract with a private-sector developer to design and construct the civil infrastructure and buildings, secure a portion of the financing, and perform lifecycle maintenance and management for the facilities. The university contributes a portion of financing and also employs represented university staff for operating services, such as custodial, dining and parking services as well as groundskeeping. During construction, the university makes predetermined “progress payments” to the developer. Once the buildings become available for use, the university will make performance-based “availability payments” to cover the remaining capital costs, as well as the operations and maintenance of major building systems. The agreement, which spans 39 years,

is intended to capture the time and cost advantages of other public-private partnership funding models while maintaining the university’s property rights.<sup>53</sup>

**Public-private partnerships to generate revenue.** The Presidio of San Francisco is a 1,500-acre park and former U.S. Army Fort first established in 1776. For decades, the Presidio served as the Army’s premiere west coast installation, but in 1989 it made the federal Base Realignment and Closure Commission’s list of planned closures. The Army left in 1994 and the land was turned over to the National Park Service.<sup>54</sup> Many buildings were unoccupied, infrastructure was in need of significant modernization and landscapes were degraded. Today, thanks to efforts of the Presidio Trust, a board-run federal agency created to save the Presidio, the park has been transformed to showcase the land’s historical roots while repurposing and revitalizing the space to bring in thousands of new residents, hundreds of commercial tenants as well as recreational, hospitality and educational programs. And notably, the trust achieved this reform without taxpayer support – as mandated by Congress – with private financing, generated through partnerships.<sup>55</sup>



Rendering of Future UC Merced Campus

Source: University of California, Merced.



Craig Middleton, former director of the Presidio Trust, explained at the Commission's November 2016 advisory committee meeting that when trust officials began envisioning new life for the Presidio, their challenge was similar to that now facing the Yountville campus. Mr. Middleton said the trust began its project with seed money for 15 years from Congress but no blueprints or maps. It also had to work around restrictions on how to utilize the property. From the beginning of the project, trust officials knew the entire Presidio property needed to be financially self-sufficient or it would be sold. Beginning with very little operating capital and not a great amount of public commitment to support the property, the trust entered into some 200 public-private partnerships to create a revenue stream to help pay for these and other restorations that could not have been funded otherwise, Mr. Middleton said. Through these types of partnerships, the trust raised approximately \$1.6 billion and put in just one dollar for every four dollars that came into the project.<sup>56</sup> Now, the Presidio Trust generates over \$100 million each year and has turned a military "ghost town" into a thriving community of 3,500 residents, hundreds of partner organizations and an estimated four million annual visitors, Mr. Middleton said.<sup>57</sup>

In his testimony to the Commission in June 2017, Mr. Middleton noted several similarities between the Presidio

and the Yountville campus. Namely, the Yountville campus is in need of significant capital investment, buildings are constructed to standards that no longer meet current code and living space is cramped and overcrowded and the state is unable or unwilling to provide sufficient funding to address the campus infrastructure needs. He suggested CalVet should be open to long-term lease contracts to generate capital revenue on the Yountville campus and also advised the state look for philanthropic partnerships.

He offered a caution, however. "If we were to create new funding streams at Yountville through the establishment of public-private partnerships only to see the state then reduce its own financial commitment to the facility, we would not have achieved much for the campus or for its veterans population," Mr. Middleton told Commissioners. "It is essential that a mechanism be created that will ensure that the funds earned at Yountville stay at Yountville."<sup>58</sup>

Should California adopt the Presidio Trust's approach to the Yountville campus, it will be essential that revenue generated on the campus is used to achieve its transformation. However, in the long-term, it may not be appropriate to restrict use of proceeds only to use on the



The Presidio

Source: Presidio Trust.

Yountville campus. Instead, while a portion of the funds should be used to create and maintain a vibrant campus, some of the revenue also should be used to support veterans services statewide. In creating a new funding stream for services for California's veterans, so long as it does not supplant existing funds, the state would be honoring the legacy of the Yountville deed's requirement to use the property for the benefit of veterans.

### **Revitalization Effort Demands A New Leadership Strategy**

As the overseer of California's veterans home program, CalVet should articulate a strong vision for the Yountville veterans home program, and, as previously described, develop a plan for the future of the program based on current and projected veterans' needs. However, while CalVet has become expert at constructing new skilled nursing facilities – recently building five new veterans homes in as many years – it does not currently have the resources or even the right skills to envision and execute a broader property management strategy.

Indeed, at the Commission's June 2017 hearing, CalVet Assistant Secretary David Gerard candidly explained that though they have the resources to build a new skilled nursing facility, building and executing a plan for the entire campus is a much larger endeavor. "Does CalVet have the horsepower to do it on its own? No...We'll need some collaborative effort to get there," Mr. Gerard said.

This broader planning effort likely will need to be spearheaded by a new entity, responsible for stewardship of the property, and empowered to take action on its plans. Learning from the Presidio Trust, California could choose to establish a new trust-like state entity to plan for and oversee transformation of the Yountville campus. Mr. Middleton, in testimony to the Commission, suggested that the "organization should be empowered to make certain transactions in the public interest, in real time, so as to be a viable and reliable partner to both the veterans home and the business community." He also suggested this organization should be required to operate in accordance with a plan, developed in conjunction with other stakeholders, to ensure that its activities are appropriate to the needs of those most affected, and that the new organization should be held accountable to appropriate state authorities and report to the public.<sup>59</sup>

**Veterans-Centric Mission.** Because of the campus' origins as an Old Soldier's Home, the Commission recommends that any future use should honor the historic commitment Californians have made to support veterans in need on the Yountville property. However, the revitalization effort should not be so strict as to exclude revenue-generating opportunities that could then be reinvested to support veterans services statewide.

**Start-up Funding.** Additionally, the state will need to allocate start-up funds to develop clear building goals and objectives during the project's pre-development phase. Early in the project's lifecycle, UC Merced's 2020 Project received approximately \$13 million to support planning activities that helped articulate project deliverables, analyze and select the appropriate capital delivery model for the project, identify projects costs and budget and articulate design strategies. Mr. Feitelberg told Commissioners that spending on pre-planning activities amounted to less than one percent of the total project costs, but helped the project team narrow ideas and move more efficiently through the procurement process.<sup>60</sup> A redesign of the Yountville campus, too, likely will require upfront funding to support planning activities that payoff later in terms of selecting the best delivery model for the project.

Mr. Feitelberg also explained that one unexpected benefit of the project was that it forced university leadership to operate out of existing silos and brought together finance teams, construction experts, designers as well as operations and maintenance staff. By working together and engaging stakeholders – including faculty, student representatives, foundation trustees along with the mayor, city manager and other community leaders –the team was able to identify issues early in the process and avoid delays. Mr. Feitelberg observed that a similar process could be fruitful for the state in designing new construction projects.<sup>61</sup>

**Fiscal Authority.** The new entity in charge of developing a plan for the Yountville property also should be given authority to lease some of the land, experts recommended at the Commission's hearing. But to maximize efficiencies, they suggested it would be critical for this authority to include the ability to enter into long-term financial arrangements with partners and also to broker lease agreements that include performance-based metrics.

As described previously, both CalVet and the Department of General Services (DGS) currently have a role in

establishing leases at the Yountville veterans home. DGS typically establishes leases for shorter terms – normally up to a five-year duration, according to Mr. Gerard, though he said statute allows for longer terms. Mr. Gerard also explained to Commissioners that the terms of longer leases, such as the lease to the Vintner’s Golf Club to operate a golf course on the Yountville veterans home campus, likely were established with specific legislation that allowed for longer terms.

But, coordination between these agencies could be strengthened. In investigating the current leases on the Yountville property, the Commission received from DGS three versions of a spreadsheet, each containing different figures for the annual rental income generated through leases as the Yountville property. Additionally, officials from neither CalVet nor DGS could provide a concrete answer to specific questions about the terms of the golf course lease. Initial figures from DGS showed the lease would generate \$50,000 in annual rental income, through 2026, but later documents increased the annual income to \$70,000.<sup>62</sup> Despite the increase, department officials could not explain how the terms of this seemingly generous lease were set. CalVet officials explained that the terms of the lease were created more than 20 years ago and “the assumption is that it was based on fair market value at the time.”<sup>63</sup> However, shorter-term leases that currently are the norm for DGS do not have the benefit of accounting for the lifecycle of costs involved in maintaining and operating a new facility in the long-term. In a conversation with Commission staff, Mr. Feitelberg explained that major efforts, like UC Merced’s 2020 Project, require long-term fiscal and program projections – sometimes looking 40 or 50 years out. Major projects like these become impossible, he said, without moving out of government’s traditional one-year budget timeframe.<sup>64</sup> This type of long-term property management leasing currently falls outside the status quo for state government. Leadership with this experience and the authority to develop and execute a plan in years, not decades are critical for transforming this unique state land for the benefit of all Californians, but especially veterans.

More flexible and longer-term lease agreements could support both growth and renovation on the Yountville campus. Reflecting on lessons learned from his time at the Presidio Trust, Mr. Middleton told Commissioners that third party operators could be tasked with providing operations and maintenance of new on-campus housing, as is the case in the Presidio, using net operating income from rental

housing to meet campus needs such as maintenance. Authority to lease back some facilities, such as housing for veterans, should also be included in the toolbox, as well as some contracting flexibility he explained.<sup>65</sup>

“Lease revenue from a land lease, plus other common area charges, could serve to provide a stable source of revenue that could supplement financial resources provided by the state,” Mr. Middleton said. “Put another way, a focus on creating new sources of revenue to support operations and maintenance of the campus might free up state money for medical care and other essential programs.”<sup>66</sup>

Both the transformation of San Francisco’s Presidio and UC Merced’s 2020 Project demonstrate opportunities for the campus to maximize the value of state investment through long-term partnerships. Through legislation, lawmakers could provide additional guidance in how leases of the Yountville property and their proceeds are managed. Further clarification should be added to stipulate that the new entity is the lead agency in establishing leases on the property, with CalVet and DGS serving in a consultative role. There is some precedence for this model. According to the Legislative Counsel’s analysis, the Legislature in 1982 temporarily gave CalVet veto power over how property on the Yountville campus was leased by requiring DGS to obtain consent from CalVet prior to leasing land. However, this authority sunset in 1986. Currently, DGS has discretion to determine the terms and structure of leases on the campus and is not required to consult with CalVet.<sup>67</sup>

Additionally, should additional property on the campus be leased, the Legislature could establish a special fund to deposit proceeds and direct that funds be used to support California’s veterans, such as programs at the Yountville veterans home or in other veterans homes, or statewide programs to address mental health, addiction or homelessness among California’s veterans or to develop new programs that assist veterans who want to age in place at home and in their communities. There, too, is some precedence for specifying how proceeds from leases are used. In 1998, the Legislature amended the Military and Veterans Code to direct that money received from the lease of a portion of the home’s property for a golf course be made available annually to the administrator for special projects that provide a direct benefit to members of the home.<sup>68</sup>

## Conclusion

California has an unprecedented opportunity to create a new vision for the hundreds of acres it owns in Napa Valley. As previously recommended, CalVet should be empowered to move quickly to address public safety issues in the veterans housing and to partner to build a new skilled nursing facility. But for the remainder of the property, California needs an expert team with the ability and authority to plan and execute a new vision.

Unlike previous planning efforts that were largely conducted by outsiders, the plan for the future of the Yountville property must be developed in a collaborative fashion, with input from residents, veterans home staff, local community members and their representatives, business owners and veterans service organizations. State agencies, including CalVet and the Department of General Services also should have a role in the planning and design process. But, to achieve the bolder possibilities, neither department currently has the right resources to achieve a much larger vision for the Yountville campus.

A plan for the campus also should take into account the needs of the region and the community in which it is located. Considerations must be given to how changes to the campus might add traffic to the already congested highways or benefit the local school district by bringing in families with children. Creative strategies, such as building employee housing – should employees indicate such an option would be desirable, constructing new health care clinics or co-locating community college resources or classrooms on the campus should be considered for their benefit to the campus as well as community residents.

Increasingly, public-private partnerships are demonstrating how large construction or revitalization projects can be executed on time and on budget. With the help of partners in the federal government and private sector, California could leverage public-private partnership funding strategies to build new facilities and to renovate the historic buildings that populate the campus and attract new organizations to the campus. Additional partnerships with other state agencies and nonprofit organizations could use the revitalized buildings to house a range of additional services for residents of the campus as well as those in the local community.

To do the work, this new entity also must be afforded statutory authority to operate differently, and specifically to procure the contracts needed to design, build and bid in ways that offer more flexibility than traditional government processes. The UC Merced project's design-build-finance-operate-maintain procurement model, as well as other infrastructure projects identified in the Commission's 2010 report – and numerous others developed since – offer some models for successful development of public infrastructure through public-private partnerships.

The new entity also will require sufficient funding to develop a realistic plan and timeframe for implementation. This monumental effort requires a team of experts with experience in public finance, real estate, construction and historic renovation. State veterans leaders at CalVet and in other state-level partner organizations also should be part of the process, but as contributors to the plan, not its architects. Like the Presidio Trust, the new entity should develop a reasonable timeline for the Yountville property to become more financially self-sufficient – though without diminishing California's existing commitment to the veterans home program. Like the UC Merced 2020 Project, the project should use creative financing partnerships to ensure that the construction – and ongoing maintenance – of new facilities is done by a partner entity so that the state, and particularly CalVet, can focus on fulfilling its mission: providing the right kind of care within the veterans home. The project will require seed funding to start, but ongoing financial support for the project should be generated by leveraging partnerships and creative leasing strategies to bring in new business and services to the campus.

Revenue generated on the campus should be used to attract and build strategic partnerships and fund on-site projects, but a portion of proceeds also should be set aside in a special fund for CalVet to use to invest in veterans services. The value of the land in Yountville is such that if fully utilized, it could benefit veterans locally and statewide. Coupled with CalVet's assessment of statewide veterans' needs and services, funds generated on the Yountville campus could be targeted to help fill gaps in services, bolster existing programs or develop new ones. This type of investment would only extend the property's 150-year old legacy of serving the honorable men and women who served our country.

## Recommendations

### ***Recommendation 4: The Governor and Legislature should create a new, independent entity charged with planning, designing and managing the use of the Yountville property.***

- The Governor and Legislature should allocate one-time funds for planning and seed money to develop an overarching property management strategy.
- The new entity should be led by experts in public financing, real estate development, construction and historic preservation.
- In developing its long-term strategy, the new entity should include the California Department of Veterans Affairs and other state agencies with a role on the campus, as well as local government officials, veterans home residents and staff, local community members, historic preservationists and veterans service organizations.
- The plan should honor the campus' history as an Old Soldier's Home, but also should look for synergistic uses that could be leveraged to benefit the local community and also provide for veterans statewide.
- The new entity should be authorized to manage the leasing, maintenance, rehabilitation, repair and improvement of the Yountville property. Specifically, it also should be authorized to establish and manage long-term lease agreements on the campus, including those developed through innovative public-private partnerships, that both support growth and renovation of existing facilities. The California Department of Veterans Affairs should maintain responsibility for managing the Yountville veterans home program on the campus.
- The new entity should submit its plan to the Legislature after one year. The plan should include anticipated milestones.

- The new entity should report its activities to the Legislature annually, including a fiscal report and a description of progress on planned activities. All reports also should be made easily available to the public online.

### ***Recommendation 5: The Governor and Legislature should create a new fund to deposit revenue generated from the Yountville campus.***

- Revenue generated from on-campus leases should be deposited into a new fund for the benefit of the California Department of Veterans Affairs to use to fund veterans services statewide, including services offered at the Yountville veterans home. Investment decisions should be based on an assessment of the needs of California's veterans and the services available to them so that money supports programs and services that fill service gaps.



# Appendices

## Appendix A

### Public Hearing Witnesses

The lists below reflect the titles and positions of witnesses as the time of the hearings.

***Public Hearing on Veterans Home of California, Yountville  
June 22, 2017  
Sacramento, California***

Tiffani Andrade, Assistant Deputy Director of  
Community Development and Housing, California  
Department of Developmental Services

John Dunbar, Mayor, Town of Yountville

Daniel Feitelberg, Senior Advisor to the Chancellor,  
University of California, Merced

Dr. Vito Imbasciani, Secretary, California Department  
of Veterans Affairs

Jim Martone, Chief, Asset Management Branch,  
Department of General Services

Robert McKinnon, Assistant Chief, Asset Management  
Branch, Department of General Services

Craig Middleton, Former Executive Director, The  
Presidio Trust

James Musson, Treasurer, Yountville Allied Council

James Peifer, Resident, Yountville Veterans Home

Ed Warren, Chair, Yountville Allied Council

Amy Wall, Assistant Director of Developmental Center  
Closure, California Department of Developmental  
Services

Prior hearings related to this report.

***Public Hearing on CalVet Veterans Homes  
October 22, 2015  
Sacramento, California***

Keith Boylan, Deputy Secretary, Veterans Services  
Division, California Department of Veterans Affairs

Marina Fisher, Graduate Student Researcher, Berkeley  
Center for Health Technology

Theresa Gunn, Deputy Secretary, Farm and Home  
Loan Division, California Department of Veterans  
Affairs

Coby Petersen, Deputy Secretary, Veterans Homes,  
California Department of Veterans Affairs

Ted Puntillo, Director of Veterans Services, Solano  
County

***Public Hearing on CalVet Veterans Homes  
March 3, 2016  
Sacramento, California***

Timothy Bouseman, Administrator, Veterans Home of  
California, Redding

Coby Petersen, Deputy Secretary, Veterans Homes,  
California Department of Veterans Affairs

Ed Harries, Executive Director, Tennessee State  
Veterans Home Board

Charlene Taylor, Chair, California Veterans Board

Lael Hepworth, Administrator, Veterans Home of  
California, Chula Vista

Donald Veverka, Administrator, Veterans Home of  
California, Yountville

Dr. Vito Imbasciani, Secretary, California Department  
of Veterans Affairs

## Appendix B

### Advisory Committee Meeting Participants

The lists below reflect the titles and positions of participants at the time of the meetings.

#### *Advisory Committee Meeting on the Future of the Veterans Homes Program*

*June 17, 2016*

*West Los Angeles, California*

Monica Banken, Outreach Programs Coordinator,  
RAND Corporation

Inna Berger, President and Chief Executive Officer,  
Oxnard Family Circle ADHC

Ann Brown, Director, VA Greater Los Angeles  
Healthcare System

Jessica Brown-Mason, Director, The Salvation Army  
Haven

Hugh Crooks, Vice Chair, California Veterans Board

Kathy Gaither, Retired Annuitant, California  
Department of Veterans Affairs

Scotte Hartronft, Chief of Staff, VA Greater Los  
Angeles Healthcare System

Ted Howells, Chief Executive Officer, New Directions  
for Veterans

Sarah Hunter, Senior Behavioral Scientist, RAND  
Corporation

Dr. Vito Imbasciani, Secretary, California Department  
of Veterans Affairs

Elizabeth Laughton, Associate, Munger, Tolles & Olson  
LLP

Julian Manalo, Administrator, Veterans Home of  
California, West Los Angeles

Mike McManus, Veteran Services Officer, County of  
Ventura

Caroline Morales, Member, California Veterans Board  
and Lieutenant Colonel, U.S. Army

Stephen Peck, President and Chief Executive Officer,  
U.S. Vets

Milo Peinemann, Senior Director of Housing and  
Public Policy, New Directions for Veterans

Dr. Jonathan Sherin, Executive Vice President for  
Military Communities and Chief Medical Officer,  
Volunteers of America

Pouneh Simpson, Chief Financial Officer of Veterans  
Homes, California Department of Veterans Affairs

Paul Sullivan, Deputy Secretary, Communications  
and Public Affairs, California Department of Veterans  
Affairs

Fernando Torres-Gil, Professor of Social Welfare and  
Public Policy at UCLA and Director of the UCLA Center  
for Policy Research on Aging

Richard Valdez, Department Legislative Director,  
Disabled American Veterans Department of California

***Advisory Committee Meeting on the Future of the Yountville Veterans Home  
November 17, 2016  
Yountville, California***

Keith Armstrong, Director, San Francisco Veterans Affairs Health Care System Family Therapy Program, U.S. Department of Veterans Affairs

Lorena Barrera, Field Representative, Office of U.S. Congressman Mike Thompson

Thomas Bucci, Director of Long-Term Care, California Department of Veterans Affairs

Pete Conaty, Lieutenant Colonel, U.S. Army (Retired)

John Dunbar, Mayor of Yountville

Callie Freitas, Fiscal & Policy Analyst, Legislative Analyst's Office

David Gerard, Director, Capitol Development & Construction Division, California Department of Veterans Affairs

Dr. Vito Imbasciani, Secretary, California Department of Veterans Affairs

Liam Kelly, Principal, KPMG Infrastructure Advisory

Tracy Krumpen, District Director, Office of Senator Lois Wolk

Christine Loeber, Executive Director, The Pathway Home, Inc.

Julian Manalo, Administrator, Veterans Home of California, West Los Angeles

Craig Middleton, Former Executive Director, The Presidio Trust

Lourdes Morales, Senior Fiscal & Policy Analyst, Legislative Analyst's Office

John Moreno, Consultant, Office of Assemblymember Bill Dodd

Coby Petersen, Deputy Secretary, Veterans Homes of California, California Department of Veterans Affairs

Neil Remnant, Member, Allied Council

Bruce Saito, Director, California Conservation Corps

Pouneh Simpson, Chief Financial Officer of Veterans Homes, California Department of Veterans Affairs

John Spangler, Chief Consultant, Assembly Committee on Veterans Affairs

Ursula Stuter, Deputy Administrator, Veterans Home of California, Yountville

John Swensson, Veterans Advocate, De Anza College

J.P. Tremblay, Deputy Secretary, Legislation & Government Relations, California Department of Veterans Affairs

Donald Veverka, Administrator, Veterans Home of California, Yountville

Ed Warren, Chair, Yountville Allied Council

Leon Winston, Chief Operating Officer and Housing Director, Swords to Plowshares

## **Appendix C**

**Little Hoover Commission December 8, 2015 Letter to the Governor and Legislature regarding the Veterans Home of California, Yountville.**



*State of California*

# LITTLE HOOVER COMMISSION

December 8, 2015

Pedro Nava  
*Chairman*

The Honorable Edmund G. Brown Jr.  
Governor of California

Loren Kaye  
*Vice Chairman*

The Honorable Kevin de León  
President pro Tempore of the Senate  
and members of the Senate

The Honorable Jean Fuller  
Senate Minority Leader

David Beier  
Anthony Cannella  
*Senator*

The Honorable Toni G. Atkins  
Speaker of the Assembly  
and members of the Assembly

The Honorable Kristin Olsen  
Assembly Minority Leader

Jack Flanigan

Chad Mayes  
*Assemblymember*

Don Perata

Sebastian Ridley-Thomas  
*Assemblymember*

Richard Roth  
*Senator*

David Schwarz

Jonathan Shapiro

Sumi Sousa

Carole D'Elia  
*Executive Director*

Dear Governor and Members of the Legislature:

With this letter, the Little Hoover Commission is taking an unprecedented step in drawing immediate attention to critical infrastructure issues raised in a current review of the California Department of Veterans Affairs (CalVet) that began with a public hearing in October 2015, followed by a November site visit to the Yountville Veterans Home. At the hearing and on the site visit, the Commission learned that the Yountville Veterans Home, through deferred maintenance and neglect, is failing to provide the safe and dignified living environment that California veterans deserve. There are critical infrastructure repairs requiring immediate and ongoing attention at this once crown jewel of the state's veterans home program.

On the day of the Commission's visit, only one of the five elevators in the N.M. Holderman building – a multi-story skilled nursing facility housing 230 veterans – was functional. According to residents, the elevators have been broken for many months. It is unconscionable that these veterans who served our nation and now require wheelchairs, scooters and walkers for mobility, are seemingly trapped indoors waiting for the sole functioning elevator while state bureaucracy fails to move on timely repairs. It is our understanding that the department is now addressing this issue, but the length of time required for action reflects a systemic issue with facility management.

The Commission also learned that the antiquated heating system was out in one building at the home for more than a month. Because the state has not invested in new equipment, repairs take longer when parts are hard to find or have to be custom built. It is unacceptable that the men and women who risked their lives for our freedom should have to face additional health and safety hazards while living in a California veterans home. For Yountville to remain a safe, viable home, repairs and infrastructure upgrades are desperately needed. The Commission urges immediate action.

The Commission's review of CalVet stems in part from the Commission's work two years ago. In its 2013 report, *An Agenda for Veterans: The State's Turn to Serve*, the Commission called on policymakers to improve outreach to the state's nearly two million veterans and assist the federal government in reducing an unreasonably excessive backlog in processing claims. The Commission convened the October 2015 public hearing to assess the progress that CalVet has made implementing the recommendations from its 2013 report. I am pleased to report significant progress has been made in reducing the backlog of claims and expanding outreach to veterans. Testimony provided at the October 2015 hearing indicates the CalVet strike teams' assistance in claims processing has brought in nearly \$87 million in one-time payments to California veterans and additional annual payments of \$141 million.

Additional state funding provided to the County Veterans Service Officers helped hire more than 60 additional county-level staff who assisted in submitting over 13,000 new claims for veterans. This resulted in \$32 million in new federal benefits. The Commission commends policymakers for making these investments and recommends the state continue to measure and report the results of these efforts to the Legislature.

The October 2015 hearing served another purpose – to respond to a letter from Assemblymember Jacqui Irwin, Chair of the Assembly Committee on Veterans Affairs, asking the Commission to conduct a new assessment and provide “much needed recommendations to guide CalVet toward the standards of excellence our veterans deserve.” She noted “the extremely high degree of turnover in the very leadership team noted by the Commission as critical to progress and the continued lack of a systemic approach” to managing the state’s veterans homes. She specifically asked the Commission to assess the veterans home and home loan programs.

Since the Commission’s 2013 report, two secretaries have stepped down, three undersecretaries have left and there has been significant turnover in top administrators at a majority of the state’s eight veterans homes. The Commission welcomes the September appointment of Vito Imbasciani as the new Secretary and commends his willingness to accept the difficult challenge in restoring leadership and confidence in the department, particularly in the veterans homes division.

At the October 2015 hearing, the Commission learned that the once-beleaguered home loan program has overcome various challenges, including low utilization during the Great Recession, and is now providing needed and valuable lending services to a growing number of veterans. It is a self-sufficient program that likely will need voter approval for additional bond funding to continue to provide affordable home loans to California veterans.

Clearly the state can and must do better with its veterans homes program, which has grown in the past several years from three to eight homes. The program consumes approximately 80 percent of the department’s \$426.6 million budget, yet serves less than one percent – approximately 2,500 – of the state’s 1.8 million veterans. Much of the budget for the homes, approximately two-thirds, comes from the state General Fund. More importantly, the Commission learned that the quality of care, as measured by the Centers for Medicaid and Medicare Services, has fallen at all three of the older skilled nursing facilities from four- and five-star ratings – the highest possible – to two- and three-star ratings. On the health inspection rating, the only portion of the rating system that is not self-reported, two facilities scored one star, the lowest possible rating, while the third facility scored a two-star rating. This is not acceptable. The Commission intends to continue its review of the veterans home program with additional research, site visits and another public hearing in the State Capitol in 2016 and will provide recommendations later next year. But the Commission could not stand by as the study proceeds without drawing attention to the urgent maintenance and infrastructure issues at the Yountville home.

The Commission looks forward to assisting the Administration and the Legislature as it continues its review of the veterans home program and particularly looks forward to a timely update on the progress on the urgently needed infrastructure repairs at the Yountville home.

Sincerely,

A handwritten signature in dark ink, appearing to be 'P. Nava', written in a cursive style.

Pedro Nava  
Chairman

c: Assemblymember Jacqui Irwin  
Secretary Vito Imbasciani



## Appendix D

### Timeline: Property Sales and Acquisitions on the Yountville Veterans Home Campus

The following timeline includes a selection of property sales and acquisitions of the Yountville veterans home property. It is not intended to be a comprehensive list, but is as inclusive as records allow.

**1884:** A San Francisco veterans' organization opened a residential and care facility for Mexican War and Civil War veterans in Yountville, California.<sup>1</sup>

**1897, March 11:** Legislation was enacted to authorize the Governor and State Attorney General to acquire the property on behalf of the State of California, with the specification that it would "continue to be used as a home for aged and indigent United States ex-soldiers, sailors, and marines."<sup>2</sup>

**1899, January 17:** The Veterans Home Association sold the land and facilities on the Yountville campus to California Governor Henry Gage and Attorney General Tirey Ford for a 10-dollar gold coin. The deed again reiterated that property would be maintained as a home for veterans.<sup>3</sup> [The deed does not specify the size of the land acquisition, but estimates from the Department of General Services place it around 910-acres.]<sup>4</sup>

**1905, June 14:** The Department of Veterans Affairs acquires a 1.78 acre parcel from the Veterans Home Association for \$3,000.<sup>5</sup>

**1939, April 24:** The Department of Veterans Affairs acquires a 10-acre parcel from Hotchkiss Estate Co. for \$1,020.<sup>6</sup>

**1956, September 11:** The State sold a parcel containing approximately 298 acres of the Yountville property to H.L. Page, Dan S. Page and Sidney I. Volz for a sum of \$3,900. This sale included an easement and right-of-way across the Veterans home campus in order to establish roads to access the property.<sup>7</sup>

**1958, October 20:** The Department of Veterans Affairs transfers a 14.051-acre parcel of the Yountville property to the Department of Public Works, Division of Highways and a 0.098-acre parcel for a utility easement for \$31,270.30, in order to widen and improve the existing state highway located adjacent to the property.<sup>8</sup>

**1959:** The Department of Veterans Affairs transfers a 0.925 acre parcel of the Yountville property to the Division of Highways.

**1974, July 1:** The Department of General Services quitclaims a portion of the property (does not specify size of parcel) to F.R. Didion. A quitclaim deed is a legal vehicle used to transfer real estate property ownership.

**1975, March 13:** The Department of General Services quitclaims a portion of the property (does not specify size of parcel) to the Town of Yountville under the condition that the property be "used only for public park recreational purposes for a period of 25 years." The deed specifies that any violation may result in the reversion of property to the State.

**1978, January 13:** The Department of Veterans Affairs quitclaims a parcel of 6.88 acres, including several easements, to the Town of Yountville to be used to develop a sewer facility. The quitclaim deed specifies that "the real property herein conveyed shall be used for public purposes," and the property may be reverted to the State should there be any violations of this stipulation.

**2017:** The Department of General Services Statewide Property Inventory indicates that the Yountville Veterans Home Property comprises of three parcels totaling 615.67 acres.

## Notes For Appendix D

- 1 The Virtual Museum of the City of San Francisco. "Veterans Home of California, Yountville, California. A Brief History: In the Beginning." Accessed February 6, 2017. <http://www.sfmuseum.org/hist1/vets.html>.
- 2 Statutes of 1897, Chapter 101.
- 3 California State Archives. State Land Deed, Yountville, #69-00006.
- 4 Department of General Services, Real Estate Services Division. Parcel Report for Parcel 6900006.
- 5 Department of General Services, Real Estate Services Division. Parcel Report for Parcel 6900008.
- 6 Department of General Services, Real Estate Services Division. Parcel Report for Parcel 6900034.
- 7 California State Archives. State Land Deed, Yountville, #69-00006, E8101.
- 8 California State Archives. State Land Deed, Yountville, #69-00006, IV-Nap-49-B, #19119.

## **Appendix E**

### **Cover Photo Credits**

Photo: Courtesy of the California Department of Veterans Affairs.

# Notes

- 1 The Virtual Museum of the City of San Francisco. "Veterans Home of California, Yountville, California. A Brief History: In the Beginning." Accessed February 6, 2017. <http://www.sfmuseum.org/hist1/vets.html>.
- 2 Dr. Vito Imbasciani, Secretary, California Department of Veterans Affairs. May 24, 2016. Assembly Veterans Affairs Committee. Accessed September 1, 2016 at [http://calchannel.granicus.com/MediaPlayer.php?view\\_id=7&clip\\_id=3746](http://calchannel.granicus.com/MediaPlayer.php?view_id=7&clip_id=3746).
- 3 Members of the Allied Council, Yountville Veterans Home. November 13, 2015. Personal communication with Commission staff.
- 4 Coby Petersen, Deputy Secretary for Veterans Homes, California Department of Veterans Affairs. March 3, 2016. Written testimony to the Commission.
- 5 Nursing Home Compare, Medicare.gov. "Fire Safety Inspection Summary for Veterans Home of California – Yountville – SNF." Accessed September 1, 2016 at <https://www.medicare.gov/nursinghomecompare/previousinspections.html?ID=555095&In-spn=FIRE&profTab=1&Dist-n=0.7&loc=YOUNTVILLE%2C%20CA&lat=38.4015781&lng=-122.3608105>.
- 6 Dr. Vito Imbasciani, Secretary, California Department of Veterans Affairs. June 13, 2016. Personal communication with Commission staff.
- 7 Dr. Vito Imbasciani, Secretary, California Department of Veterans Affairs. June 22, 2017. Testimony to the Commission.
- 8 Department of Finance. Budget Change Proposals and Finance Letters. Fiscal Years 2016-17 and 2017-18. BCPs for the Department of Veterans Affairs. Accessed August 25, 2017 at <http://web1a.esd.dof.ca.gov/dofpublic/viewBcp.html?yr=1617>.
- 9 James Peifer, Resident, Yountville Veterans Home. June 22, 2017. Testimony to the Commission.
- 10 Dr. Vito Imbasciani, Secretary, California Department of Veterans Affairs. March 21, 2017. Joint Legislative Oversight Hearing: California Department of Veterans Affairs (CalVet): Policy Priorities for Year 2017. Sacramento, CA.
- 11 Dr. Vito Imbasciani, Secretary, California Department of Veterans Affairs. March 3, 2016. Written testimony to the Commission.
- 12 James Peifer. See endnote 9.
- 13 James Peifer. See endnote 9.
- 14 Military and Veterans Code, Section 1044.5.
- 15 Beth Muszynski, Chief, Research and Program Review, California Department of Veterans Affairs. August 9, 2017. Personal communication with Commission staff. Also, California Department of Aging, Long-Term Care Ombudsman Program. Overview. Accessed on August 25, 2017 at <http://www.aging.ca.gov/programs/ltcop/>.
- 16 Dr. Vito Imbasciani, Secretary, California Department of Veterans Affairs. June 22, 2017. Written testimony to the Commission.
- 17 Edmund G. Brown Jr., Governor, State of California. "2017 California Five-Year Infrastructure Plan." <http://www.ebudget.ca.gov/2017-Infrastructure-Plan.pdf>.
- 18 Dr. Vito Imbasciani. See endnote 16.
- 19 California Department of Veterans Affairs. December 10, 2012. Veterans Home of California Yountville Facilities Master Plan Evaluation.
- 20 Statutes of 1897, Chapter 101.
- 21 Legislative Counsel Bureau. May 26, 2017. Veterans' Home of California - #1711469. Citing Heinly v. Lolli (1969).
- 22 Military and Veterans Code, Section 1023, Statutes of 2009, Chapter 140, Section 138.
- 23 Military and Veterans Code, Section 1023.
- 24 Government Code Section 14670. Also, Jim Martone, Asset Management Branch Chief, Real Estate Services Division, Department of General Services. June 22, 2017. Testimony to the Commission.
- 25 Beth Muszynski, Chief, Research and Program Review, California Department of Veterans Affairs. July 10, 2017. Personal communication with Commission staff.
- 26 Andrew Sturmfels, Deputy Director, Legislative Affairs, Department of General Services. July 11, 2017. Personal communication with Commission staff.
- 27 Legislative Counsel Bureau. See endnote 21.
- 28 California Constitution, Article 3, [Section 9](#). Also, California Secretary of State. November 2004 Official Voter Information Guide. Proposition 60A (2004). Accessed May 18, 2017 at <http://vig.cdn.sos.ca.gov/2004/general/propositions/prop60atext.pdf>.
- 29 Department of General Services. December 29, 2015. 2015 Surplus Real Property Annual Report to the State Legislature. Accessed on May 18, 2017 at <https://www.documents.dgs.ca.gov/Legi/Publications/2015LegislativeReports/SurplusPropertyReport2015.pdf>.

- 30 Robert McKinnon, Assistant Chief, Asset Management Branch; Tony Psihopaidas, Manager, State Owned Leasing and Development Unit; and Leslie McBride, Deputy Director, Real Estate Services Division, Department of General Services. March 27, 2017. Personal communication with Commission staff.
- 31 Jessica Gundy Cuneo, Ph.D. May 5, 2016. "The Pathway Home: A Needs Assessment for Future Direction." Using data from the American Community Survey.
- 32 U.S. Department of Veterans Affairs. "Facilities in California." Accessed September 16, 2016 at [http://www.va.gov/DIRECTORY/GUIDE/fac\\_list\\_by\\_state.cfm?State=CA&dnum=All](http://www.va.gov/DIRECTORY/GUIDE/fac_list_by_state.cfm?State=CA&dnum=All).
- 33 Little Hoover Commission Advisory Meeting. November 17, 2016. Yountville, CA.
- 34 Little Hoover Commission. See endnote 33.
- 35 Little Hoover Commission. See endnote 33.
- 36 Leon Winston, Chief Operating Officer, Swords to Plowshares. September 21, 2016. Personal communication with Commission staff.
- 37 John Dunbar, Mayor, Town of Yountville. June 22, 2017. Testimony to the Commission.
- 38 Tim Kamermayer, Legislative Advocate, and Ashley Martinez, Legislative Advocate, SEIU Local 1000. July 5, 2017. Personal communication with Commission staff.
- 39 John Dunbar, Mayor, Town of Yountville. June 22, 2017. Testimony to the Commission.
- 40 John Dunbar, Mayor, Town of Yountville. March 20, 2017. Personal communication with Commission staff.
- 41 Little Hoover Commission. See endnote 33.
- 42 California Health and Human Services Agency. January 13, 2014. "Plan for the Future of Developmental Centers in California: Report to the Legislature pursuant to Assembly Bill 89, Section 14(a) (Chapter 25, Statutes of 2013)."
- 43 Amy Wall, Assistant Director of Developmental Center Closure, Department of Developmental Services. June 22, 2017. Testimony to the Commission.
- 44 Christian Kallen, Index-Tribune Staff Writer, Sonoma Index-Tribune. May 15, 2017. "State launches Sonoma Developmental Center site assessment." Accessed May 19, 2017 at <http://www.sonomanews.com/news/6988831-181/state-orders-sonoma-developmental-center?artslide=0>.
- 45 [ACR 77 \(Lackey\)](#). April 26, 2017. Developmental centers.
- 46 California State Auditor. Report 2012-119. "California Department of Veterans Affairs: It Has Initiated Plans to Serve Veterans Better and More Cost Efficiently, but Further Improvements Are Needed." Page 33
- 47 California State Auditor. Report 2012-119 Recommendation 5 Responses. Accessed August 25, 2017 at <http://auditor.ca.gov/reports/responses/2012-119/5>.
- 48 Little Hoover Commission. See endnote 33.
- 49 The Canadian Council for Public-Private Partnerships. Canadian PPP Project Database. Search: Sector – Health, Current State – Operational, Government Level – Provincial/Territorial. Accessed September 20, 2016 at <http://projects.pppcouncil.ca/ccppp/src/public/search-project>.
- 50 University of California, Merced. Merced 2020: Project Objectives. Accessed May 16, 2017 at <http://merced2020.ucmerced.edu/component%20overview>.
- 51 Daniel Feitelberg, Vice Chancellor of Planning and Budget, UC Merced. June 22, 2017. Written testimony to the Commission.
- 52 Daniel Feitelberg. See endnote 51.
- 53 Daniel Feitelberg. See endnote 51. Also, University of California, Merced. Merced 2020: Project Funding. Accessed May 16, 2017 at <http://merced2020.ucmerced.edu/financestructure>.
- 54 The Presidio Trust. Mission and History. Accessed May 17, 2017 at <http://www.presidio.gov/presidio-trust/about/mission-and-history>.
- 55 Craig Middleton, Former Executive Director, The Presidio Trust. June 22, 2017. Testimony to the Commission. Also, the Presidio Trust. 2015. Strategy 2020: Unleashing the Promise of the Presidio. Accessed May 17, 2017 at <http://www.presidio.gov/presidio-trust/Shared%20Documents/Strategy%202020.pdf>.
- 56 Craig Middleton, former director, Presidio Trust. September 21, 2016. Personal communication with Commission staff.
- 57 Craig Middleton. See endnote 55.
- 58 Craig Middleton. See endnote 55.
- 59 Craig Middleton. See endnote 55.
- 60 Daniel Feitelberg. See endnote 51.
- 61 Daniel Feitelberg, Senior Advisor to the Chancellor, UC Merced. May 11, 2017. Personal communication with Commission staff.

62 Andrew Sturmfels, Deputy Director, Legislative Affairs, Department of General Services. July 7, 2017. Personal communication with Commission staff. Also, Robert McKinnon, Assistant Branch Chief, Asset Management Branch, Department of General Services. March 27, 2017. Personal communication with Commission staff.

63 Beth Muszynski. See endnote 25.

64 Daniel Feitelberg. See endnote 61.

65 Craig Middleton. See endnote 55.

66 Craig Middleton. See endnote 55.

67 Military and Veterans Code, Section 1023.

68 SB 2189 (Knight). Chapter 1071, Statutes of 1998.



# Little Hoover Commission Members

**Chairman Pedro Nava** (*D-Santa Barbara*) Appointed to the Commission by former Speaker of the Assembly John Pérez in April 2013 and reappointed by Speaker of the Assembly Anthony Rendon in 2017. Government relations advisor. Former state Assemblymember from 2004 to 2010. Former civil litigator, deputy district attorney and member of the state Coastal Commission. Elected chair of the Commission in March 2014.

**Vice Chairman Sean Varner** (*R-Riverside*) Appointed to the Commission by Governor Edmund Brown Jr. in April 2016. Managing partner at Varner & Brandt LLP where he practices as a transactional attorney focusing on mergers and acquisitions, finance, real estate and general counsel work.

**David Beier** (*D-San Francisco*) Appointed to the Commission by Governor Edmund G. Brown Jr. in June 2014. Managing director of Bay City Capital. Former senior officer of Genentech and Amgen. Former counsel to the U.S. House of Representatives Committee on the Judiciary. Serves on the board of directors for the Constitution Project.

**Iveta Brigis** (*D-Los Gatos*) Appointed to the Commission by Governor Edmund G. Brown Jr. in April 2017. Open Sourcing People Operations Program lead at Google Inc. since 2014, and looks after re:Work, Google's initiative to open source data-driven HR practices.

**Senator Anthony Cannella** (*R-Ceres*) Appointed to the Commission by the Senate Rules Committee in January 2014. Elected in November 2010 and re-elected in 2014 to represent the 12th Senate District. Represents Merced and San Benito counties and a portion of Fresno, Madera, Monterey and Stanislaus counties.

**Joshua LaFarga** (*NPP-Wilmington*) Appointed to the Commission by Speaker of the Assembly Anthony Rendon in June 2017. Director of public and government affairs and as recording secretary and executive board member at LiUNA! Local 1309.

**Assemblymember Chad Mayes** (*R-Yucca Valley*) Appointed to the Commission by former Speaker of the Assembly Toni Atkins in September 2015. Elected in November 2014 to represent the 42nd Assembly District. Represents Beaumont, Hemet, La Quinta, Palm Desert, Palm Springs, San Jacinto, Twentynine Palms, Yucaipa, Yucca Valley and surrounding areas.

**Don Perata** (*D-Orinda*) Appointed to the Commission in February 2014 and reappointed in January 2015 by the Senate Rules Committee. Political consultant. Former president pro tempore of the state Senate, from 2004 to 2008. Former Assemblymember, Alameda County supervisor and high school teacher.

**Assemblymember Bill Quirk** (*D-Hayward*) Appointed to the Commission by Speaker of the Assembly Anthony Rendon in 2017. Elected in November 2012 to represent the 20th Assembly District. Represents Hayward, Union City, Castro Valley, San Lorenzo, Ashland, Cherryland, Fairview, Sunol and North Fremont.

**Senator Richard Roth** (*D-Riverside*) Appointed to the Commission by the Senate Rules Committee in February 2013. Elected in November 2012 to represent the 31st Senate District. Represents Corona, Coronita, Eastvale, El Cerrito, Highgrove, Home Gardens, Jurupa Valley, March Air Reserve Base, Mead Valley, Moreno Valley, Norco, Perris and Riverside.

**Janna Sidley** (*D-Los Angeles*) Appointed to the Commission by Governor Edmund Brown Jr. in April 2016. General counsel at the Port of Los Angeles since 2013. Former deputy city attorney at the Los Angeles City Attorney's Office from 2003 to 2013.

**Helen Torres** (*NPP-San Bernardino*) Appointed to the Commission by Governor Edmund Brown Jr. in April 2016. Executive director of Hispanas Organized for Political Equality (HOPE), a women's leadership and advocacy organization.

"Democracy itself is a process of change, and satisfaction and complacency are enemies of good government."

Governor Edmund G. "Pat" Brown,  
addressing the inaugural meeting of the Little Hoover Commission,  
April 24, 1962, Sacramento, California